

West Moreton Hospital and Health Service

2013/14 – 2015/16 Service Agreement

Deed of Amendment

January 2014

West Moreton Hospital and Health Service 2013/14 – 2015/16 Service Agreement Deed of
Amendment January 2014
Published by the State of Queensland (Queensland Health), February 2014



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For more information contact:

Healthcare Purchasing, Funding and Performance Management Branch
Department of Health
GPO Box 48
Brisbane QLD 4001
HPFP-SAFM@health.qld.gov.au
(07) 3234 1472

**WEST MORETON HOSPITAL AND HEALTH SERVICE
2013/14 – 2015/16 SERVICE AGREEMENT
DEED OF AMENDMENT**

Parties

West Moreton 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 '4.2.6 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) 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:

- Goodna Community Mental Health Service
- Ipswich Community Mental Health Service
- Ipswich Alcohol Tobacco and Other Drug Service
- Ipswich Child and Youth Community Mental Health Service
- Ipswich Hospital
- The Park – Centre for 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

- Adult Acute Inpatient Services
- Extended Treatment and Rehabilitation Services
- Older Persons Acute Inpatient Services
- Older Persons Extended Treatment Services
- Secure Mental Health Rehabilitation Services

6.2.2 Community Ambulatory Mental Health Services

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- 1300 Mental Health Access/Triage Services
- Acute Care Services
- Child and Youth Community Mental Health Services
- Community Care Services
- Consultation Liaison Psychiatry Services
- Ed-LinQ Program
- Evolve Therapeutic Services
- Forensic Liaison Program
- Indigenous Mental Health Services
- Mental Health Intervention Program
- Older Persons Mental Health Community Services
- Primary Care Liaison
- Prison Mental Health Service (services to Southern Queensland Correctional Centre, Wolston Correctional Centre, Arthur Gorrie Correctional Centre, Brisbane Correctional Centre, Brisbane Women's Correctional Centre, Woodford Correctional Centre and Maryborough Correctional Centre)
- Rural and Remote Community Mental Health Services
- Service Integration Program
- Transcultural Mental Health Services

6.2.3 Alcohol and Other Drug Services

- Alcohol, Tobacco and Other Drug Services
- Alcohol and Other Drugs Consultation and Liaison Services
- Court Referral Treatment Services
- Needle and Syringe Program
- Opioid Treatment Programs
- Prevention and Early Intervention Programs

6.2.4 Statewide Services

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

- Adolescent Extended Treatment and Rehabilitation Centre (statewide)
- High Security Inpatient Services (statewide)
- Extended Treatment and Rehabilitation Forensic Unit (statewide)

6.2.5 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
- Consumer Companion Program
- Mental Health Act Liaison and Delegate Program
- Mental Health Information Management Program

6.2.6 Hosted Services

The HHS will continue to host and deliver the following statewide (or multi-HHS) services:

- Mental Health Benchmarking Unit (statewide)
- Queensland Centre for Mental Health Learning (statewide)
- Queensland Centre for Mental Health Research (statewide)
- Service Evaluation and Research Unit (statewide)

C) In section 6 'Mental Health and Alcohol and Other Drug Facilities and Services', sub-heading '6.2.6 Hosted Services' the following text is inserted at the end of the bulleted list:

- The Statewide Adolescent Extended Treatment and Rehabilitation (AETR) Implementation Strategy

Schedule 2: Purchased Activity and Funding

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

Mental Health	Total Funding in 2013/14 of: \$1,768,961 for the operation of 9 bed HSU \$2,692,210 for the operation of 20 bed ETRFU This is in addition to composite prior year funding allocations.
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E) 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"> ▪ 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 ▪ A further allocation negotiated through amendment window 4 (May 2014) based on delivered PTSS data
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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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F) In table 2.1 'Specific Funding Commitments' the following text is inserted:

Mental Health Alcohol and Other Drugs	Total funding in 2013/14 of : <ul style="list-style-type: none"> ▪ \$375,000 non-recurrent funding for the QCMHL workforce development initiatives ▪ \$140,000 non-recurrent funding for the QCMHL Forensic Training Course
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G) In table 2.1 'Specific Funding Commitments' the following text is inserted:

Additional Orthopaedic Surgery	<ul style="list-style-type: none"> ▪ \$1,753,334 for additional surgical activity at Ipswich Hospital for the purpose of treating 150 long wait orthopaedic patients
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H) In section '5. MOHRI FTE' the total year to date FTE (as measured by MOHRI) figure of 2,763 is deleted and replaced with 2,768.

I) 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 \$2,537,576 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.

Execution

Executed as a deed in Queensland

Signed by the Chief Executive,
Queensland Health in the presence of:

Witness signature

Signature of Chief Executive

Name of Witness (print)

Name of Chief Executive (print)

20/1/14
(date)

Signed by the Chair, West Moreton
Hospital and Health Board, in the
presence of:

Witness signature

Signature of Hospital and Health Board
Chair

Name of Witness (print)

Name of Hospital and Health Board Chair
(print)

(date)

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Appendix 1

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

Finance and Activity Schedule HHS: West Moreton 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
Activity Based Funding											
ABF Activity											
Inpatient		27,838	128,794,470	29,582	137,853,659	1,944	9,059,189	33,348	155,390,925	34,008	158,487,588
Outpatient		4,807	22,402,116	5,265	24,540,994	459	2,138,879	5,517	26,175,117	5,922	27,642,210
Interventions and Procedures		2,189	10,201,728	3,774	17,588,582	1,585	7,386,854	4,452	20,744,372	4,452	20,744,372
Emergency Department		5,273	24,573,414	8,184	38,135,155	2,910	13,561,741	8,184	38,135,155	8,740	40,729,572
Sub Acute		2,985	13,911,825	3,030	14,121,825	45	210,000	3,030	14,121,825	3,030	14,121,825
Mental Health		3,106	14,474,080	3,106	14,474,080	-	-	4,052	18,927,355	4,203	19,584,940
Total		46,999	214,357,633	52,943	246,712,306	6,943	32,354,672	58,690	273,494,749	60,363	281,290,605
Other ABF Adjustments											
Site Specific Grants			2,005,578		283,552	-	(1,712,026)	-	293,552	-	293,552
Clinical Education & Training			7,880,034		9,213,904	-	1,333,870	-	9,213,904	-	9,213,904
Non-WAU Demand Management			(400,000)		(172,500)	-	227,500	-	(172,500)	-	(172,500)
Productivity Dividend					(6,423,384)	-	(6,423,384)	-	(6,423,384)	-	(6,423,384)
Transitional and Other ABF Adjustments			(13,916,587)	-	(8,708,781)	-	5,207,806	-	(8,708,781)	-	(8,708,781)
Total			(4,431,076)	-	(6,797,209)	-	(1,366,134)	-	(6,797,209)	-	(6,797,209)
12/13 ABF Control											
Subtotal ABF Funding		45,999	209,926,558	52,943	240,915,097	6,943	30,988,539	58,690	267,697,540	60,363	275,493,296
Provisional ABF Budget per QWAW:		\$	4,560.67	\$	4,550.50	-\$		13.17			
		\$	4,348.76	\$	4,370.82						
Non-Activity Based Funding											
Non-ABF											
Block Funded Facilities (IHPA Inscope)		5,275	23,936,199	5,275	23,936,199	-	-	5,275	23,936,199	5,275	23,936,199
Block Funded Facilities (IHPA Out of Scope)		-	-	-	-	-	-	-	-	-	-
Block (Private)		112	-	112	-	-	-	112	-	112	-
Mental Health Facilities		16,710	66,324,861	16,710	66,324,861	-	-	16,710	66,324,861	16,710	66,324,861
Block Funded Transition		-	-	-	-	-	-	-	-	-	-
Total		22,098	90,261,060	22,098	90,261,060	-	-	22,098	90,261,060	22,098	90,261,060
Non-ABF - Block Funded Services											
Community Health Care			25,772,471		25,829,858	-	(142,813)	-	25,829,858	-	25,829,858
Depreciation			9,615,202		10,971,461	-	1,356,259	-	10,971,461	-	10,971,461
Grants & Subsidies			3,636,788		2,084,202	-	(1,552,586)	-	2,084,202	-	2,084,202
Intellect Disability Services			82,837		82,837	-	-	-	82,837	-	82,837
Interstate Patient (Payable to other states)			1,879,000		1,879,000	-	-	-	1,879,000	-	1,879,000
Medical Aids & Appliances (MASS)			4,841		4,841	-	-	-	4,841	-	4,841
Mental Health Community			13,352,953		14,476,796	-	1,123,843	-	14,476,796	-	14,476,796
Offender Health Services			10,530,131		10,530,131	-	243,229	-	10,530,131	-	10,530,131
Oral Health Services (Non-admitted)			9,232,509		12,980,549	-	3,748,040	-	12,980,549	-	12,980,549
Patient Transport			684,215		684,215	-	96,273	-	684,215	-	684,215
Population Health - ATODS			2,951,472		2,951,472	-	-	-	2,951,472	-	2,951,472
Population Health - Breast Screen			1,876,218		1,823,123	-	46,905	-	1,823,123	-	1,823,123
Population Health - Other Services			3,817,890		4,762,934	-	1,145,254	-	4,762,934	-	4,762,934
Pre-commissioning (Transition)			568,893		2,727,101	-	2,158,208	-	2,727,101	-	2,727,101
Primary Health Care			357,056		435,329	-	68,273	-	435,329	-	435,329
Research			235,770		417,088	-	181,328	-	417,088	-	417,088
Residential Aged Care Facilities			-		-	-	-	-	-	-	-
Specified Budget Items			1,083,187		1,587,364	-	494,197	-	1,587,364	-	1,587,364
Statewide Functions			6,526,379		6,526,379	-	-	-	6,526,379	-	6,526,379
Other			(548,504)		6,183,048	-	6,729,550	-	6,814,981	-	6,488,540
Total		-	91,151,576	-	106,847,737	-	15,696,160	-	107,479,652	-	107,153,240
Subtotal Non ABF Funding											
		22,098	181,412,636	22,098	197,108,797	-	15,696,160	22,098	197,740,712	22,098	197,414,300
Total Contract of Offer											
		68,097	391,339,195	75,040	438,023,894	6,943	46,684,699	80,788	465,438,252	82,461	472,907,596
ABF (Efficiency) / Inefficient - Transitional Adjustment											

Appendix 2

Table 2.3 Hospital and Health Service Funding Sources 2013/14

West Moreton

Funding Source	Value (\$)
Pool Account – ABF Funding ^[1]	
State & Commonwealth	240,915,097
Block Funding ^[2]	
State & Commonwealth	111,605,282
Locally Receipted Grants	6,935,950
Locally Receipted Own Source Revenue	16,333,313
Department of Health Grants ^[3]	62,234,252
TOTAL	438,023,894

¹ 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.

² 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.

³ 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.

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Appendix 3

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	West Moreton	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	28,445	\$4,693	37.16%	\$52,779,677	\$86,591,515	
Admitted acute private services	2,058	\$4,693	37.16%	\$3,617,637	\$6,263,628	
Emergency department services	8,221	\$4,693	37.16%	\$15,253,635	\$25,025,289	
Non-admitted services	5,492	\$4,693	37.16%	\$10,190,444	\$16,718,670	
Mental health services	2,375	\$4,693	37.16%	\$4,405,982	\$7,229,552	
Sub-acute services	2,580	\$4,693	37.16%	\$4,788,738	\$7,853,229	
LHN ABF Total	49,170			\$91,234,213	\$149,680,884	

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	\$35,689,328
Community mental health services	\$3,806,426
Teaching, Training and Research	\$940,612
Other block funded services	\$838,263
Total block funding for state	\$41,474,619

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	\$96,575,657
Community mental health services	\$10,242,825
Teaching, Training and Research	\$2,531,120
Other block funded services	\$2,255,680
Total block funding for LHN	\$111,605,282

Total Commonwealth payments to LHN \$132,708,832

Commonwealth % funding rate 37.16%