

Service Agreement End-of-year Final Allocations 2023-24 (Abridged)

An agreement between:

Department of Health Chief Executive Officer

and

South Metropolitan Health Service

for the period

1 July 2023 – 30 June 2024

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BACKGROUND

- A. With effect from 1 July 2023, pursuant to section 46 of the Health Services Act 2016 (the Act) the Parties entered into a 2023-24 Service Agreement. Section 46(4) of the Act provides that the 2023-24 Service Agreement is binding on the Parties.
- B. The 2023-24 Service Agreement details the health and other services that the Department CEO will purchase from the South Metropolitan Health Service (SMHS) and the health and other services SMHS will deliver during the 2023-24 financial year.
- C. Updated 2023-24 budget allocations have been advised by letter to SMHS since 1 July 2023, where applicable.
- D. Since the 2023-24 Service Agreement and up to 30 June 2024, changes to the budget allocations may 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.

1. OPERATION OF AMENDMENTS

The 2023-24 Service Agreement will be read and construed subject to this End-of-Year Final Allocations, and in all other respects the provisions of the 2023-24 Service Agreement are confirmed, and subject to the terms of the amendments contained in this End-of-Year Final Allocations, will continue in full force and effect in accordance with its terms.

This End-of-Year Final Allocations is governed by and will be construed according to the laws in force in Western Australia.

2. ENTIRE AGREEMENT

This End-of-Year Final Allocations together with the 2023-24 Service Agreement constitutes the entire agreement between the Parties and supersedes any previous agreement between the Parties as to the subject matter of this End-of-Year Final Allocations.

3. AMENDMENTS TO SERVICE AGREEMENT

With effect from the date of this End-of-Year Final Allocations the 2023-24 Service Agreement is varied so that:

- (a) The Schedule B: SMHS Summary of Activity and Funding table at page 26 of the 2023-24 Service Agreement is amended. This amendment is attached hereto and marked as Annexure 1.

4. PUBLICATION OF END-OF-YEAR FINAL ALLOCATIONS

The Department will publish an abridged version of this End-of-Year Final Allocations on the WA Health internet site, in accordance with Schedule E8 of the NHRA. Any subsequent amendments to this End-of-Year Final Allocations together with the Service Agreement will also be published in accordance with Schedule E8 of the NHRA.

Annexure 1

B: Summary of Activity and Funding

OBM Service	2023-24 Service Agreement		2023-24 Changes from SA to EOY Final Alloc.		2023-24 End-of-Year Final Allocations	
	WAUs	\$'000	WAUs	\$'000	WAUs	\$'000
01 Public Hospital Admitted Services	188,558	1,326,804	8,925	109,328	197,483	1,436,132
02 Public Hospital Emergency Services	31,092	217,842	1,306	15,988	32,398	233,830
03 Public Hospital Non-Admitted Services	42,594	297,543	2,194	26,943	44,788	324,486
04 Mental Health Services	15,286	210,531	—	2,884	15,286	213,415
05 Aged and Continuing Care Services	—	15,913	—	2,510	—	18,423
06 Public and Community Health Services	—	33,857	—	3,039	—	36,895
07 Pathology Services	—	—	—	—	—	—
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 (GCM)	—	(234)	—	(25)	—	(259)
Health Allocation Adjustments (HAA)	—	217,971	—	35,950	—	253,921
Total—Operating Activity and Funding	277,530	2,320,227	12,425	196,616	289,955	2,516,843
Less Income	—	(196,471)	—	—	—	(196,471)
Net—Operating Activity and Funding	277,530	2,123,756	12,425	196,616	289,955	2,320,372
Asset Investment Program	—	54,630	—	18,203	—	72,833

SMHS—Commonwealth and State contributions to the National Health Funding Pool

	National Efficient Price (as per IHPA)	Total Expected NWAUs	Total Contribution	Commonwealth		State
				Contribution	Funding Rate	Contribution
ABF Service group	(NEP \$)	(#)	(NEP \$)	(NEP \$)	(%)	(NEP \$)
Acute Admitted	6,032	165,964	1,001,092,485	411,130,606	41.1	589,961,879
Admitted Mental Health	6,032	14,586	87,981,454	28,651,016	32.6	59,330,438
Sub-Acute	6,032	15,679	94,577,569	52,646,958	55.7	41,930,611
Emergency Department	6,032	29,574	178,388,065	73,083,008	41.0	105,305,057
Non Admitted	6,032	34,879	210,391,709	102,893,267	48.9	107,498,442
Total ABF	6,032	260,682	1,572,431,282	668,404,855	42.5	904,026,427
Non-ABF Service group			(\$)	(\$)	(%)	(\$)
Non Admitted Mental Health			82,040,823	28,935,023	35.3	53,105,801
Non Admitted CAMHS			—	—	—	—
Non Admitted Home Ventilation			2,307,046	1,038,171	45.0	1,268,876
Rural CSO sites			—	—	—	—
Teaching, Training and Research			83,662,516	32,992,575	39.4	50,669,940
Highly Specialised Therapies			8,800,000	2,518,520	28.6	6,281,480
Total Block Funding			176,810,385	65,484,289	37.0	111,326,097

Note:

This schedule relates to Commonwealth "in-scope" activity only, it is based on the NEP value and is a subset of the Summary of Activity and Funding Schedule of the Service Agreement.

The Commonwealth contribution amounts include the outcomes of the 2022-23 NHRA reconciliation, however not the NPCR adjustment.

The CCR reflects these adjustments and relates to the annual revenue, not the actual entitlement.