

2020-21 Local Hospital Network Service Level Agreement

An Agreement between the

ACT Minister for Health

and the

ACT Local Hospital Network

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Introduction

The ACT Government manages system-wide public hospital and health service delivery, planning and performance, including the purchasing of public hospital and health services and capital planning.

This Service Level Agreement (SLA), between the ACT Minister for Health and the Director-General of the ACT Health Directorate (ACTHD), formalises the performance framework, activity and funding levels for the ACT Local Hospital Network (LHN) for 2020-21.

The ACT Minister for Health and Minister for Mental Health and Justice Health separately sign an annual Statement of Priorities with the Chief Executive Officer (CEO) of Canberra Health Services (CHS), which is the main service provider in the ACT LHN.

This SLA supports the delivery of safe, accessible, quality, financially sustainable and accountable healthcare for the ACT community and surrounding region. It also promotes visibility of responsibilities and accountabilities across relevant ACT agencies for the delivery of health services and provides information on funding of these services. Key elements of this SLA include:

- the services to be provided by the ACT LHN;
- funding provided to the ACT LHN for the provision of these services;
- key service performance priorities and agreed targets; and
- other obligations of the parties.

Fundamental to the success of this agreement is a strong collaboration between the ACT Minister for Health, the Minister for Mental Health and Justice Health, the ACTHD, the ACT LHN service providers, including CHS, and the broader ACT public health system to achieve the best health outcomes for the community from available resources.

This Agreement commences 1 July 2020 and expires 30 June 2021.

Legislative and Policy Context

This Agreement is established in accordance with the requirements of the National Health Reform Agreement (NHRA) and the *ACT Health (National Health Funding Pool and Administration) Act 2013*. Under the NHRA, each LHN is required to have a service agreement established between it and the state/territory.

This Agreement is established to give effect to the objectives and priorities of the ACT Government for the ACT public health system as documented in the ACT 2020-21 Budget papers.

This Agreement is also established consistent with the objectives and priorities of the ACT-NSW Memorandum of Understanding (MOU) for Regional Collaboration.

The ACT Government is committed to delivering accessible, accountable and sustainable person and family-centred, safe and effective care, with the appropriate health infrastructure to meet the future needs of the ACT and surrounding region.

Roles

ACT Health Directorate and ACT Local Hospital Network

A key role of the Director-General of the ACTHD is to administer the ACT LHN. The ACTHD provides the administrative functions to support the ACT LHN to deliver the services in accordance with this Agreement.

ACTHD is responsible for policy development and planning of the ACT public health system, and provides commissioning cycle functions for the ACT LHN via:

- territory-wide health services planning;
- negotiations and submissions for funding;
- commissioning of service providers;
- monitoring of expenditure and delivery of services by providers against key performance indicators;
- accountability to Minister, legislature and community for the key system-wide performance indicators as per Budget Statements C, ACT 2020-21 Budget; and
- accountability for the management of the LHN service providers other than CHS (see below).

Health Services Providers

The ACT LHN service providers are detailed below. The main role of the service providers within the ACT LHN under this Agreement is to deliver the services detailed in the schedules consistent with the ACT Government's objectives and priorities, key performance indicators and in accordance with all governing legislation and regulations.

As a Directorate created under the *Public Sector Management Act 1994 (ACT)*, CHS is directly responsible and accountable to the Minister for Health for delivery against activity and performance targets as assigned by the ACT Government. For this reason, the CEO of CHS enters into an annual agreement with the responsible ACT Ministers, as indicated above.

Priorities for 2020-21

A major focus for the ACT LHN will be balancing the continued pressure of demand for hospital and health services within the resources available. ACTHD, as the ACT LHN manager, will continue to collaborate with, and promote collaboration amongst service providers, particularly in relation to improving and identifying cost effective models of service delivery, as well as models of care that reduce the demand on hospital admissions and presentations.

Operational initiatives to be pursued in 2020-21 include:

- receiving and distributing funding for public hospital services under the NHRA;
- funding hospital and health services delivered by three ACT public hospital and health service providers; and
- continuing to support the public hospital system in response to the COVID-19 pandemic, including prevention, preparedness, vaccination and recovery of services impacted by the COVID-19 shutdown.

Hospital and Health Service Profile

In 2020-21, the ACT LHN will secure services from the following providers:

Provider	Service Profile
Canberra Health Services	<p>CHS delivers a range of publicly funded acute, sub-acute, primary and community-based health services and programs through:</p> <p>Canberra Hospital Canberra Hospital is a tertiary teaching hospital which provides trauma services and most major medical and surgical sub-specialty services. Services include: medical, surgical, emergency, maternity, paediatrics, specialist outpatient clinics, mental health, critical care, allied health and other clinical support services.</p> <p>Canberra Hospital is the largest public hospital in the region of approximately 670 beds, supporting a catchment area population of around 617,000, with strong links to community-based services that provide continuity of care for patients. It is the principal teaching hospital of the Australian National University Medical School. It also has strong ties with the University of Canberra and the Australian Catholic University Schools of Nursing.</p> <p>Key facilities that are located on the Canberra Hospital campus include:</p> <ul style="list-style-type: none"> • Centenary Hospital for Women and Children • Canberra Region Cancer Centre • Adult Mental Health Unit. <p>Community Health Centres Providing a range of general and specialist health services to people of all ages, including rehabilitation, aged care services, women, youth and children’s services, mental health, dental services, allied health and nursing services.</p> <p>Dhulwa Mental Health Unit Providing 24-hour treatment and care for adults with complex mental health needs. The unit currently has a 17 bed capacity with a combination of acute care beds and rehabilitation beds.</p> <p>University of Canberra Hospital – Specialist Centre for Rehabilitation, Recovery and Associated Research A dedicated and purpose-built rehabilitation health facility with 84 inpatient beds and 75 day places. UCH provides care and support for people over the age of 18 who are experiencing mental illness or recovering from surgery, illness or injury. Ambulatory and non-admitted rehabilitation services are also provided from UCH for adult patients.</p> <p>Walk-in Centres Walk-in Centres provide free treatment for minor illness and injury, 7 days a week between 7.30am and 10pm.</p>

Provider	Service Profile
Calvary Health Care ACT Ltd	<p><i>Calvary Public Hospital Bruce (Calvary Public)</i> Calvary Public is a general hospital with approximately 250 beds with a 24/7 Emergency department, intensive and coronary care services, medical and surgical inpatient services, maternity services, voluntary inpatient mental health services, specialist outpatient clinics, Hospital in the Home service and the Geriatric Rapid Acute Care Evaluation (GRACE) service.</p> <p>Calvary Public is a teaching hospital affiliated with the Australian National University, the Australian Catholic University and the University of Canberra, as well as providing clinical placements for several other tertiary providers.</p> <p><i>Clare Holland House</i> Clare Holland House, operated by Calvary, provides inpatient specialist palliative care service and outpatient clinics, community-based palliative care services, specialist outreach services and the Palliative Care Research Centre and is the main facility for the provision of specialist palliative care across the ACT and surrounding region. A consultation service is provided to Calvary Public, Canberra Health Services, Calvary John James Hospital and the National Capital Private Hospital.</p>
Tresillian Family Care Centres	<p><i>Queen Elizabeth II Family Centre (QEII)</i> The QEII is a 13 bed facility providing a residential program for families with children aged up to 3 years experiencing health and behavioural difficulties in the postnatal and early childhood periods.</p>
Calvary John James Hospital	<p><i>Elective Joint Replacement Program</i> Approximately 400 joint replacements per year.</p>
Private Provider Program	<p><i>Panel for Elective Surgery Wait List Reduction</i></p> <ul style="list-style-type: none"> • Barton Private Hospital • Calvary Bruce Private Hospital • Canberra Microsurgery • Capital Coast Surgery • Calvary John James Hospital • Canberra Private Hospital • National Capital Private Hospital
ACT Health Directorate	<p><i>Public Health Services</i> In accordance with the <i>Public Health Act 1997</i>, the Chief Health Officer leads:</p> <ul style="list-style-type: none"> • Development and implementation of strategies to promote and protect public health • Advice to the Minister on matters of public health, including leading the Territory's response to the COVID-19 pandemic • Biennial reporting on priority issues through the Chief Health Officer's Report • Exercise of a range of critical health emergency management functions • Oversight of regulatory compliance and enforcement of public health legislation which includes the <i>Food Act 2001</i> and the <i>Medicines, Poisons and Therapeutic Goods Act 2008</i>

Performance, Activity and Funding

Strategic Indicators and Accountability Indicators as per the 2020-21 Health Directorate Budget Statement (Budget Statements C)

ACT Local Hospital Network Performance Indicators

Strategic Objective 1: Establishment of an integrated planning, funding and performance monitoring framework that drives coordinated, high-quality health care service delivery

Strategic Indicator	2020-21 Target
Performance Agreements with Public Hospital Service Providers in place ¹	2

Output Class 1 – ACT Local Hospital Network

Accountability Indicators Output 1.1	2020-21 Target NWAU {20} ²
a. Admitted Services – National Weighted Activity Units ³	104,329
b. Non-admitted Services – National Weighted Activity Units ⁴	28,815
c. Emergency Services – National Weighted Activity Units	19,324
d. Acute Admitted Mental Health Services – National Weighted Activity Units	10,384
e. Sub-Acute Services – National Weighted Activity Units	14,124
f. Total in Scope – National Weighted Activity Units	176,976

¹ The Canberra Hospital and the University of Canberra Hospital are contracted under the same agreement, as is Calvary Public Hospital Bruce and Clare Holland House.

² National Weighted Activity Unit (NWAU) is the 'currency' that is used to express the price weights for all services that are funded on an activity basis. NWAU {20} is the currency as defined by the Independent Hospital Pricing Authority in the National Price Determination 2020-21. NWAU {20} is not directly comparable to NWAU {19}. These measures combine the results for Canberra Hospital (including subcontracted services), University of Canberra Hospital, Calvary Public Hospital and Clare Holland House for services that meet the Independent Hospital Pricing Authority's criteria for inclusion on the 'General List of In-Scope Public Hospital Services'.

³ Excludes mental health and sub-acute services.

⁴ Excludes community mental health services.

ACT Health Directorate Performance Indicators

The ACT Health Directorate is assigned responsibility for the following performance indicators in the ACT Budget Statements, however they are achieved through the performance of LHN providers.

Strategic Objective 2: A safe, responsive, sustainable public health system

Strategic Indicator 2.1 – Performing more Elective Surgery	2020-21 Target
Number of elective surgeries performed	>16,000
Strategic Indicator 2.2 – Reducing the Waiting List for Elective Surgery	2020-21 Target
The number of patients waiting longer than clinically recommended timeframes for elective surgery	430
Strategic Indicator 2.3 – Improving Timeliness of Emergency Department Demand	2020-21 Target
Percentage of Emergency Department presentations whose length of stay in the Emergency Department is four hours or less	90%
Strategic Indicator 2.4 – Surgical complications requiring unplanned return to theatre ⁵	2020-21 Target
Number of surgical complications requiring unplanned return to theatre per 10,000 hospital admissions	≤20
Strategic Indicator 2.5 – Avoidable readmissions to hospital ⁶	2020-21 Target
Number of avoidable readmissions for selected conditions per 10,000 hospital admissions	≤50

⁵ This is a new measure in 2020-21 and replaces the 2019-20 accountability indicator 1.1.f

⁶ This is a new measure in 2020-21 and replaces the 2019-20 accountability indicator 1.1.g

Output Class 1 – ACT Health Directorate

Output 1.1 – Improved Hospital Services

Accountability Indicators Output 1.1	2020-21 Target
a. Percentage of all Emergency Department presentations treated within clinically appropriate timeframes	70%
b. Percentage of Category 1 elective surgery patients admitted for surgery within clinically recommended timeframes	100%
c. Percentage of Category 2 elective surgery patients admitted for surgery within clinically recommended timeframes	80%
d. Percentage of Category 3 elective surgery patients admitted for surgery within clinically recommended timeframes	93%

Output 1.3 – Mentally Healthy Communities

Accountability Indicators Output 1.3	2020-21 Target
a. Percentage of mental health clients with outcome measures completed	65%

LHN Activity and Funding

The table below outlines total funding in the LHN budget for 2020-21, excluding funding under the National Partnership on COVID-19 Response.

Activity based funded services and block funded services are defined by the Independent Hospital Pricing Authority under the NHRA.

Service Stream	NWAU {20} ⁷	Budget (\$)
Activity Based Funded (ABF) Services		
Acute Admitted	104,329	662,195,043
Non-Admitted	28,815	182,894,020
Emergency Department	19,324	122,652,925
Admitted Mental Health	10,384	65,909,127
Sub-acute Admitted	14,124	89,647,584
Total ABF	176,976	1,123,298,699
Block Funded Services		
Non-admitted Mental Health		47,871,955
Queen Elizabeth II Hospital		3,695,000
Non-Admitted Child and Adolescent Mental Health Services (CAMHS)		10,312,253
Non-Admitted Home Ventilation		1,392,894
Teaching, Training and Research		55,739,213
Total Block Funded		119,011,315
Out of scope and unallocated services ⁸		162,609,985
Total ACT Health Services Funding		1,404,920,000
Cross Border Payments		26,073,000
Public Health		7,567,000
COVID-19 (ABF) ⁹		22,082,000
COVID-19 (Block/Public Health) ¹³		41,881,000
Total LHN Funding ¹⁰		1,502,523,000

⁷ NWAU refers to the National Weighted Activity Unit, which is the measure of health service activity against which the National Efficient Price is paid. It applies to ABF services only. NWAU {20} is the measure used for 2020-21.

⁸ Includes services out of scope for ABF or block funding from the Commonwealth which were not allocated against individual funding streams.

⁹ Funding allocated to the public health system for COVID-19 prevention, preparedness and recovery of health services impacted by the pandemic shutdown.

¹⁰ Total LHN Funding may include updated estimates compared to figures published in the 2020-21 Budget.

Parties to the Agreement:



Rachel Stephen-Smith MLA
ACT Minister for Health

Date: 26 / 4 / 2021



Rebecca Cross
Director-General
ACT Health Directorate

Date: 27 / 04 / 2021