



Central Adelaide Local Health Network

2023-24 SERVICE AGREEMENT



Government
of South Australia

SA Health

Version Control

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PART A: OBJECTIVES, GOVERNANCE AND STRATEGIC DELIVERABLES

Introduction

The Agreement supports the delivery of safe, effective and accountable high quality health care to the South Australian community by formally setting out the performance expectations and funding arrangements between the Department for Health and Wellbeing (DHW) and the Local Health Network (LHN) during the term of the Agreement.

The content and process for preparing the Agreement is consistent with the requirements of the [Health Care Act 2008](#) and the [National Health Reform Agreement \(NHRA\)](#).

Fundamental to the success of the Agreement is:

- > a strong collaboration between the LHN, including its Chief Executive Officer and its Governing Board (where applicable) and the DHW
- > the Parties' commitment to achieving high standards of governance, transparency, integrity and accountability
- > the Parties' commitment to delivering high quality health care to the South Australian community
- > the Parties' commitment to upholding the South Australian Public Sector Values and Behaviour Framework.

In entering this Agreement, and without limiting any other obligations, both DHW and the LHN commit to the compliance of the following:

- > the terms of this Agreement
- > the legislative requirements as set out within the Health Care Act 2008
- > all regulations made under Charter for Local Health Network Governing Boards Volume 1, and
- > all applicable Cabinet decisions.

Objectives of the Service Agreement

The Agreement is designed to:

- > describe the strategic priorities and Government commitments for the DHW and LHN and the respective responsibilities of both Parties
- > describe the key services and obligations that the LHN is required to deliver including particulars of the volume, scope, and standard of services
- > describe the performance indicators, associated reporting arrangements and monitoring methods that apply to both parties
- > describe the sources of funding that the Agreement is based on and the manner in which these funds will be provided to the LHN, including the commissioned activity
- > detail any other matter the DHW Chief Executive considers relevant to the provision of the services by the LHN.

Legislative and Regulatory Framework

The Agreement is regulated by the [Health Care Act 2008](#) and the [NHRA](#) which provides the Commonwealth funding contribution for the delivery of public hospital services and details a range of reforms.

The NHRA requires the state of South Australia to establish Service Agreements with each Health Service for the commissioning of health services and to implement a performance and accountability framework, including processes for remediation of poor performance.

In delivering health services, the LHN is required to meet the applicable conditions of any National Partnership agreements between the State Government and the Commonwealth Government (including any commitments under related implementation plans).

The Health Care (Governance) Amendment Act 2021

The Health Care (Governance) Amendment Act 2021 passed Parliament on 8 June 2021, with the amendments to the Health Care Act 2008 (HCA) coming into operation on 23 August 2021. The amendments aim to deliver improved governance, ensuring there are clear statutory roles, responsibilities and accountabilities across the South Australian public health system.

Part 4A of the HCA legislates the minimum requirements for the Service Agreements, bringing South Australia in line with other jurisdictions. This Part outlines high-level processes for negotiating amendments and resolving disputes and provides for further operational detail about these processes to be mandated in policy established by the Chief Executive, or as prescribed by the regulations.

It also contains a last resort dispute resolution provision to the effect that if DHW and a LHN or SAAS cannot agree on a term of, or variation to, the Service Agreement, the Minister may make a decision about the term or variation and must advise both parties in writing. Any such Ministerial decision must be tabled in each House of Parliament within seven sitting days after the Service Agreement to which the decision relates is entered into or varied.

A Service Agreement between DHW and a LHN or SAAS is binding and must, within 14 days after it is entered into or varied, be made publicly available by the Chief Executive.

Amendments to the Service Agreement and Dispute Resolution

An amendment of the Agreement will occur where there is a change to the DHW Chief Executive's commissioning intentions, i.e. a change to funding, to deliverables or to other requirements contained within the Agreement.

Whilst a Party may submit an amendment proposal at any time, including the commencement, transfer or cessation of a service, formal negotiation and finalisation must be communicated in writing between all Parties and follow the process as laid out in the [Service Agreement Amendment Fact Sheet](#).

Resolution of disputes will be through a tiered resolution process, commencing at the local level and escalating to the DHW Chief Executive and, if required, through to the Minister for Health and Wellbeing. Further information is specified in the [Service Agreement Dispute Resolution Fact Sheet](#).

Governance

The [Charter of Responsibility](#) sets out the legislative roles and responsibilities of the DHW, LHNs and South Australian Ambulance Service (SAAS) and is consistent with the *Health Care Act 2008* and articulates the shared commitment and accountabilities of each Party to support the operation of the South Australian health system.

The [SA Health Corporate Governance Framework Summary](#) provides the high level architecture of critical strategic documents required for DHW and LHN Governing Boards to deliver services under this Agreement.

Without limiting any other obligations, the LHN must also comply and implement an appropriate compliance management system to ensure compliance with:

- > all Cabinet decisions and directives applicable to the LHN
- > all Ministerial directives applicable to the LHN
- > all agreements entered into between the South Australian and Commonwealth Governments applicable to the LHN
- > all legislation and regulations applicable to the LHN
- > all State Government and/or SA Health policies, directives, standards, instructions, circulars and determinations applicable to the LHN (refer to Part D: Obligations for examples).

DHW will ensure that any decision or agreement impacting on the LHN will be discussed and formally communicated to the LHN.

In order to demonstrate compliance, and in accordance with the [System-wide Integrated Compliance Policy Directive](#), the LHN is also required¹ to:

- > provide an Annual Compliance Certification from the Chief Executive Officer to its Governing Board and the DHW Chief Executive as the System Leader; and
- > escalate any serious or systemic breaches to the Governing Board and the DHW Chief Executive as the System Leader.

Strategic Deliverables

The LHN has a responsibility to ensure that the delivery of health care services is consistent with SA Health's strategic directions and priorities and that these and local priorities are reflected in strategic and operational plans.

The overarching strategy to address the health needs of all South Australians is underpinned by the SA Health and Wellbeing Strategy 2020-2025. This strategy provides the strategic intent for the health system, guiding how we align and balance our immediate priorities with a future vision of health and wellbeing. The LHN will be responsible for developing a LHN specific Clinical Services Plan that will determine services required to meet the need of their population, as well as the need for the state where required.

Aboriginal Health Services and mainstream services for Aboriginal people

SA Health is committed to ensuring Aboriginal people in South Australia live long and healthy lives, grounded in culture, with access to equitable and culturally responsive services. [South Australia's implementation plan](#) sets out the state's plan for achieving and addressing the priority reforms and socio-economic targets embedded in the [Closing the Gap Agreement](#) to ensure the lives of Aboriginal people in South Australia can improve in all cultural, social and economic aspects.

The LHN will operate programs that promote the provision of health care for Aboriginal people. The LHN is responsible for working collaboratively with the DHW's Aboriginal Health, other relevant health services, support organisations and Aboriginal community-controlled health services to support services meeting the needs of the local Aboriginal population.

¹Refer to the respective LHN Integrated Compliance Management Framework (ICMF) for supporting processes and tools.
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Self Sufficiency

DHW commits to continuing to work with LHNs to build self-sufficiency and refine flows where appropriate. The LHN will deploy strategies at a hospital-level, to ensure patients can access high quality services in a timely manner, as close to home as possible and in line with the Clinical Service Capability Framework. The goal as a system is for 70% of low complexity activity (where possible) to be received at a patient's local hospital.

Vulnerable Adults

The LHN is also expected to work collaboratively with the Office for Ageing Well, Adult Safeguarding Unit and the National Disability Insurance Scheme Quality and Safeguards Commission to support the safeguarding of vulnerable adults.

The Office of the Chief Psychiatrist will work collaboratively with the LHNs regarding their compliance with the Mental Health Act 2009 (currently under review) and their engagement with the Chief Psychiatrist inspection program, including responding to any recommendations.

Priority access for children and young people in care

SA Health is a partner agency in the Department for Child Protection's [Investing in their Future](#) program, under which children and young people in care, and those who have left care, may be eligible for priority access to services.

LHNs should therefore ensure that children and young people in care, or who have been in care, are given priority access to services to meet their physical, developmental, psychosocial and mental health needs.

Mental Health Services

The [SA Mental Health Services Plan 2020-2025](#) continues to provide direction for mental health service development with key projects Toward Zero Suicides in Care, a new Youth Mental Health Model of Care, the re-tendering of state funded non-government services, a Framework for Lived Experience Workforce and the continued development of Older Persons Mental Health Services.

Funding from the 2021-2022 budget was committed to support activities in the plan; key items which are underway include workforce development, supported community accommodation, and a crisis stabilisation unit in the northern suburbs.

A [Commonwealth/State Bilateral Agreement](#) was signed in early 2022 which commits the state to working in partnership with Commonwealth funded providers on the development of new Head to Health centres, an Aboriginal Wellbeing Centre, development of triage and access services, and partnering to improve approaches to infant, child and youth mental health.

Aged Care Reforms

All LHNs will work with the DHW to support national work on the design and implementation of reforms across aged care emerging from the Royal Commission into Aged Care Quality and Safety. This includes reforms to aged care service delivery, reforms to aged care programs delivered by LHNs and identification of impacts aged care sector reforms will have on the health system.

DHW will coordinate Commonwealth state engagement across aged care reforms and develop an overarching system view of SA Health delivered aged care services. This includes developing system level service and investment advice for government.

Urgent Care Centres

The LHN will work collaboratively with the DHW, Primary Health Network and relevant primary care service providers to design and deliver the Urgent Care Centre(s) (UCC). This will align to the nationally agreed outcomes for the UCC model, which includes emergency department avoidance.

PART B: GOVERNMENT COMMITMENTS

Purpose

Part B describes the Government commitments for DHW and the LHN for the period of the Agreement.

Government Commitments

The Government's major priority for CALHN is to improve response times to local Triple-Zero emergency ambulance call-outs - which requires CALHN to reduce ambulance ramping (transfer of care delays).

Patients calling Triple-Zero within CALHN should be regarded as the LHN's patients. CALHN must recognise that these patients in emergency situations are the most at risk of anyone in the health system. Therefore CALHN should assist to facilitate on-time responses to these emergency community cases by SA Ambulance.

To achieve this, CALHN is to offload ambulance patients within 30 minutes in the hospital to allow for SAAS to respond to community cases within the LHN. The number of ambulances offloaded within 30 minutes is to be increased, and excess ramping hours is to be reduced.

To achieve that improvement in ambulance response times and reduction in ramping, reforms will need to take place across CALHN.

CALHN will work to improve triage times for patients, improve transfer times for ambulance patients faster into the hospital, improve treatment times and reduce delays inside the emergency department and reduce access block between emergency and inpatient wards.

To reduce access block CALHN will work to ensure capacity is available, ensure timely treatment in wards and timely discharge of patients (including criteria led discharge, improved discharge on weekends and alignment to national length of stay comparators).

CALHN will deliver the Government's election commitments relevant to the network. This includes system-wide election commitments, including implementing the 10-Point Plan to End Violence and Aggression in South Australian Hospitals, maintaining a blanket ban on voluntary separation packages for frontline clinicians, and fully implementing criteria-led discharge.

In addition, CALHN is expected to facilitate adherence to the timeline and scope of its LHN-specific election commitment of 24 more mental health beds at the Queen Elizabeth Hospital.

PART C: SERVICES

Purpose

Without limiting any other obligation of the LHN, Part C sets out the key services that the LHN is required to deliver under the terms of the Agreement, the process for commencing or ceasing a service, and LHN/DHW commitments.

Service Profile

CALHN operates five main sites:

- > Royal Adelaide Hospital (RAH)
- > The Queen Elizabeth Hospital (TQEH)
- > Hampstead Rehabilitation Centre (HRC)
- > Glenside Health Service (GHS)

State-wide Services

The LHN has responsibility for the provision and/or coordination of the following state-wide services and will liaise with the other LHNs and Chief Executive to support the provision of these services. The respective responsibilities should be incorporated in formal agreements between the Parties. Where the LHN has responsibility for the delivery of a state-wide service, the LHN must provide equitable, system-wide access to this service.

- | | |
|--|--|
| > State-wide Clinical Support Services | > Brachytherapy service (with exception of LDR seed implantation for prostate cases) |
| > Adult Burns Service | > Adolescent and Young Adult (AYA) |
| > The Australian Craniofacial Unit (ACFU) | > Haemophilia |
| > Donate Life SA | > Blood Safe Service |
| > Neurosurgical Service | > Head and Neck Radiation Oncology |
| > Oral and Maxillofacial Surgery (OMS) | > Allogeneic Stem Cell Transplant Service |
| > Central Northern Adelaide Renal and Transplant Service | > Theronostics Service (nuclear medicine lutate and PMA/prostate) |
| > South Australian Prison Health Service | > South Australian Adult Cystic Fibrosis Service |
| > Nationally Funded Centres Program | > South Australian Lung Transplant Service |
| > State-wide Pelvic Mesh Service | > South Australian Tuberculosis Service |
| > State-wide Trauma Service | > State-wide Rehabilitation Services - Spinal Cord Injury Service and South Australian Brain Injury Rehabilitation Service (located at the Repat). |
| > Paediatric Radiation Oncology Services | |
| > Total Body Irradiation (TBI) | |
| > Total Body Electron Irradiation (TBEI) | |
| > Adelaide Sexual Health Service | |
| > Pregnancy Advisory Centre (PAC) | |
| > Trans Vaginal Mesh Service | |
| > Statewide Adult Genetics Service | |

South Australian Tuberculosis (SA TB) Services

The recent outbreaks of Tuberculosis in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands require prompt management including contact tracing and active case finding to treat, contain and eliminate the disease, which is notifiable under the South Australian Public Health Act 2011.

SA TB Services provides State-wide and regional services for tuberculosis patients, and is responsible for receiving all reports of cases, managing the public health response and treatment and management of cases. This includes, but is not limited to, on-ground screening of community, managing outbreak epidemiology, administration of vaccines and supporting education programs.

Aboriginal Health Services

The following services contribute to ensuring that the LHN is meeting the needs of the Aboriginal population in CALHN's catchment.

Aboriginal and Torres Strait Islander Health and Wellbeing Hub

The Aboriginal and Torres Strait Islander Health and Wellbeing Hub (Hub) is a targeted Aboriginal health and wellbeing service located at the RAH. The Hub aims to provide culturally appropriate care and support for Aboriginal and Torres Strait Islander patients and visitors from diverse backgrounds and from metropolitan, regional and rural locations.

The Hub is staffed by a team of Aboriginal and Torres Strait Islander Health Practitioners that work across the RAH, TQEH and the HRC sites.

Aboriginal and Torres Strait Islander Health Practitioners

The Aboriginal and Torres Strait Islander Health Practitioner is an essential role in ensuring the cultural and clinical needs of Aboriginal patients are provided. Practitioners provide their services from the Hub but also are based in specific clinical areas of need. The following CALHN programs also provide targeted Aboriginal and Torres Strait Islander Health Practitioners to ensure CALHN programs and services respond to the needs of Aboriginal patients and ensure patients are provided with culturally appropriate care:

- > Cancer
- > Heart and Lung
- > Renal
- > RAH Emergency Department.

The CALHN Dialysis Community Outreach Service at Kanggawodli 'Caring House'.

The Kanggawodli 'Caring House' is a NALHN residential facility at Dudley Park providing culturally responsive accommodation and support for rural and remote Aboriginal people from across Australia travelling to Adelaide for specialist care.

The CALHN Dialysis Community Outreach Service at Kanggawodli 'Caring House' is a targeted service to provide Aboriginal Dialysis patients with an alternative option to access dialysis treatment outside of the hospital setting in a culturally safe and welcoming environment.

Mental Health Services

The LHN is responsible for providing the following integrated mental health services in accordance with national standards and the [Mental Health Services Plan 2020-2025](#):

- > Acute Psychiatric Care Services (RAH, TQEH and GHS)
- > Older Persons Acute Psychiatric Care Services (TQEH)
- > Mental Health Emergency Department (RAH and TQEH)
- > Intermediate Care Centre (Queenstown)
- > Inpatient Rehabilitation State-wide Service (Glenside)
- > Community Rehabilitation Centre (Elpida House)
- > Community Clinical Rehabilitation Service
- > Community Mental Health Centres (Tranmere and Woodville)
- > Centre for Treatment of Anxiety and Depression (Thebarton)
- > Supported accommodation (Glenside) provided in conjunction with an appointed NGO provider enabling 24/7 support and clinical in-reach
- > Older Persons Community Mental Health Service (St Morris and Kidman Park)
- > Mental Health Triage (Glenside)
- > Mental Health and SA Ambulance Service Co-Responder Service
- > Hospital in the Home.

Teaching and Training

The NHRA, of which this Service Agreement is regulated by, stipulates that the Service Agreement is required to include the teaching, training and research functions to be undertaken at the LHN level.

The LHN is required to have a clearly articulated and published education and training strategy that positions education and training as a foundation for quality and safety in health care. The education and training strategy will be reported against annually and includes, but is not limited to, learning and development, student clinical placements and medical profession specific.

Medical Profession Specific

The LHN will support ongoing medical education and training in line with the [SA Medical Education and Training Principles](#), and will continue to provide training placements consistent with, and proportionate to, the capacity of the LHN. This includes, but is not limited to, planning and resourcing for clinical placements in collaboration with other LHNs, and the provision of placements for medical students, interns, rural generalist trainees and vocational medical trainees. The LHN must maintain accreditation standards for medical intern and other medical training positions.

Medical training networks may be developed and will assist with linking rural and regional LHNs with metropolitan LHNs and ensure a complete and varied experience in different clinical contexts and hospital settings.

The LHN will also have systems in place to recognise high performance in education and training as a means of promoting a culture of excellence and innovation.

Research

The LHN's support for health and medical research will be demonstrated through a published Network Research Strategy which fully integrates research into teaching and clinical practice and supports opportunities for translational research. An annual [Network Research Strategy Report](#) (due by 1 September 2024) will be required from the LHN.

During 2023-24, the LHNs and Statewide Services will also be required to provide summary research administration and performance data to DHW to fulfil the requirements of the National Aggregate Statistics (NAS) data collection.

More information regarding research, research governance, reporting requirements and the Network Research Strategy Annual Report template can be found in the [Human Research Ethics Committee and Site Specific Approvals Technical Bulletin](#).

Commencement of a New Service

In the event that either Party wishes to commence providing a new service, the requesting Party will notify the other Party in writing prior to any commencement or change in service (services in addition to those already delivered, and/or where new funding is required). The correspondence must clearly articulate details of the proposed service, any activity and/or financial implications and intended benefits/outcomes.

The non-requesting Party will provide a formal written response to the requesting Party regarding any proposed new service, including any amendments of Key Performance Indicators (KPIs) (new or revised targets), and will negotiate with the other Party regarding funding associated with any new service.

Cessation of Service Delivery

The DHW and LHN may terminate or temporarily suspend a service by mutual agreement. Any proposed service termination or suspension must be made in writing to the other Party, detailing the patient needs, workforce implications, relevant government policy and LHN sustainability considerations. The Parties will agree to a notice period. Any changes to service delivery must maintain provision of care and minimise disruption to consumers.

Agreements with Other Local Health Networks and Service Providers

The DHW is responsible for supporting and managing whole of health contracts, in consultation with LHNs, as required. Where a service is required for which there is a SA Government or SA Health panel contract in place, the LHN is required to engage approved providers.

Where a service is required outside of an approved panel contract, the LHN may agree with another service provider to deliver services on behalf of the LHN according to their business needs.

The terms of an agreement made with any health service provider do not limit the LHN's obligations under the Agreement, including the performance standards provided for in the Agreement.

Where a service is provided by either the DHW or another LHN, the DHW, in principle, agree to ensure Service Agreements are established. It is expected that the Service Agreements will articulate scope, deliverables and KPIs that will assist the LHN in delivering service requirements. In the event that the LHN is experiencing difficulties in establishing required Service Agreements, DHW will provide assistance as appropriate.

DHW/LHN Commitments

In order to enhance the services delivered by the LHN, and to improve commissioning outcomes, in 2023-24 DHW and the LHN will continue to work together to:

- > ensure key services are commissioned and funded in line with Government commitments and clinical service plans
- > enhance the governance structure
- > establish an Activity Based Management portal
- > develop a Three-year Commissioning Plan
- > continue block funding reviews, incorporating:
 - Site Specific allocations
 - Intermediate Care allocations
 - adoption of national Mental Health classification - Community
 - research grant funding allocations
 - existing and future opportunities for enhanced primary care delivery through the use of exemptions to subsection 19(2) of the Health Insurance Act 1973*.

*Adjustments to Health Performance Agreements (HPA) may be made in year based on the outcome of the above review

PART D: OBLIGATIONS

Purpose

This Service Agreement requires the LHN/SAAS and DHW to comply with all relevant legislation, regulations, State Government, and/or SA Health policies, directives, standards, instructions, circulars and determinations, including, but not limited to the following obligations:

[Australian Health Service Safety and Quality Accreditation \(AHSSQA\) Scheme](#)

[Bilateral Schedule on Mental Health and Suicide Prevention: South Australia](#)

[Better Placed: Excellence in health education](#)

[Civil Liability Act 1935](#)

[Charter of Responsibility](#)

[Child Safe Environments \(Child Protection\) Policy](#)

[Corporate Records Management Policy Directive](#)

[Department for Child Protections' Investing in their Future program](#)

[Commonwealth Aged Care Quality and Safety Commission \(where applicable\)](#)

[Disaster Resilience Policy Directive](#)

[Emergency Management Act 2004](#)

[Fifth National Mental Health and Suicide Prevention Plan](#)

[Freedom of Information Act 1991](#)

[Freedom of Information Policy](#)

[Health Care Act 2008](#)

[Health Record Management Policy Directive](#)

[Integrated Compliance Management Framework](#)

[National Agreement on Closing the Gap](#)

[National Clinical Governance Framework](#)

[National Health Reform Agreement](#)

[National Partnership Agreements between the State and Commonwealth Government](#)

[National Safety and Quality Health Service Standards](#)

[National Safety and Quality Primary and Community Healthcare Standards](#)

[NDIS Code of Conduct](#)

[NDIS Practice Standards and Quality Indicators](#)

[Office for the Ageing \(Adult Safeguarding\) Amendment Act 2018](#)

[Public Health Act 2011](#)

[PC012 Information Privacy Principles \(IPPS\) Instructions](#)

[Privacy Policy Directive](#)

[Return to Work Act 2014](#)

[System-wide Integrated Compliance Policy Directive](#)

[SA Health Gender Equality and Diversity Steering Committee: Strategic Directions 2020-2023](#)

[SA Health Policy Framework](#)

[SA Health Aboriginal Cultural Learning Framework](#)

[SA Health Aboriginal Health Care Framework](#)

[SA Health Aboriginal Workforce Framework 2023 -2031](#)

[SA Health Accreditation Policy Directive](#)

[SA Health Clinical Placement Requirements for Health Care Students](#)

[SA Health Clinical Services Capability Framework](#)

[SA Health Corporate Governance Framework Summary](#)

[Enterprise Data and Information \(EDI\) Data Requirements, 2023-24 Bulletin](#)
[SA Health Performance Framework](#)

[SA Health Research Ethics Policy Directive](#)

[SA Health Research Governance Policy Directive](#)

[SA Medical Education and Training Principles](#)

[SA Mental Health Services Plan – 2020-2025](#)

[Service Agreement Amendment Fact Sheet](#)

[Service Agreement Dispute Resolution Fact Sheet](#)

[South Australian Health and Wellbeing Strategy 2020-2025](#)

[Standards for General Practice \(where applicable\)](#)

[State Emergency Management Plan](#)

[State Public Health Plan 2019-2024](#)

[State Records Act 1997](#)

[The Mental Health Act 2009](#)

All other [policies and directives applicable](#) to DHW

PART E: DELIVERY AND PERFORMANCE

Purpose

Part E outlines the performance indicators, associated reporting requirements and monitoring methods that apply to the LHN.

Performance Framework

The [SA Health Performance Framework 2023-24](#) sets out how the DHW, as the leader and steward of the public health system, monitors and assesses the performance of public health services and resources within South Australia. The Performance Framework uses performance indicators to monitor the extent to which the LHN is delivering the high level objectives set out in the Agreement. The LHN should refer to the SA Health Performance Framework for further information about the performance assessment process.

The LHN will endeavour to meet targets for each KPI identified in the table below. All sites within the LHN must meet performance targets as described under the four domain areas; timely access to care, productivity and efficiency, safe and effective care and people and culture.

While LHN KPI reports will be issued monthly as an internal reporting tool, a formal assessment of the LHN performance will be completed quarterly. The quarterly process will include DHW undertaking an initial assessment to be discussed with the LHN to incorporate agreed contextual and qualitative aspects of sustainable performance. This discussion will inform the final quarterly performance assessment issued to the LHN. The LHN performance levels are not assigned solely on KPI data, with a range of other factors also considered by DHW.

Any performance issues which result in system-wide impacts will be actively managed as part of LHN performance reviews.

A number of KPIs will be 'monitored' in year and may transition to Tier 1 or Tier 2 KPIs depending on the system's performance. Monitor KPIs do not contribute to the evaluation of the LHN's overall Performance Level but will inform opportunities for improvement.

CALHN has been commissioned at 100% National Efficient Price (NEP) incorporating 2023-24 national weights and classifications, as determined by the Independent Health and Aged Care Pricing Authority (IHACPA). It is expected that LHNs will perform within funded levels. Where a performance concern is identified, the LHN will be required to develop strategies to address, with improvement to be monitored in performance meetings.

More detailed information regarding the 2023-24 KPI architecture, including KPI descriptions, levels (Tier 1, Tier 2, and monitor), calculation methodology, targets and reporting frequency is available in the [2023-24 KPI Master Definition Document](#).

Priority Actions Incentive Program

In support of the Government's ongoing commitment to address ramping and improve hospital performance, the Priority Action Incentive Program has been redesigned for 2023-24.

Priority Action Incentive Program	
KPI	Incentive Payment
Transfer of care ≤30 mins for ≥ 66% of patients.	\$20,000 for every week target is achieved (payable monthly)* <i>* Incentive payments to be allocated to innovation and research programs within the LHN</i>
KPI	Redistribution of funds to DHW
Transfer of care hours lost on the ramp > 60 mins	\$200 for every ambulance hour lost (payable monthly)* <i>* Funds transfer to be managed via budget variation(s) from the LHN to DHW</i>

Subdomain	Tier 1	Tier 2
Timely access to care (Access and Flow)		
Ambulance to Emergency Department	Hours lost due TOC delays > 30 minutes	% / no. of patients with delayed transfer of care (TOC) > 1 hour
		TOC <= 30 mins
Emergency Department	ED LOS <= 4 hrs non- admitted	ED seen within clinically recommended time overall
		ED LOS > 24 hrs
Inpatient (Response and flow)	ED LOS <= 4 hrs admitted	%/no. patients => 21 LOS (general)
Elective Surgery	Elective Surgery – Percentage of Elective wait list patients overdue for procedure	
Specialist care (non-admitted)		Specialist Outpatient Clinic max wait
Productivity and Efficiency		
Finance	End of year net variance to budget (\$m)	National Efficient Price %
Commissioned Activity	Overall NWAUs activity to cap	
Efficiency	LOS variance to IHPA benchmark	
Quality of Health Information	Coding timeliness	Complexity index
Safe and Effective Care		
Safe Care	Healthcare Associated SAB Infection Rate	Healthcare Associated MRSA Infection Rate
	CHBOI - Hospital Standardised Mortality Ratio	
	CHBOI VLAD Pneumonia	
	Hospital Acquired Complication Rate	
	Mental Health – Seclusion per 1,000 bed days	Mental Health - Restraint Events per 1,000 bed days
Consumers Experience of Care	Consumer Experience: Involved in Decision Making	Consumer Experience: Involved in Decision Making
Appropriateness of Care	Aboriginal and Torres Strait Islander inpatient discharge against advice	Aboriginal and Torres Strait Islander ED DNW or left at own risk
	Mental Health - Post Discharge Community Follow Up Rate	Rehabilitation – Timeliness of Care
	% Of time spent in designated stroke unit	
Effectiveness of Care	Avoidable Hospital Readmissions	Emergency Department Unplanned Re-attendances within 48 Hours

People and Culture		
Workforce	Percentage of Aboriginal and Torres Strait Islander workforce	Staff Turnover
	Employees with Excess Annual Leave Balance	Overtime hrs as proportion of total productive hrs.
	Completion of Performance Reviews in Line with the Commissioner's Determination	Sick/carers leave hrs as proportion of total productive hrs.
		New Workplace Injury Claims

Demand Management KPI (Monitor)

To ensure surge capacity is available in the system, DHW will continue to monitor average occupancy for metropolitan LHNs in 2023-24, with the target set at 90%.

Data and Reporting Requirements

The LHN will provide data to the DHW on the provision and performance of health services (including community and aged care data), in a timely manner and as required by the DHW Chief Executive in alignment with the National Health Care Reform Agreement. All data provisions are outlined in the [Enterprise Data and Information \(EDI\) Data Requirements, 2023-24 Bulletin](#) including routine monthly data submissions and ad hoc requests. It is essential that data is submitted by the date provided within the Bulletin.

Where new data indicators are developed and agreed by the Commonwealth and the State, LHNs and DHW will work to deliver appropriate data to meet these needs.

The LHN must ensure that reported activity meets national definitions as detailed in the Principles, Scope and Methodology within the [IHACPA Pricing Framework](#), unless there is a state determined variation. DHW is committed to supporting the LHN with their data and reporting requirements.

The LHN is required to maintain up-to-date information for the public on its website regarding its relevant facilities and services including population health, inpatient services and other non-inpatient services and community health. DHW is committed to working in year with LHNs to establish routine public reporting across all domains.

Integrated Safety and Quality Performance Account

Annually the LHN will complete a [Safety and Quality Account](#) (the Account) report to demonstrate its achievement and ongoing commitment to assurance and improving and integrating safety and quality activity. The 2023-24 Account, due 29 September 2024, will provide information about clinical governance and the safety and quality performance of the LHN, highlighting improvement initiatives and outcomes for the financial year.

Workplace Wellbeing Report

LHNs/SAAS are required to prepare an annual [Wellbeing report](#) to provide qualitative data to demonstrate workplace wellbeing action against priority areas. The report will be due on 1 December 2023. DHW will commit to providing a summary of the wellbeing reports from LHNs/SAAS to enable visibility across the system and provide the opportunity to collaborate on future initiatives.

PART F: FUNDING AND COMMISSIONED ACTIVITY

Purpose

Part F sets out:

- > the sources of funding that the Agreement is based on and the manner in which these funds will be provided to the LHN
- > the activity commissioned by the DHW from the LHN
- > the funding provided for delivery of the commissioned activity
- > specific funding commitments.

Procedures currently delivered and funded through the Nationally Funded Centres program will not be eligible for state funding.

Funding Sources			
Funding Source	Revenue (\$)	Expenditure (\$)	Net Result (\$)
DHW Recurrent Transfer	1,691,408,000	0	
ABF Operating, Statewide, Mental Health & Intermediate Care	116,817,000	1,781,971,000	
Other Operating	0	193,701,000	
Inter Regional/Inter Portfolio	10,870,000	10,870,000	
Special Purpose Funds & Other Own Source Revenue	78,322,000	75,528,000	
Capital	160,897,000	0	
Non-Cash Items	0	120,584,000	
Total CALHN Allocation	2,058,314,000	2,182,654,000	(124,340,000)

Activity and Funding Allocation

The DHW has adopted the National ABF model to price and fund activity delivered by the LHNs.

Commissioned activity targets (NWAUs) for Acute, Emergency, Mental Health Admitted, Sub-Acute and Non-Admitted Services have been derived using the Independent Health and Aged Care Pricing Authority (IHACPA) price weights with adjustments made based on the Hospital/LHN casemix profile. The DHW applies the National Efficient Price as set by IHACPA to this commissioned activity to determine the funding allocation. Regional LHN funded price may be adjusted to reflect historical price performance. Small rural hospital services receive block funding reflective of services.

DHW determines the funding allocation on the basis of the number of patients, irrespective of residence, or funding source e.g. private patient, Department of Veteran Affairs patient and the types of treatments, at a set price weight. This ensures that LHNs have the appropriate expenditure authority, with an associated private revenue target for each LHN to meet.

LHN actual performance against commissioned activity targets will be monitored monthly and through the Performance Review Meeting process. The LHN has a responsibility to actively monitor variances from commissioned activity levels, to notify the DHW of any potential variance and to take appropriate action to avoid variance exceeding agreed tolerances. All COVID related expenditure is assumed to be incorporated within funding frameworks. COVID related expenditure and activity will no longer be reported separately in 2023-24.

If the LHN wishes to move activity between commissioned activity types and levels or make any deliberate changes to the consistent recording of activity that would result in activity moving between activity types and levels, this must be negotiated with DHW.

Activity and Funding Allocation			
Funding Type	2023-24 Cap		Commissioned
	Separations/ Service Events	NWAUs	
Activity Allocations			
Acute (admitted)	131,095	153,872	\$928,157,229
Admitted Mental Health	5,852	10,947	\$66,032,479
Emergency Department	121,152	20,912	\$126,142,624
Outpatients	640,531	42,748	\$257,854,900
Sub-Acute	6,653	22,544	\$135,984,683
Total Activity Allocation	905,283	251,023	\$1,514,171,915
Designated Allocations			
Intermediate Care			\$11,654,000
Mental Health			\$111,499,000
Prison Health			\$29,635,000
Regional Office (Site Specifics)			\$23,822,549
Site Specifics & Grants			\$91,188,249
Designated Allocations			\$267,798,798
Total Expenditure			\$1,781,970,713

Independent Health and Aged Care Pricing Authority (IHACPA) Model

SA Health is required to inform the Administrator of the National Health Funding Pool of the commissioned services of the LHN for the 2023-24 year, expressed in line with the determinations of the IHACPA.

To meet the requirements of the Administrator, the Agreement includes a translation of the SA Health ABF model into the same scope as the IHACPA Determination and Funding Model.

National Health Reform Funding Table				
Funding Type	2023-24 Cap NWAU	ABF Price	Commissioned (Price/ NWAU)	Commonwealth Funding (37.71%)
ABF Allocation				
Acute (<i>Inpatients</i>)	141,995	\$6,032	\$856,512,167	\$322,990,738
Mental Health (<i>admitted</i>)	17,729	\$6,032	\$106,943,148	\$40,328,261
Sub-Acute	18,068	\$6,032	\$108,988,211	\$41,099,454
Emergency Department	20,589	\$6,032	\$124,193,729	\$46,833,455
Outpatients	25,983	\$6,032	\$156,726,504	\$59,101,565
Total ABF Allocations	224,364		\$1,353,363,759	\$510,353,473
Block Allocation				
Teaching, Training and Research			\$53,046,373	\$20,003,787
Small and Rural Hospitals				\$0
Non-Admitted Mental Health			\$42,301,831	\$15,952,020
Non-Admitted CAMHS				\$0
Non-Admitted Home Ventilation				\$0
Other Non-Admitted Services (Home Oxygen)			\$2,449,852	\$923,839
Other Public Hospital Programs				\$0
Highly Specialised Therapies				\$0
Total Block Allocation			\$97,798,055	\$36,879,647
Grand Total Funding Allocation			\$1,451,161,814	\$547,233,120

Specific Commissioning Commitments

The services, programs and projects set out in the table below have been specifically commissioned by the DHW from the LHN. These services will be the focus of detailed monitoring by the DHW. If the LHN forecasts an inability to achieve these commitments, the LHN will promptly notify the DHW.

Specific Commissioning Commitments	
Service / Program	Allocation
Transition Care Program	<p>Funds are allocated to the LHNs in proportion with their number of Transition Care places.</p> <p>Due to movement of bed numbers a six-month nominal budget has been provided and will be confirmed when final bed numbers are approved.</p> <p>Total 6 months \$9,605,000</p> <p>The final six months will be released in year following analysis on bed numbers and occupancy reporting.</p>
Care Coordinators – Intensive Home Based Support Services	<p>Salaries & Wages: \$75,000</p> <p>Supplies & Services: \$4,000</p> <p>FTE Allocations: 0.5</p>
Aged Care Assessment Program	<p>CALHN to receive a full year payment of \$3,425,895 for a minimum of 4752 assessments in the year*</p> <p>Payment per assessment: \$716, with the additional funding provided to support administration and triage.</p> <p>LHNs are to meet KPIs and performance expectations as detailed by the Office of Ageing Well</p> <p><small>*DHW reserve the right to request the return of funds should performance expectations/no. of assessments not be met</small></p>
Transvaginal Pelvic Mesh	\$900,000 site specific (partly offset by removal of 127 NWAUs commissioned activity)
Lymphoedema Compression Garment Scheme	\$193,074 GST Ex Supplies & Services
Repat Health Precinct	\$2,310,000 (as per site specific in HPA)
Priority Care Centres	\$387,549
Lung Foundation Nurses	\$314,000
Alternate Pathways	\$137,000
7-day service models	\$1,440,000
Mitraclip	Additional 10 separations (60 NWAUs) have been allocated to CALHN to support a combined LHN service with SALHN, as proposed by the Statewide Cardiac Clinical Care Network.

CALHN Hospital Avoidance	\$2,500,000 (414 NWAUs) activity has been allocated
Intermediate Care	\$6,889,000 converted to ABF funding (1,142 NWAUs)

Signature

This is a Service Agreement (the Agreement) between the Chief Executive of the Department for Health and Wellbeing (Chief Executive) and the Central Adelaide Local Health Network Incorporated (the Parties) which sets out the Parties' mutual understanding of their respective statutory and other legal functions and obligations through a statement of expectations and performance deliverables for the period of 01 July 2023 - 30 June 2024.

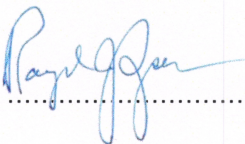
Through execution of the Agreement, the Local Health Network agrees to meet the service obligations and performance requirements as detailed in Part A-Part F of the Agreement. The Chief Executive agrees to provide the funding and other support as outlined in the Agreement.

Raymond Spencer

Chair

On behalf of

Central Adelaide Local Health Network Inc. Governing Board

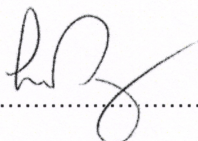
Signed: 

Date: 25/08/2023

Lesley Dwyer

Chief Executive Officer

Central Adelaide Local Health Network Inc.


Signed: 

Date: 25/08/2023

Dr Robyn Lawrence

Chief Executive

Department for Health and Wellbeing

Signed: 

Date: 30.10.23

For more information

**Central Adelaide Local Health Network 2023-24 Service Agreement
Commissioning and Performance**

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