

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

An agreement between:

Department of Health Chief Executive Officer

And

PathWest Laboratory Medicine WA

for the period

1 July 2020 – 30 June 2021

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BACKGROUND

- A. With effect from 1 July 2020, pursuant to section 46 of the *Health Services Act 2016* (the Act) the Parties entered into a Service Agreement (Interim). Section 46(4) of the Act provides that the Service Agreement is binding on the Parties.
- B. This Service Agreement was interim in its nature to reflect the delay in the 2020-21 State budget due to the COVID-19 pandemic.
- C. The Service Agreement details the health services that the Department CEO will purchase from the PathWest Laboratory Medicine WA (PathWest) and the health services PathWest will deliver during the 2020-21 financial year.
- D. The State Budget handed down on 8 October 2020 changed the funding set out in the Service Agreement and an amendment was executed through a Budget Deed of Amendment.
- E. The State Mid-year Review published on 14 December 2020 further changed the budget allocations set out in the Service Agreement and Budget Deed of Amendment and an amendment was executed through a Mid-year Review Deed of Amendment.
- F. Since the State Mid-year Review and up to 30 June 2021 changes to the budget allocations set out in the Mid-year Review Deed of Amendment have occurred and an amendment to these is required.
- G. 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 Deed:

1. **EOY** means End-of-year and refers to the 2020-21 Financial year
2. **EOY Final Allocations** means this document
3. **MYR Deed** means the Health Service Provider Mid-Year Review Deed of Amendment 2020-21 between the Parties.

1. OPERATION OF AMENDMENTS

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

Each Party will promptly do and perform all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that Party) required by law or reasonably requested by any other Party to give effect to this Deed.

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

2. ENTIRE AGREEMENT

This Deed together with the Service Agreement, including amendments contained in the Budget Deed and 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 Deed.

3. AMENDMENTS TO SERVICE AGREEMENT

With effect from the date of this Deed the Parties agree that the Service Agreement is varied so that:

- (a) The Schedule B: Summary of Activity and Funding table at page 25 of the Service Agreement, as amended by the Budget Deed and the MYR Deed, is amended. This amendment is attached hereto and marked as Annexure 1.

4. PUBLICATION OF DEED

The Department will publish an abridged version of this Deed on the WA Health internet site, in accordance with Schedule D9 of the National Health Reform Agreement. Any subsequent amendments to this Deed together with the Service Agreement will also be published in accordance with Schedule D9 of the National Health Reform Agreement.

Annexure 1

B: PathWest Summary of Activity and Funding

OBM Service	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
	Service Agreement (Interim)	Changes from SA to BUD DOA	Changes from BUD DOA to MYR DOA	Mid-Year Review Deed of Amendment	Changes MYR DOA to EOY Final Alloc.	End-of-Year Final Allocations
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
01 Public Hospital Admitted Services	—	—	—	—	—	—
02 Public Hospital Emergency Services	—	—	—	—	—	—
03 Public Hospital Non-Admitted Services	—	—	—	—	—	—
04 Mental Health Services	—	—	—	—	—	—
05 Aged and Continuing Care Services	—	—	—	—	—	—
06 Public and Community Health Services	—	—	—	—	—	—
07 Pathology Services	233,783	1,300	4,105	239,187	2,446	241,633
08 Community Dental Health Services	—	—	—	—	—	—
09 Small Rural Hospital Services	—	—	—	—	—	—
10 Health System Management - Policy and Corporate Services	—	—	—	—	—	—
11 Health Support Services	—	—	—	—	—	—
Government Corrective Measures	(14,197)	—	—	(14,197)	—	(14,197)
Health Allocation Adjustments	114,160	3,979	15,521	133,660	17,271	150,930
Total—Activity and Funding	333,746	5,279	11,082	350,107	28,260	378,367
Less Income	(198,302)	(1,200)	(31,683)	(231,185)	—	(231,185)
Net—Activity and Funding	135,444	4,079	(20,600)	118,922	28,260	147,182

Notes

- a. “Less income” is the estimated value of revenue from sources other than State Appropriations.