

# Children's Health Queensland Hospital and Health Service

## 2013/14 – 2015/16 Service Agreement Deed of Amendment

January 2014

Children's Health Queensland Hospital and Health Service 2013/14 – 2015/16 Service Agreement  
Deed of Amendment January 2014  
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**CHILDREN'S HEALTH QUEENSLAND HOSPITAL AND  
HEALTH SERVICE  
2013/14 – 2015/16 SERVICE AGREEMENT  
DEED OF AMENDMENT**

**Parties**

**Children's Health Queensland Hospital and Health Service**

And

**Queensland Health**

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## Introduction

In accordance with section 35 of the *Hospital and Health Boards Act 2011*, a service agreement is in place between the parties to this deed.

The service agreement is binding on the parties and can be amended in accordance with section 39 of the *Hospital and Health Boards Act 2011* and the terms of the service agreement.

The parties have agreed to vary the terms of the service agreement on the terms of this deed.

The amendments made by this deed will be published on the Hospital and Health Service Service Agreements website within 14 calendar days of the effective date of this deed.

## Definitions

In this deed:

**Amendment Proposal** means the written notice of a proposed amendment to the terms of the service agreement by the Chief Executive (or delegate) or the Hospital and Health Service (HHS) to the other party, as required under section 39 of the *Hospital and Health Boards Act 2011*.

**Chair** means the Chair of the Hospital and Health Board of the Hospital and Health Service.

**Chief Executive** means the Chief Executive of the department administering the *Hospital and Health Boards Act 2011*.

**Department of Health** means Queensland Health, acting through the Chief Executive.

**Deed of Amendment** means the resolved amendment proposals.

**Effective Date** means the date the deed is executed (signed) by both parties.

**Hospital and Health Board** means the Hospital and Health Board appointed under section 23 of the *Hospital and Health Boards Act 2011*.

**Parties** means the parties to the service agreement.

**Service Agreement** means the service agreement between the Department of Health and the Hospital and Health Service made in accordance with section 35 of the *Hospital and Health Boards Act 2011*, including the schedules in annexures, as amended from time to time.

## Interpretation

Unless expressed to the contrary, in this deed of amendment:

- words in the singular include the plural and vice versa
- any gender includes the other genders
- if a word or phrase is defined its other grammatical forms have corresponding meanings
- “includes” and “including” are not terms of limitation
- no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause or would otherwise benefit from it
- a reference to:
  - i. a party is a reference to a party to this deed of amendment
  - ii. a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority
  - iii. a person includes the person’s legal personal representatives, successors, assigns and persons substituted by novation
- any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced
- an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation
- headings do not affect the interpretation of this deed

## General

- This deed may only be varied or replaced by a document executed by the parties.
- Each party must promptly do whatever any other party reasonably requires of it to give effect to this deed and perform its obligations under it.
- Unless expressly stated otherwise in this deed, each party must pay its own legal and other costs and expenses of negotiating, preparing, executing and performing its obligations under this deed.
- This deed contains the entire understanding between the parties as to the subject matter of this deed.
- This deed supersedes all previous negotiations, understandings, representations, memoranda or commitments concerning the subject matter contained within this deed.
- No oral explanation or information provided by any party to another:
  - i. Affects the meaning or interpretation of this deed; or
  - ii. Constitutes any collateral agreement, warranty or understanding between any of the parties

## Amendments to Service Agreement, November 2013 revision

### Schedule 1: Hospital and Health Service Profile

A) Under the sub-heading '4.2.8 Telehealth Services' the following paragraph is deleted:

2. The HHS will support implementation of the 'Rural Telehealth Service' contemplated in the 'Blueprint for Better Healthcare in Queensland'. The HHS will collaborate with the Department of Health, other HHSs, relevant NGOs and primary care stakeholders to contribute to an expanded network of telehealth services.

and is replaced with:

2. The HHS will support implementation of the 'Rural Telehealth Service', including the telehealth emergency support service contemplated in the '*Blueprint for Better Healthcare in Queensland*'. The HHS will collaborate with the Department of Health, other HHSs, relevant NGOs and primary care stakeholders to contribute to an expanded network of telehealth services better enabling a program of scheduled and unscheduled care.

B) Under the sub-heading 5.3.4 Preventative Health Services, after dot point one add the following text:

- Provide statewide strategic support to maintain and enhance the capacity of school based youth health nurses to provide quality health promotion and clinical practice

C) In section '6. Mental Health and Alcohol and Other Drug Facilities and Services' all the text from heading '6.1 Facilities' to the end of the section is deleted and replaced with the following:

#### **6.1 Facilities**

The HHS will provide a range of integrated mental health services and specialised alcohol and other drug services at the following locations:

- Enoggera Child and Youth Community Mental Health Service
- Nundah Cottages Child and Youth Community Mental Health Service
- North West (Keperra) Child and Youth Community
- Pine Rivers Child and Youth Community Mental Health Service
- Royal Children's Hospital
- The Spring Hill Institute of Child and Youth Mental Health

#### **6.2 Clinical Services Provided**

The HHS will continue to provide the following services through the facilities listed above and in accordance with national standards, including the National Standards for Mental Health Services (2010). Note not all facilities provide all services and some services may be provided only in a limited capacity. Some services are provided on an outreach basis across the HHS (or multiple HHS where indicated):

##### **6.2.1 Admitted Patient Mental Health Services**

- Child Acute Inpatient Services: Child and Family Therapy Unit (services to Cairns and Hinterland, Cape York, Central Queensland, Central West, Children's Health)

Queensland, Mackay, Metro North, North West, Sunshine Coast, Torres Strait-Northern Peninsula, Townsville and Wide Bay HHS)

### **6.2.2 Community Ambulatory Mental Health Services**

- ACCESS and extended hours Child and Youth Community Mental Health Services
- Child and Youth Community Mental Health Services – community clinics
- Children of Parents with Mental Illness (COPMI) Program
- Ed-LinQ Program
- Evolve Therapeutic Services
- Infant Mental Health Program (Future Families)
- Multicultural Mental Health Program
- Service Integration Program

### **6.2.3 Statewide Services**

The HHS has oversight responsibility for the delivery of the following statewide (or multi-HHS) services:

- Aboriginal and Torres Strait Islander Child and Youth Care Coordination (services to Central Queensland, Central West, Children's Health Queensland, Metro North, Sunshine Coast and Wide Bay HHS)
- Child and Adolescent Registrar Training Program (statewide)
- Child and Youth Forensic Outreach Mental Health Services (services to Central Queensland, Central West, Children's Health Queensland, Darling Downs, Gold Coast, Metro North, Metro South, South West, Sunshine Coast, West Moreton and Wide Bay HHSs. Includes services to Brisbane Youth Detention Centre)
- Consultation Liaison Child and Youth Psychiatry Services (statewide)
- e-Child and Youth Mental Health Service (services to Cairns and Hinterland, Central West, Mackay, North West, and Townsville HHS)
- Mental Health, Alcohol, Tobacco and Other Drugs Service (Services to Brisbane Youth Detention Centre)
- Mental Health, Alcohol, Tobacco and Other Drugs Indigenous Transition Service (services to Children's Health Queensland, Darling Downs, Gold Coast, Metro North, Metro South and West Moreton HHS)

### **6.2.4 Clinical and Service Support Services**

The HHS will continue to provide a range of services that support the functioning and delivery of integrated mental health services and specialised alcohol and other drug services, including:

- Consumer and Carer Services
- Mental Health Act Liaison and Delegate Program
- Mental Health Information Management Program

### **6.2.5 Hosted Services**

The HHS will continue to host and deliver the following programs:

- Clinical Educator (Speech Pathology) Services
- Evolve Therapeutic Services Programs
- Mental Health Clinical Indicator Program (services to Central Queensland, Central West, Children's Health Queensland, Metro North, Sunshine Coast and Wide Bay HHS)



- Queensland Centre for Perinatal and Infant Mental Health (statewide)
- Statewide Adolescent Extended Treatment and Rehabilitation (AETR) Implementation Strategy
- Statewide Allied Health Supervision Program (statewide)

## Schedule 2: Purchased Activity and Funding

D) In table 2.1 'Specific Funding Commitments' the following text is deleted:

Patient Travel Subsidy Scheme	<p>Additional non-ABF state funding will be provided for the election commitment to deliver the Patient Travel Subsidy Scheme (PTSS).</p> <p>Funding will be subject to ongoing PTSS data collection, reporting and analysis as detailed in Section 4.10 of the Guidelines for Administration of the Patient Travel Subsidy Scheme and the Health Service Directive Patient Travel Subsidy Scheme.</p> <p>Additional PTSS 2013/14 funding will be released as follows:</p> <ul style="list-style-type: none"> <li>▪ An initial allocation negotiated through amendment window 2 (November 2013) based on 2011/12 and 2012/13 expenditure as reported in DSS against the patient transport general ledger codes</li> <li>▪ A further allocation negotiated through amendment window 4 (May 2014) based on delivered PTSS data</li> </ul>
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and is replaced with:

Patient Travel Subsidy Scheme	<p>Additional non-ABF state funding will be provided to cover the increase in subsidies for vehicle mileage and commercial accommodation implemented on 1 January 2013 under the Boosting the Patient Travel Subsidy Scheme election commitment.</p> <p>Funding will be subject to ongoing PTSS data collection, reporting and analysis as detailed in section 5.4 of the 'Guideline for Administration of the Patient Travel Subsidy Scheme'.</p> <p>Election commitment funding allocations are in addition to PTSS base funding and will be based on expenditure for vehicle mileage and commercial accommodation as reported by HHSs to the Department of Health.</p>
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E) In section '5. MOHRI FTE' the total year to date FTE (as measured by MOHRI) figure of 1,947 is deleted and replaced with 2,015.

F) After section '6. Non-ABF Funding' a new section is added as follows:

### 7. Minor Capital Funding

Funding for minor capital acquisitions to the amount of \$1,572,000 has been allocated to the HHS. The associated equity transfer has been endorsed by the Minister for Health and was actioned as part of the November 2013 amendment window 2 process.



Table 2.2 Finance and Activity Schedule 2013/14 - 2015/16

Finance and Activity Schedule HHS: Children's Health Services As at Amendment 2 - January 2014	2012/13		2013/14		Change (12/13 to 13/14)		2014/15 (Not Legally Binding)		2015/16 (Not Legally Binding)	
	QWAW	\$	QWAW	\$	QWAW	\$	QWAW	\$	QWAW	\$
	Price: \$	4,660.00	Price: \$	4,660.00			Price: \$	4,660.00	Price: \$	4,660.00
<b>Activity Based Funding</b>										
<b>ABF Activity</b>										
Inpatient	20,771	96,792,945	20,627	96,123,046	(144)	(669,899)	20,434	95,223,046	20,434	95,223,046
Outpatient	6,475	30,171,671	6,330	29,498,040	(145)	(673,631)	6,330	29,498,040	6,330	29,498,040
Interventions and Procedures	1,235	5,755,505	1,878	8,751,167	643	2,995,662	2,266	10,558,458	2,559	11,926,305
Emergency Department	3,256	15,171,346	3,256	15,171,346	-	-	3,256	15,171,346	3,329	15,510,933
Sub Acute	866	3,988,615	867	4,038,615	11	50,000	867	4,038,615	867	4,038,615
Mental Health	820	3,820,189	820	3,820,189	-	-	820	3,820,189	820	3,820,189
<b>Total</b>	<b>33,412</b>	<b>155,700,272</b>	<b>33,777</b>	<b>157,402,403</b>	<b>365</b>	<b>1,702,131</b>	<b>33,972</b>	<b>158,309,693</b>	<b>34,338</b>	<b>160,017,128</b>
<b>Other ABF Adjustments</b>										
Site Specific Grants		11,284,769		11,416,459	-	131,689	-	11,416,459	-	11,416,459
Clinical Education & Training		6,007,027		6,564,511	-	557,484	-	6,564,511	-	6,564,511
Non-WAU Demand Management		(60,000)		(30,000)	-	30,000	-	(30,000)	-	(30,000)
Productivity Dividend				(9,247,893)	-	(9,247,893)	-	(9,247,893)	-	(9,247,893)
Transitional and Other ABF Adjustments		37,498,106	-	39,392,747	-	1,894,641	-	39,392,747	-	39,392,747
<b>Total</b>	<b>-</b>	<b>54,729,902</b>	<b>-</b>	<b>48,095,824</b>	<b>-</b>	<b>(6,634,078)</b>	<b>-</b>	<b>48,095,824</b>	<b>-</b>	<b>48,095,824</b>
		12/13 ABF Control		210,430,174						
<b>Subtotal ABF Funding</b>	<b>33,412</b>	<b>210,430,174</b>	<b>33,777</b>	<b>205,498,227</b>	<b>365</b>	<b>(4,931,947)</b>	<b>33,972</b>	<b>206,405,518</b>	<b>34,338</b>	<b>208,112,952</b>
Provisional ABF Budget per QWAW:	\$	6,298.03	\$	6,083.91	-\$	214.12				
	\$	5,780.50	\$	5,551.57						
<b>Non-Activity Based Funding</b>										
<b>Non-ABF</b>										
Block Funded Facilities (IHPA Inscope)	3,061	5,283,364	3,061	5,283,364	-	-	3,061	5,283,364	3,061	5,283,364
Block Funded Facilities (IHPA Out of Scope)	-	-	-	786,000	-	786,000	-	786,000	-	786,000
Block (Private)	-	-	-	-	-	-	-	-	-	-
Mental Health Facilities	-	-	-	-	-	-	-	-	-	-
Block Funded Transition	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3,061</b>	<b>5,283,364</b>	<b>3,061</b>	<b>6,069,364</b>	<b>-</b>	<b>786,000</b>	<b>3,061</b>	<b>6,069,364</b>	<b>3,061</b>	<b>6,069,364</b>
<b>Non-ABF - Block Funded Services</b>										
Community Health Care		49,962,715		52,800,976	-	2,838,261	-	52,800,976	-	52,800,976
Depreciation		6,685,086		7,032,423	-	347,337	-	7,032,423	-	7,032,423
Grants & Subsidies		216,292		254,287	-	37,995	-	254,287	-	254,287
Intellect Disability Services		-		-	-	-	-	-	-	-
Interstate Patient (Payable to other states)		140,754		140,754	-	-	-	140,754	-	140,754
Medical Aids & Appliances (MASS)		1,194		1,194	-	-	-	1,194	-	1,194
Mental Health Community		18,504,492		19,172,092	-	667,600	-	19,172,092	-	19,172,092
Offender Health Services		-		-	-	-	-	-	-	-
Oral Health Services (Non-admitted)		-		-	-	-	-	-	-	-
Patient Transport		37,923		51,835	-	13,912	-	51,835	-	51,835
Population Health - ATODS		-		-	-	-	-	-	-	-
Population Health - Breast Screen		-		-	-	-	-	-	-	-
Population Health - Other Services		3,627,919		2,487,543	-	(1,140,376)	-	2,487,543	-	2,487,543
Pre-commissioning (Transition)		4,420,354		5,713,762	-	1,293,408	-	5,713,762	-	5,713,762
Primary Health Care		2,088,054		2,156,327	-	68,273	-	2,156,327	-	2,156,327
Research		6,028,703		6,619,521	-	590,818	-	6,619,521	-	6,619,521
Residential Aged Care Facilities		-		-	-	-	-	-	-	-
Specified Budget Items		768,681		2,201,481	-	1,432,800	-	2,201,481	-	2,201,481
Statewide Functions		3,815,394		6,957,216	-	3,141,822	-	6,957,216	-	6,957,216
Other		662,359		9,677,751	-	9,015,392	-	20,125,053	-	9,830,290
<b>Total</b>	<b>-</b>	<b>96,959,922</b>	<b>-</b>	<b>115,267,163</b>	<b>-</b>	<b>18,307,242</b>	<b>-</b>	<b>125,714,465</b>	<b>-</b>	<b>115,419,702</b>
<b>Subtotal Non ABF Funding</b>	<b>3,061</b>	<b>102,243,285</b>	<b>3,061</b>	<b>121,336,527</b>	<b>-</b>	<b>19,093,242</b>	<b>3,061</b>	<b>131,783,829</b>	<b>3,061</b>	<b>121,489,066</b>
<b>Total Contract of Offer</b>	<b>36,473</b>	<b>312,673,460</b>	<b>36,838</b>	<b>326,834,754</b>	<b>365</b>	<b>14,161,295</b>	<b>37,033</b>	<b>338,189,346</b>	<b>37,399</b>	<b>329,602,018</b>
<b>ABF (Efficiency) / Inefficient - Transitional Adjustment</b>				<b>30,144,854</b>				<b>30,144,854</b>		<b>30,144,854</b>

**Table 2.3 Hospital and Health Service Funding Sources 2013/14****Childrens Health Services**

<b>Funding Source</b>	<b>Value (\$)</b>
<b>Pool Account – ABF Funding</b> <sup>[1]</sup>	
State & Commonwealth	<b>205,498,227</b>
<b>Block Funding</b> <sup>[2]</sup>	
State & Commonwealth	<b>20,333,410</b>
<b>Locally Received Grants</b>	<b>7,022,304</b>
<b>Locally Received Own Source Revenue</b>	<b>29,279,368</b>
<b>Department of Health Grants</b> <sup>[3]</sup>	<b>64,701,446</b>
<b>TOTAL</b>	<b>326,834,754</b>

<sup>1</sup> Pool Account - ABF Funding includes: Inpatient; Critical Care; Emergency Department; Mental Health; and Outpatient each allocated a proportion of Other ABF Adjustments (less Clinical Education) and Site Specific Grants. The totals included within this table are included in the Commonwealth Local Hospital Network Service Agreement Table included at the end of this Schedule 2.

<sup>2</sup> State Managed Fund - Block Funding includes: Subacute; CSO Facilities; Primary Care Outpatient Centres; 29% of Community Mental Health (estimate of Hospital Auspiced); Tertiary Mental Health; Clinical Education and Research/Training. The total included here for the Commonwealth contribution to the State Managed Fund can be found in the Commonwealth Local Hospital Network Service Agreement Table included at the end of this Schedule 2.

<sup>3</sup> Department of Health Grants represents funding by the Department of Health for items not covered by the National Health Reform Agreement including such items as: Primary Health Care; Prevention, Promotion and Protection; and Depreciation.

**Table 2.4 Hospital and Health Service Service Agreement and State Level Block Payment to state managed funds from Commonwealth payments into national funding pool**

Last edited: 13/1/2014

State:	QLD	Service agreement for financial year:	2013-14
HHS	Children Health Services	Version for financial year:	2.1
HHS ID		Version effective for payments from:	1/07/2013
		Version status:	Round 4

**HHS ABF payment requirements:**

Expected National Weighted Activity Unit (NWAU)						
ABF Service group	Projected NWAU	National efficient price (NEP) (as set by IHPA)	C'w % funding rate	Estimated C'w ABF funding contribution	Estimated State ABF funding contribution	
Admitted acute public services	14,707	\$4,993	37.16%	\$27,288,146	\$80,167,151	
Admitted acute private services	4,520	\$4,993	37.16%	\$8,386,626	\$24,638,241	
Emergency department services	3,260	\$4,993	37.16%	\$6,048,956	\$17,770,630	
Non-admitted services	4,232	\$4,993	37.16%	\$7,853,148	\$23,070,987	
Mental health services	665	\$4,993	37.16%	\$1,233,972	\$3,625,165	
Sub-acute services	741	\$4,993	37.16%	\$1,375,185	\$4,040,021	
<b>LHN ABF Total</b>	<b>28,125</b>			<b>\$52,186,033</b>	<b>\$153,312,194</b>	

Note: NWAU estimates do not take account of cross-border activity.

**HHS block funding payment requirements:**

Commonwealth block funding for state:	
Block funding component	Estimated Commonwealth block funding contribution
Block funded hospitals	\$1,813,459
Community mental health services	\$5,040,974
Teaching, Training and Research	\$701,844
Other block funded services	\$0
<b>Total block funding for state</b>	<b>\$7,556,277</b>

**Reporting requirements by LHN - block funding paid (total including Commonwealth) per LHN, as set out in service agreement:**

Amount (Commonwealth and state) for each amount of block funding from state managed fund to LHN:	
Block funding component	Estimated Commonwealth and state block funding contribution (ex GST)
Block funded hospitals	\$4,879,890
Community mental health services	\$13,564,906
Teaching, Training and Research	\$1,888,614
Other block funded services	\$0
<b>Total block funding for LHN</b>	<b>\$20,333,410</b>

Total Commonwealth payments to LHN \$59,742,310

Commonwealth % funding rate 37.16%