

Service Agreement End-of-year Final Allocations (Abridged)

An agreement between:

Department of Health Chief Executive Officer

And

East Metropolitan Health Service

for the period

1 July 2018 – 30 June 2019

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BACKGROUND

- A. On 1 July 2018, pursuant to section 46 of the *Health Services Act 2016* (the Act) the Parties entered into a Service Agreement. Section 46(4) of the Act provides that the Service Agreement is binding on the Parties.
- B. The Service Agreement details the health services that the Department CEO will purchase from the East Metropolitan Health Service (EMHS) and the health services EMHS will deliver during the 2018-19 financial year.
- C. The State Mid-Year Review handed down on 20 December 2018 changed the funding set out in the Service Agreement and an amendment to these was executed through a Mid-year Review Deed of Amendment.
- D. Since the State Mid-year Review and up to 30 June 2019 changes to the funding set out in the Mid-year Review Deed of Amendment have occurred and an amendment to these is required.
- E. This document is not required to be executed in accordance with section 41 of the Act as all amendments have been approved through other processes.

DEFINED TERMS

In this EOY Final Allocations:

1. **EOY** means End-of-year and refers to the 2018-19 Financial year
2. **EOY Final Allocations** means this document
3. **MYR Deed** means the Health Service Provider Mid-Year Review Deed of Amendment 2018–19 between the Parties
4. **Parties** means the parties to the Service Agreement, the MYR Deed and to the EOY Final Allocations and “Party” means any one of them

1. OPERATION OF AMENDMENTS

The Service Agreement, including amendments contained in the MYR Deed, will be read and construed subject to this EOY Final Allocations, and in all other respects the provisions of the Service Agreement are confirmed, and subject to the terms of the amendments contained in this EOY Final Allocations and the Service Agreement will continue in full force and effect in accordance with its terms.

This EOY Final Allocations is governed by and will be construed according to the laws in force in Western Australia.

2. ENTIRE AGREEMENT

This EOY Final Allocations together with the Service Agreement, including amendments contained in the MYR Deed, constitutes the entire agreement between the Parties and supersedes any previous agreement between the Parties as to the subject matter of this EOY Final Allocations.

3. AMENDMENTS TO SERVICE AGREEMENT

With effect from the date of this EOY Final Allocations the Service Agreement is varied so that:

- (a) The Schedule B: Summary of Activity and Funding table at page 21 of the Service Agreement, as amended by MYR Deed, is amended. This amendment is attached hereto and marked as Annexure 1.

4. PUBLICATION OF EOY FINAL ALLOCATIONS

The Department will publish an abridged version of this EOY Final Allocations on the WA health system internet site, in accordance with Schedule D9 of the National Health Reform Agreement.

Annexure 1

B: EMHS Summary of Activity and Funding

OBM Service	2018-19		2018-19		2018-19		2018-19		2018-19	
	Executed Service Agreement		Changes from SA to MYR DOA		Mid-Year Review Deed of Amendment		Changes MYR DOA to EOY Final Alloc.		End-of-Year Final Allocations	
	WALUs	\$'000	WALUs	\$'000	WALUs	\$'000	WALUs	\$'000	WALUs	\$'000
01 Public Hospital Admitted Services	144,641	947,561	543	3,437	145,184	950,998	473	8,055	145,657	959,054
02 Public Hospital Emergency Services	28,520	185,243	—	47	28,520	185,290	—	586	28,520	185,876
03 Public Hospital Non-Admitted Services	24,958	164,357	—	107	24,958	164,464	—	719	24,958	165,183
04 Mental Health Services	17,133	182,757	1,169	7,510	18,302	190,266	—	(271)	18,302	189,995
05 Aged and Continuing Care Services	—	9,694	—	(726)	—	8,968	—	3,471	—	12,439
06 Public and Community Health Services	—	28,321	—	4,340	—	32,660	—	45	—	32,706
07 Community Dental Health Services	—	—	—	—	—	—	—	—	—	—
08 Small Rural Hospital Services	—	—	—	—	—	—	—	—	—	—
09 Health System Management - Policy and Corporate S	—	—	—	—	—	—	—	—	—	—
10 Health Support Services	—	—	—	—	—	—	—	—	—	—
Total	215,252	1,517,932	1,712	14,714	216,964	1,532,646	473	12,607	217,437	1,545,253

Notes

- The figures in all schedules include an allocation for Financial Products, HSS-RRFOC, PathWest-RRFOC and System Manager Initiatives. These may be subject to change.
- Mid-Year Review Deed of Amendment (MYR Deed) reflects adjustments endorsed by the WA State Government through the 2018-19 Mid-Year Review process as well as all other approved adjustments that have occurred since the release of the Service Agreement 2018-19 on 1 July 2018.
- End-of-year (EOY) Final Allocations reflects all other approved adjustments that have occurred since the release of the MYR Deed in January 2019.

EMHS Commonwealth Specific Purpose Payment Activity and Funding

ABF Service group	National Efficient Price (NEP \$) (as set by IHPA)	Total Expected NWAUs (#)	Commonwealth	
			Funding Rate (%)	Contribution (\$)
Acute Admitted	5,012	118,717	42.6	253,565,289
Admitted Mental Health	5,012	15,008	37.8	28,439,772
Sub-Acute	5,012	13,626	35.3	24,104,416
Emergency Department	5,012	25,255	41.0	51,952,229
Non Admitted	5,012	23,629	50.6	59,930,467
ABF Total	5,012	196,235	42.5	417,992,173

Non-ABF Service group	Total Contribution (\$)	Commonwealth		State Contribution (\$)
		Contribution (\$)	Funding Rate (%)	
Non Admitted Mental Health	64,229,978	19,426,326	30.2	44,803,652
Other "In scope" Program Services	—	—	—	—
Rural CSO sites	—	—	—	—
Teaching, Training and Research	63,989,780	24,524,513	38.3	39,465,267
Total Block Funding	128,219,758	43,950,839	34.3	84,268,919

Note:

This schedule relates to Commonwealth "in-scope" activity only and is a subset of the Summary of Activity and Funding Schedule