



Attached Office: Wellbeing SA

# Service Agreement

1 July 2021 – 30 June 2022



Government  
of South Australia

SA Health

## Version Control

Version No.	Changes Made	By Whom	Date
V1	Draft Service Agreement	J Browne	19/08/2021
FINAL	Amendments as per feedback response table	J Browne	1/3/2022

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## PART A: INTRODUCTION, OBJECTIVES AND GOVERNANCE

### Introduction

The Agreement supports the delivery of safe, effective and accountable high quality health care by formally setting out the performance expectations and funding arrangements during the term of the Agreement. The Agreement applies to the delivery of commissioned activity and contracted services allocated by the Department for Health and Wellbeing (DHW) and managed by Wellbeing SA.

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 Wellbeing SA and the DHW.
- < The Parties' commitment to achieving high standards of governance, transparency, integrity and accountability in relation to DHW commissioned activity and commissioned contracts.

### Objectives of the Service Agreement

The Agreement is designed to:

- < Describe the key commissioned contracted services and accountabilities that Wellbeing SA is required to meet, including particulars of the volume, scope and standard of these services.
- < Describe the performance indicators, associated reporting arrangements and monitoring methods in relation to these commissioned contracted services.
- < Describe the sources of funding for commissioned contracted services that the Agreement is based on and the manner in which these funds will be provided to Wellbeing SA, including the commissioned activity and criteria.

### Legislative and Regulatory Framework

Wellbeing SA is an independent agency under the Freedom of Information Act 1991 and has its own reporting obligations under the Public Finance and Audit Act 1987 and the Public Sector Act 2009.

In delivering DHW commissioned activity and contracted services, Wellbeing SA 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 Agreement is regulated by the NHRA which provides the Commonwealth funding contribution for the delivery of public hospital services. 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.

## **Governance**

Wellbeing SA was established in July 2019 as an election commitment under the Government's policies – *Better Prevention for a Healthy South Australia* and *Targeted Health Prevention*. On 6 January 2020 Wellbeing SA was proclaimed as an independent government agency attached to the DHW to provide independence to lead cross-government and cross-sector strategies.

The Chief Executive, Wellbeing SA, reports to the Premier of South Australia and the Minister for Health and Wellbeing on strategic matters. For all matters relating to employee conduct and effective office management, the Chief Executive, Wellbeing SA, reports to the Chief Executive, DHW.

## **Amendments to the Service Agreement**

An amendment of the Agreement will occur where there is a change to the Chief Executive DHW'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 or cessation of a service, formal negotiation and finalisation must be communicated in writing between Parties and follow the process as described in the [Service Agreement Amendment Fact Sheet](#).

## **Commencement of a New Commissioned Contracted Service**

In the event that either Party wishes to commence providing a new commissioned contracted service (for which commissioning will be provided by DHW) 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 funding implications and intended benefits/outcomes.

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



## **Cessation of Commissioned Contracted Service Delivery**

The DHW and Wellbeing SA 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 Wellbeing SA 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.

## **Dispute Resolution**

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

## PART B: STRATEGIC PRIORITIES AND GOVERNMENT COMMITMENTS

### Purpose

Wellbeing SA has a responsibility to ensure that the delivery of commissioned contracted services and activity is consistent with SA Health's strategic directions and priorities.

### Strategic Direction

The State Government's key priority is to rebalance the South Australian health system in a way that represents the values of the community, delivers the highest standards of safe and quality care and is economically viable for the future. The State Government will use international best practice to develop specific programs that keep people as well as possible and reduce their need to use the existing hospital system by providing increased options for health care provision in the home and community.

The Parties will ensure commissioned contracted services assist in rebalancing the health system and to achieve the key goals, directions and strategies articulated within the following:

- > [South Australian Health and Wellbeing Strategy 2020-2025](#)
- > [State Public Health Plan 2019-2024](#)
- > [SA Mental Health Services Plan 2020-2025](#)
- > [SA Health Clinical Services Capability Framework](#)

### Integrated Safety and Quality Performance Account

Annually, Wellbeing SA will complete a [Safety and Quality Account](#) (the Account) for its commissioned contracted services to demonstrate its achievement and ongoing commitment to improving and integrating safety and quality activity. The 2021-22 Account, due 20 May 2022, will provide information about the safety and quality of care in commissioned contracted services managed by Wellbeing SA, and demonstrate that the service providers have appropriate clinical governance systems in place.

### Vulnerable Consumers

Wellbeing SA will ensure that commissioned contracted health services delivered by non-government providers meet SA Health's expectations of systems and standards of care, including the safeguarding of vulnerable consumers through the commissioning cycle. This includes;

#### During early commissioning

**Wellbeing SA** will use mapping and analysis of the proposed patient journey to assess the potential clinical risk of contracted services, including the safety of the proposed service for vulnerable service recipients (the risk of harm, abuse, exploitation and neglect).

Wellbeing SA will co-design a model of service delivery, with clinicians, safety and quality expertise, providers, consumers and communities, that minimises risk and includes protective strategies.

## **During procurement and evaluation processes**

Wellbeing SA will use the Invitation to Submit Tenders (in draft) to evaluate potential service providers' commitment to care of vulnerable people and to working with SA Health to minimise the risk of abuse or exploitation, and to verify that providers' clinical governance and safeguarding practice meet requirements.

Wellbeing SA will develop indicators/metrics for quality and safety, and consumer experience.

Wellbeing SA will engage with the Safety Learning System (SLS) to enable notification of incidents and complaints, and extraction of summary reports for each program and the provider(s). Wellbeing SA will participate in incident and complaint management and escalation as required.

## **During program delivery as Contract Managers**

Wellbeing SA will monitor the effectiveness of the program as a whole, and each service providers' clinical governance and safeguarding procedures, through review of relevant performance measures such as incidents, complaints and the actions taken to improve safety and quality.

## **DHW/Wellbeing SA Commitments**

DHW are committed to supporting Wellbeing SA in 2021-22 to:

- < Support the Long Stay Transition to Discharge and the NDIS Health Interface project to enable appropriate discharge of patients with LHNs, and enhance the model and setting of care.
- < Review the commissioning and funding arrangements for the SA Community Care contract, including consideration of transitioning from block funding to Tier 2 funding.
- < Support Wellbeing SA to deliver activity growth in the My Home Hospital Program
- < Work collaboratively with Wellbeing SA to review progress of demand management initiatives
- < Engage collaboratively to ensure ongoing strategic commissioning evaluation of current and future progress to rebalance the system.



## **PART C: COMMISSIONED CONTRACTED SERVICES**

The following commissioned contracted services will be delivered by Wellbeing SA:

### **Priority Care Centres**

Priority Care Centres provide community-based healthcare and treatment for eligible patients with urgent but non life-threatening conditions, who would otherwise be seeking a service from an SA Health emergency department. Priority Care Centres are one of the suite of strategies put in place to support delivery of community based care options as part of the health care system.

### **My Home Hospital**

The My Home Hospital model shifts and scales activity for targeted diagnostic-related groups (DRGs) from existing inpatient activity in a higher cost setting (hospital-based care) to a lower cost setting (home-based care). In 2021-22 the My Home Hospital program has been expanded from five DRG groups to twelve. Acute inpatient activity has been transferred from CALHN, SALHN, NALHN and BHFLHN to Wellbeing SA. Activity transferred from BHFLHN to Wellbeing SA has been based on 6 months equivalent of the year 1 allocation outlined in the My Hospital Business Case.

Wellbeing SA will continue the development of this hospital substitution program to:

- < increase the number of patients who are able to access hospital level care in their home
- < minimise avoidable re-presentations and re-admissions to hospital, and reduce the average length of stay in target DRGs
- < ensure high levels of patient satisfaction with the service

### **SA Community Care**

SA Community Care (SACC) provides a consumer centred approach to the delivery of health support services to people in their own home, including within residential aged care facilities. These services include hospital avoidance services aimed to prevent an immediate public metropolitan hospital admission, and post-acute services which facilitate a timely and safe discharge for public inpatients.

Wellbeing SA will ensure an appropriate model of care and associated monitoring is implemented. The implemented model of care will ensure prompt identification and escalation of consumers that are out of scope for the service due to complexity and ensure they are appropriately directed.

Patient level data submission for the SACC program is expected by December 2021, to comply with requirements of the national funding body. This requirement will be supported by DHW Enterprise Data and Information, and Funding Models.

### **Long Stay Transition to Discharge and the NDIS Health Interface**

Wellbeing SA will work with LHNs to improve access to community-based care approaches that respond to the needs of target population groups. This includes the development of processes to support LHNs in ensuring people in their care who are eligible for the National Disability Insurance Scheme (NDIS) are linked into community care when it is needed. Improved access to community-based care approaches will also assist long stay patients transitioning out of acute hospital settings to more appropriate community care options.

Wellbeing SA will coordinate the Long Stay Transition to Discharge project, working with LHNs to organise short term transition support services in the community for long stay patients who are in acute beds awaiting longer term supports being put in place, including aged care and disability according to identified needs.

### **Demand Management Initiatives**

#### **Expanding SA Community Care Contract**

- < Wellbeing SA will increase capacity within the Community Care contract to support activity that prevents hospital admissions and promotes early discharge.

#### **NDIS Dedicated Support Coordinator Assessment Team**

- < The delivery of a centralised, skilled, multi-disciplinary team will be developed with Department of Human Services to undertake the support coordination role for NDIS participants whilst in hospital. This in-hospital team will work with the NDIS participant and their family and/or guardian, LHN staff, SA Ambulance Service, NDIA, NDIS providers of support and accommodation providers and GPs to facilitate a coordinated and timely discharge.

#### **Out of Hospital Champions**

- < Work with CALHN, NALHN and SALHN to embed the Out of Hospital Champions.

### **Teaching, Training and Research**

As a result of the nature of the services delivered, there are no teaching, training or research functions undertaken by Wellbeing SA, and the activity and funding allocations do not include any such costs.

## **PART D: DELIVERY AND PERFORMANCE**

### **Purpose**

Part D outlines the provisional performance indicators, associated reporting requirements and monitoring methods that apply to Wellbeing SA.

### **Performance Framework**

The SA Health Performance Framework 2021-22 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 health service is delivering the high-level objectives set out in the Agreement. Wellbeing SA should refer to the SA Health Performance Framework for further information about the performance assessment process.

DHW will review and monitor, against key deliverables, the performance of Wellbeing SA, including the management of commissioned contracted services. Wellbeing SA will endeavour to meet KPI targets under the four domain areas; access and flow, productivity and efficiency, safe and effective care and people and culture.

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

A number of KPIs, including outcome-based measures, will be 'monitored' in year and may be considered to transition to Tier 1 or Tier 2 KPIs depending on the health system's performance. More detailed information regarding the 2021-22 provisional KPI architecture, including KPI descriptions, levels (Tier 1, Tier 2, shadow and monitor), calculation methodology, targets and reporting frequency is available in the 2021-22 KPI Master Definition Document.

2021-22 Provisional KPI Architecture			
Subdomain	Tier 1	Tier 2	Monitor
<b>Access and Flow</b>			
My home hospital	Referral to Admit rate	Declined referrals	
SA Community Care	Activity	Time in program	
Priority Care Centres		Utilisation	
NDIS/Long Stay			NDIS discharge rate
			Discharge Delay
<b>Productivity and Efficiency</b>			
Wellbeing SA	EOFY Net Variance Projection		
My Home Hospital	NWAUs Activity against Target		% of National Efficient Price
SA Community Care	Actual against Budget		
Priority Care Centres	Activity against Target		
Quality of Health Information		Critical Errors - Admitted (My Home Hospital)	
<b>Safe and Effective Care</b>			
Wellbeing SA	Serious Complaints Rate		All Actual SAC 1 and 2 Open Disclosures
	Closure of Complaints within 35 working days		
	Consumers Experience of Care		
My home hospital	ALOS – comparison to national IHPA Benchmarks		Unexpected Re-admission to Hospital within 7 days of discharge
	Re-presentation to ED within 48 hours of initial presentation		
Priority Care Centres	Up Transfer to ED		Unexpected admission to Hospital within 7 days of PCC appointment
	Re-presentation to ED within 48 Hours		

## Data and Reporting Requirements

Wellbeing SA will provide data to the DHW on the provision and performance of contracts and activity in a timely manner and as required by the Chief Executive DHW. All data provisions are outlined in the [Enterprise Data And Information \(EDI\) Data Requirements, 2021-2022 Bulletin](#) including routine monthly data submissions and ad hoc requests. It is essential that data is submitted by the date provided within the Bulletin.

Wellbeing SA is also required to maintain up-to-date information for the public on its website regarding DHW Commissioned Services.

## PART E: COMMISSIONED ACTIVITY AND CONTRACTS

### Purpose

Part D sets out:

- The funding provided for delivery of the commissioned activity.

### Activity and Funding Allocation

The DHW will monitor actual activity against commissioned levels through the performance review meeting process. Wellbeing SA has a responsibility to actively monitor variances from commissioned activity levels, and to take action to avoid variance exceeding agreed tolerances. Wellbeing SA will notify DHW of potential variances.

The activity and funding provided to Wellbeing SA for My Home Hospital is from the LHN Activity Based Funding (ABF) allocations. Wellbeing SA will manage within budget allocation and any commissioned activity that is not delivered will need to be discussed at performance review meetings.

Activity and Funding Allocation	
Service/Program	Allocation
My Home Hospital	<p>Commissioned Activity and Funding</p> <ul style="list-style-type: none"> <li>• 4,707 separations (5,079 NWAUs)</li> <li>• Weighted activity funded at NEP of \$5,597</li> <li>• \$28,427,163</li> </ul> <p>Enabler Funding</p> <ul style="list-style-type: none"> <li>• \$3,271,000</li> </ul> <p>Program Management Office (Carry Over)</p> <ul style="list-style-type: none"> <li>• \$580,000</li> </ul> <p>Total MHH Funding</p> <ul style="list-style-type: none"> <li>• \$32,278,163</li> </ul>
Priority Care Centres	<p>Commonwealth Funding (Health Innovation Fund)</p> <ul style="list-style-type: none"> <li>• \$3,447,000</li> </ul> <p>State Funding</p> <ul style="list-style-type: none"> <li>• \$2,427,000</li> </ul>
SA Community Care Contract	<p>\$25,109,000</p> <p>An additional \$3,152,000 is being held centrally by DHW</p>
Demand Management Initiatives	<p>Expanding SA Community Care Contract</p> <ul style="list-style-type: none"> <li>• \$2,000,000</li> </ul> <p>NDIS Dedicated Support Coordinator Assessment Team</p> <ul style="list-style-type: none"> <li>• \$1,201,000</li> </ul> <p>Out of Hospital Champions</p> <ul style="list-style-type: none"> <li>• \$1,819,000</li> </ul>

## Independent Hospital Pricing Authority (IHPA) Model

SA Health is required to inform the Administrator of the National Health Funding Pool of the commissioned services of the LHN for the 2021-22 year, expressed in line with the determinations of the IHPA. There have been changes in prior years to the SA Funding Model to achieve alignment with the IHPA determinations. Differences continue to exist to recognise how services are delivered in SA hospitals and their cost structures. These differences in the IHPA and SA Health Funding Models relate to inclusions/exclusions and their underlying taxonomies.

SA Health sets the budget for Wellbeing SA based on its ABF model with recognition of activity in NWAUs for all service categories. To meet the requirements of the Administrator, the Agreement includes a translation of the SA Health ABF model into the same scope as the IHPA Determination and Funding Model.

The major difference between the SA Health and IHPA model is primarily associated with the exclusion of outputs that are not funded under the NHRA (e.g. DVA) and where services are otherwise block funded in the SA Health model (e.g. Community activity).


National Health Reform Funding Table			
Funding Type	Number of Services (NWAU)	ABF NEP	Commonwealth Funding
<b>Activity Allocations</b>			
Acute (Inpatients)	2,801	\$5,597	\$5,967,520
Mental Health (admitted)		\$5,597	\$0
Sub-Acute		\$5,597	\$0
Emergency Department		\$5,597	\$0
Outpatients	10,349	\$5,597	\$22,045,469
<b>Total ABF Allocations</b>	<b>13,150</b>		<b>\$28,012,989</b>
<b>Block Allocations</b>			
Teaching, Training and Research			\$0
Small and Rural Hospitals			\$0
Non-Admitted Mental Health			\$0
Non-Admitted CAMHS			\$0
Non-Admitted Home Ventilation			\$0
Other Non-Admitted Services (Home Oxygen)			\$0
Other Public Hospital Programs			\$0
Highly Specialised Therapies			\$0
<b>Total Block Allocation</b>			<b>\$0</b>
<b>Grand Total Funding Allocation</b>			<b>\$28,012,989</b>



## SIGNATURE

This is a Service Agreement (the Agreement) between the Chief Executive of the Department for Health and Wellbeing and the Chief Executive of Wellbeing SA for the period of 01 July 2021 – 30 June 2022. Through execution of the Agreement Wellbeing SA agrees to meet the service obligations and performance requirements as detailed in Part A-Part E of the Agreement. The Chief Executive agrees to provide the funding for commissioned contracted services managed by Wellbeing SA, as outlined in the Agreement.

**Lyn Dean**  
Chief Executive  
Wellbeing SA

Signed:  ..... Date: 25 March 2022 .....

**Dr Chris McGowan**  
Chief Executive  
Department for Health and Wellbeing

Signed:  ..... Date: 28/3/22 .....

## APPENDIX 1 – COMPANION ARCHITECTURE

Without limiting any other obligations, the delivery of commissioned contracted services managed by Wellbeing SA under this Agreement requires Wellbeing SA and contracted providers to comply with all relevant South Australian legislation, policies, frameworks and standards, including, but not limited to:

Advanced Care Directives Act 2013

Ageing and Adult Safeguarding Act 1995

Australian Health Service Safety and Quality Accreditation (AHSSQA) Scheme

Carer Recognition Act

Criminal and Relevant History Screening Policy Directive

Charter of Responsibility

Children and Young People (Safety) Act 2017

Commonwealth Aged Care Quality and Safety Commission (where applicable)

Consent to Medical Treatment and Palliative Care Act

Consumer Feedback Policy Directive

Disaster Resilience Policy Directive

Emergency Management Act 2004

Fifth National Mental Health and Suicide Prevention Plan

Framework for the Management of SA Health Grants and Service Agreements with Non-Government Organisations Policy Directive

Guardianship and Administration Act 1993

HCSCC Charter of Health and Community Services Rights

Health Care Act 2008

Health Care (Governance) Amendment Act 2018

Health Practitioner Regulation National Law Act 2009

Mental Health Act 2009

National Clinical Governance Framework

National Health Reform Agenda

National Partnership Agreements between the State and Commonwealth Government

National Safety and Quality Health Service Standards

National Standards for Mental Health Services

NDIS Code of Conduct

NDIS Practice Standards and Quality Indicators

Office for the Ageing (Adult Safeguarding) Amendment Act 2018

Patient Incident Management and Open Disclosure Policy Directive

SA Charter of rights and freedoms of Vulnerable Adults

SA Carers Charter

SA Health Aboriginal Cultural Learning Framework

SA Health Aboriginal Workforce Framework 2017-2022

SA Health Accreditation Policy Directive

SA Health Clinical Services Capability Framework

SA Health Corporate Governance Framework Summary

SA Health Enterprise Data Information Plan

SA Health Performance Framework 2020-21

SA Health Research Ethics Policy Directive

SA Health Research Governance Policy Directive

SA Health Strategic Plan 2017 to 2020

SA Mental Health Services Plan – 2020-2025

SA Health: Your Rights and Responsibilities

Service Agreement Amendment Fact Sheet

Service Agreement Dispute Resolution Fact Sheet

South Australian Aboriginal Cancer Control Plan 2016-2021

South Australian Health and Wellbeing Strategy 2020-2025

Standards for General Practice (where applicable)

State Emergency Management Plan

Work Health and Safety Act 2012

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For more information

**Wellbeing SA: 2021-22 Service Agreement**

**Commissioning and Performance**

**11 Hindmarsh Square**

**ADELAIDE SA 5000**

[health.commissioning@sa.gov.au](mailto:health.commissioning@sa.gov.au)

[www.sahealth.sa.gov.au](http://www.sahealth.sa.gov.au)



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