



ACT
Government

2025-26 Local Hospital Network Service Level Agreement – Amendment

An agreement between the
**ACT Minister for
Health** and the
**ACT Local Hospital
Network**

December 2025



Contents

Approval to the Service Level Agreement	3
Introduction.....	4
Background	4
Objectives of the Service Level Agreement	4
Legislation	5
Roles and Responsibilities.....	7
Strategic Context.....	10
Activity Based Funding in the ACT	15
Service Funding Agreement	16
NHRA Public Hospital Funding	19

Approval to the Service Level Agreement

This ACT Local Hospital Network (LHN) Service Level Agreement (SLA) has been developed under National Health Reform Agreement 2020–26, the Agreement (Cwlth) (the NHRA) and the Health (National Health Funding Pool and Administration) Act 2013 (ACT) (the Health Funding Act) and is administered by the ACT Minister for Health (the Minister).

Signed by:



Kareena Arthy
Director-General
Health and Community Services Directorate

Date: 09 / 02 / ~~2025~~ 2026

Approved by:



Rachel Stephen-Smith MLA
ACT Minister for Health

Date: 2 / 2 / ~~2025~~ 2026

Introduction

Background

The Service Level Agreement (SLA) supports the delivery of safe, effective and accountable high quality health care to the ACT community by formally setting out the performance expectations and funding arrangements between the Minister and the ACT Local Hospital Network.

The content and processes for preparing the SLA) are consistent with the requirements of the Health Act 1993 (ACT) and the NHRA.

The SLA aims to achieve the best health outcomes for the community from available resources. Fundamental to the success of the SLA is:

- a) a strong collaboration between the Minister for Health, Minister for Mental Health, and Minister for Corrections, Health and Community Services Directorate (HCSD), the ACT LHN service providers, and the broader ACT public health system;
- b) the Parties' commitment to achieving high standards of governance, transparency, integrity and accountability;
- c) the Parties' commitment to delivering high quality health care to the ACT community; and
- d) the Parties' commitment to upholding the Public Sector Management (ACT Public Sector) Code of Conduct 2022.

Objectives of the Service Level Agreement

This SLA is designed to:

- a) describe the strategic priorities and Government commitments for the Minister and LHN and the mutual responsibilities of both Parties;
- b) describe the key services and accountabilities that the LHN is required to deliver including particulars of the volume, scope and standard of services;
- c) describe the performance indicators, associated reporting arrangements and monitoring methods that apply to both Parties;
- d) 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;
- e) detail any other matter the Minister considers relevant to the provision of the services by the LHN.

This SLA supports the objectives of the Health Act 1993 (ACT), to achieve health care principles that have regard to the following:

- a) to improve the efficiency, effectiveness, and quality of health services;
- b) to guarantee equitable access to and participation in health services and to ensure language and culture differences are not barriers to such access or participation;
- c) to maintain a strong and viable public hospital system and a full range of community health services;
- d) to support worker and community participation in the development of policies for the delivery of health services;
- e) to ensure that the community is aware of the range of health services available, and patients have information that is sufficient to enable them to make informed choices;

- f) to foster disease prevention and primary health care; and
- g) to cooperate with community groups in the provision of health services.

This SLA is in effect for the financial year 1 July 2025 to 30 June 2026.

Legislation

Legislation

The LHN activity is bound by the following legislation:

- Health Act 1993 (ACT) (Health Act)
- Financial Management Act 1996 (ACT) (FMA)
- Health (National Funding Pool and Administration) Act 2013 (ACT)

National Health Reform Agreement

This SLA is regulated by the Health Funding Act and the NHRA which is in place for the period 1 July 2025 to 30 June 2026 and maintains activity-based funding and the national efficient price.

The NHRA requires state and territory governments, as system managers of public hospitals, 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.

Negotiations for the NHRA Addendum for the period 1 July 2025 to 30 June 2030 continue to allow further development of health (and disability) reforms. The Schedule K - Addendum to the National Health Reform Agreement, extends the 2020-2025 Addendum to 30 June 2026, and provides one-time fixed funding for 2025-26 in addition to state entitlements under the NHRA.

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

Governance

The ACT Government must ensure that all applicable duties, obligations and accountabilities are understood and complied with, and that services are provided in a manner consistent with policies, procedures, plans, circulars, inter-agency agreements, Ministerial directives and other instruments and statutory obligations.

Clinical Governance

In the ACT, health service providers are accountable for local clinical governance arrangements and alignment with best practice guidelines or standards, as well as implementation of national clinical standards aligned to the Australian Commission on Safety and Quality in Health Care's National Model Clinical Governance Framework. The LHN will support territory-wide health service providers to achieve these accountabilities by monitoring safety and quality performance, providing assurance on implementation of clinical governance arrangements, as well as facilitating improvements to clinical excellence and patient safety.

Accreditation

All ACT public hospitals and health facilities are to maintain accreditation under the Australian Health Service Safety and Quality Accreditation Scheme (AHSQA).

Safety and Quality

Providers that make up the ACT LHN shall ensure the provision of safe and quality health care for all Canberrans. This includes timely access to quality health care services, maintaining an appropriately skilled clinical workforce, and meeting National Safety and Quality Health Service (NSQHS) standards.

Sentinel Events, Hospital Acquired Complications and Avoidable Hospital Readmissions

The NHRA includes a commitment for the Australian Government and state and territory governments to implement several reforms designed to improve patient safety and support greater efficiency in the health system, by reducing sentinel events, hospital acquired complications (HACs), and avoidable hospital readmissions. This will deliver better health outcomes, improve patient safety, and support greater efficiency in the health system.

Licensed health care facilities in the ACT and those operated by or on behalf of the Territory are required to maintain and report practices that comply with the Health Care Facility Code of Practice 2021 (HCF Code) (made under the Public Health Act 1997, section 133). The Providers are required to report notifiable incidents within two business days. Notifiable incidents are:

- the transfer of a patient to another health care facility because of an injury sustained at the facility, or iatrogenic condition;
- any critical incident that might reasonably place facility systems or its occupants, including staff, at risk;
- the unexpected death of any patient under the care of the facility; and/or
- any incident listed under the Australian Sentinel Events List.

Under the HCF Code, health care facilities are also required to submit an Annual Report to the Minister by 30 September each year. Annual reports must include the number of notifiable incidents at the facility during the reporting year.

Data Compliance and Provision

The implementation of the NHRA (first signed in 2011) and Activity Based Funding (ABF) have made the provision of complete, accurate, timely and transparent health and hospital case mix data more important to inform hospital funding and decision-making for planning and resource allocation. Supply of the public hospital data outlined in the Three-Year Data Plan 2023-2026 issued by the Independent Health and Aged Care Pricing Authority (IHACPA) and the Administrator, details requirements for jurisdictional compliances to be reported to the Administrator on a quarterly basis in line with clause B81 of the NHRA. Requirements for this SLA will include:

- a) data specified as being required for Reconciliation in the data plan issued by the Administrator for the relevant financial year;
- b) data necessary to enable the Administrator to operate the pricing and funding models agreed by the Parties to calculate Safety and Quality Adjustments;
- c) data and reporting remediation program to ensure critical data capture, sharing and unification of legacy environments, and reporting needs are met, in line with the timelines agreed with the National Health Funding Body (NHFB), IHACPA, and the Australian Institute of Health and Welfare (AIHW);
- d) data governance capabilities, shared data assets, and reporting priorities agreed for the ACT public health system;
- e) data necessary to identify Sentinel Events; and
- f) the duly completed Statement of Assurance.

Agreed process to amend this Service Level Agreement

The Parties acknowledge that this SLA is subject to amendment, which will generally occur through:

- a) amendment windows, aligning with the ACT Budget Cycles;
- b) extraordinary amendments;
- c) periodic adjustments; and
- d) end of financial year reconciliation.

Amendment windows

- a) There will be nominated set periods of time during the year (amendment windows) in which a party may propose an amendment, in line with the ACT Mid-Year Budget Review and the Parties will endeavour to negotiate and finalise proposals to amend this SLA.
- b) Amendment proposals that are agreed will be documented in a deed of amendment to this original SLA and forms the revised basis.

Extraordinary Amendments

- a) There may be circumstances in which the Territory and the health service provider agree to limit any proposal to amend the terms of this SLA to those where there is an urgent priority need to facilitate a funding allocation (extraordinary amendment). The Parties will endeavour to negotiate and finalise any such proposal urgently.
- b) Agreed extraordinary amendments will be reflected in a notice issued by HCSD, which will be replaced when the extraordinary amendment is subsequently formalised in a deed of amendment.

Periodic Adjustment

The SLA value (and corresponding purchased activity) may be adjusted at any time to reflect funding variations that:

- a) occur on a periodic basis or in line with adjustments permitted for specific funding allocations;
- b) are referenced in the SLA; and
- c) are based on a clearly articulated formula, an agreed basis or such other reasonably substantiated basis tied to performance.

Aboriginal Health Services and mainstream services for Aboriginal people

Reducing the disparities in health outcomes and life expectancy is one of the main aims of the National Agreement on Closing the Gap, under which the ACT has committed to the following clause:

58. The Parties commit to systemic and structural transformation of mainstream government organizations to improve accountability and respond to the needs of Aboriginal and Torres Strait Islander people.

The HCSD is responsible for working collaboratively with the other Directorates, relevant health services, support organisations and Aboriginal community-controlled health services to continue to implement the ACT Aboriginal and Torres Strait Islander Agreement 2019-2028 to support services meeting the needs of the local Aboriginal population.

Roles and Responsibilities

ACT Public Health System

Our public hospitals and community health services deliver services in the context of the broader ACT health system which also comprises services delivered by non-government organisations (NGOs)

funded by the ACT Government and other sources, Capital Health Network, general practice, and a range of private hospitals and health services. A shared goal of the ACT health system is to ensure that the people in the ACT region maintain optimal health and are provided with the safest care and best experience possible as consumers of the ACT health system.

For the purposes of this SLA, the high-level accountabilities of the Ministers, HCSD and health service providers are summarised below.

Minister for Health

The ACT LHN is managed in accordance with Section 14 of the Health Funding Act, which requires “the Treasurer must, under the FMA, dictionary, definition of directorate, paragraph (b), establish and keep a directorate (the ACT LHN Directorate) for this Act”. The Minister is the responsible Minister of the Territory for the Health Funding Act, with responsibility to report to the National Health Funding Pool (NHFP) Administrator (the Administrator) in relation to expenditure and performance. This includes amounts paid, the basis for those payments, the number of services calculated on activity-based funding and the number of other services also funded.

Under the Administrative Arrangements 2025 (No.1) (NI2025-350), made under the Australian Capital Territory (Self-Government) Act 1988 (Cwlth) and the Public Sector Management Act 1994 (ACT), the Minister is responsible for a range of functions delivered by HCSD and CHS:

Matters applicable to HCSD:	Matters applicable to CHS:
Analytical and laboratory services Health emergency preparedness and response Health infrastructure planning (including Canberra Hospital Master plan and community health infrastructure) Health protection Health services planning and commissioning Health system policy, planning and performance monitoring (excluding mental health) Health workforce planning Local hospital network arrangements Population health Regulation of health services	Health services and facilities operated by the ACT Government (excluding mental health) Justice health services Health research ethics and governance

Matters applicable to Infrastructure Canberra:	Matters applicable to Digital Canberra:
Delivery of health infrastructure Tier 1 and Tier 2 projects, programs and precincts, including: <ul style="list-style-type: none"> - delivery of Watson Health Hub - planning and delivery of health centres - planning and delivery of Northside Hospital - planning and delivery of next stage of Canberra Hospital infrastructure investment 	Health technology implementation and project delivery

Minister for Mental Health

Under the Administrative Arrangements 2025 (No.1) (NI2025-350), the Minister for Mental Health is responsible for a range of functions delivered by HCSD and CHS, these include:

Matters applicable to HCSD:	Matters applicable to CHS:
Mental health policy and programs	Mental health services and facilities operated by the ACT Government

Director General, Health and Community Services Directorate

The Director-General is responsible, under obligations that arise under the Territory’s framework for the responsibilities of Director-General, to Ministers for the performance of HCSD and HCSD Executive, including ensuring that the HCSD Executive is performing and exercising the functions and powers of HCSD. In line with this responsibility, the Director-General is assigned several functions and powers to guide, monitor and manage HCSD in undertaking its functions and powers, including:

- a) whole of territory health strategy and policy, monitoring of system performance and expenditure to ensure quality health outcomes;
- b) the administration of the ACT LHN, which is part of HCSD;
- c) providing information to the community on delivering the outputs and outcomes, through Annual Reports, Budget Papers and other relevant reporting requirements;
- d) adopting effective relationships with all service providers across the LHN;
- e) collaborating with LHN service providers in regard to accountability and performance as set out in this SLA; and
- f) monitoring and scrutinising the activity and performance of contracted service providers.

Health Service Providers

The main role of the service providers within the ACT LHN under this SLA is to deliver the services detailed in the schedules consistent with the ACT Government’s objectives and priorities, key performance indicators, agreed volume and performance standards in accordance with the budget and governing legislation and regulations.

CHS is the main provider of public hospital services in the ACT and delivers a range of acute, sub-acute, primary, and community-based health services. It forms part of the public health system, along with community and NGO health service providers. The Chief Executive Officer of CHS is accountable to the Minister and the Head of Service for the operations of CHS.

Some of these services include, but are not limited to:

- a) Canberra Hospital, which provides acute and sub-acute services, including trauma services, major medical and surgical services, and paediatric, maternity and mental health services;
- b) North Canberra Hospital, which offers acute and sub-acute services, including surgical, medical, maternity and mental health services;
- c) University of Canberra Hospital, a rehabilitation facility that offers inpatient and outpatient services;
- d) Clare Holland House, which provides public palliative care services;
- e) Walk-in Centres, which provide free treatment for minor illness and injury;
- f) Community Health Centres, providing general and specialist health services to people of all ages;
- g) community based health services, such as early childhood services, youth and women's
- h) health, allied health, dental health, mental health and alcohol and drug services.

Strategic Context

Strategic Partnerships

The HCSD, ACT LHN and service providers agree and commit to partnering in the reform of our health system, including with surrounding NSW LHNs, to enable delivery of sustainable, safe, high-quality care in the right place at the right time.

Strategic Deliverables

The ACT Health Services Plan 2022-2030 builds a strong action plan for the long-term health reforms that align with the national environment. Other strategies that are providing direction to the ACT's long-term reform consist of the:

- a) ACT Health Quality Strategy 2018-2028;
- b) Digital Health Strategy 2019-2029;
- c) ACT Health Services Plan 2022-2030;
- d) ACT Public Maternity System Plan 2022-2032 (Maternity in Focus);
- e) ACT Health Workforce Strategy 2023-2032;
- f) ACT Disability Health Strategy 2024-2033;
- g) Child and Adolescent Clinical Services Plan 2023-2030; and
- h) Better Together: A strategic plan for research in the ACT health system 2022-2030.

The above is not an exhaustive list but serves as an example to demonstrate long-term health reforms across the health ecosystem.

2025-26 Budget Commitments

A major focus for the ACT LHN will be balancing the continued pressure of demand for hospital and health services within the resources available. HCSD, as the ACT LHN manager, will continue to

promote collaboration across the whole of the ACT health system, particularly in relation to identifying and improving cost effective models of service delivery.

The ACT Government will commission services from the CHS through a Service Funding Agreement. This will include a target for activity for 2025-26 that will be expressed in terms of NWAUs.

The LHN will receive and distribute funding for public hospital services under the 2020-26 NHRA for the purchase of public hospital services.

- a) Continued support for access to high-quality public health services in the ACT in response to the growing demand for, and rising cost of, public hospital services to deliver sustainable health services.
- b) Continued operations of the Eating Disorders Residential Treatment Centre including funding a multidisciplinary team of nurses, allied health professionals, specialists and support staff, to provide intensive nutritional and therapeutic support for people with eating disorders.
- c) Establishment of a new Medical Imaging Outpatient Service at the Belconnen Community Health Centre providing community access to ultrasound and x-rays.
- d) Expansion of the School Youth Nurse Program ensuring that a School Youth Health Nurse is available in every high school, three days per week. The program will provide one-on-one student consultations, educational health activities and support teachers to deliver the health curriculum.
- e) A feasibility study for a six-bed perinatal mental health mother and baby unit aiming to address an unmet need for specialist and therapeutic mental health supports for birth parents and their partners.
- f) Additional resources for the Urgent Suspected Lung Clinic at Canberra Health Services to support the implementation of the new National Lung Cancer Screening Program and scans to eligible individuals to detect lung cancer in its early stages.
- g) Boosting the insourcing transition taskforce at Canberra Health Services to commence work required to insource cleaning services at the Canberra Hospital and community sites including the continuation to prepare for insourcing of cleaning and food services at North Canberra Hospital.

National and other agreements

The addendum to the NHRA requires the ACT LHN to operate under an LHN SLA. The SLA is between the ACT Minister for Health and the DG of HCSD (as the delegate responsible for exercising the functions of the ACT LHN). It formalises the performance, activity and funding levels for the ACT LHN and is a separate document (though not unrelated) to the Service Agreement.

- a) The NHRA and the Health Funding Act requires the LHN and the ACT Minister for Health to enter an LHN SLA which includes key components on volume of services, performance targets, and LHN funding provisions.
- b) The LHN SLA is then used to transact with the Commonwealth on funding and activity levels. The ACT LHN and Minister for Health both agree to deliver a level of activity, to receive a level of funding from the Commonwealth.
- c) Under the National Health Reform Act 2011 (Cwlth) the ACT Minister for Health, as Administrator of the LHN SLA, is required to provide reports containing information on all amounts paid into and out of each State Pool Account (the HCSD performs this function on behalf of the Minister).

- d) The LHN SLA forms the basis of the activity targets negotiated and agreed upon in the ACT Budget with CHS.

Funding Arrangements

The 2020-26 NHRA Addendum provides for a continuation of existing public hospital funding arrangements, through which the Australian Government's annual funding contribution is its prior year contribution plus 45 per cent of the efficient growth in the price and volume of activity, capped at 6.5 per cent.

In 2025-26, ACT will receive one-time fixed payment of \$50 million in addition to its entitlements under the NHRA funding model. This funding may be used for hospital and related health services as determined by the ACT. These services may include those considered in-scope and delivered above the NHRA funding cap, or relevant services that would not be in-scope under the NHRA, such as service enabling activities.

Minimum Funding Guarantee

The Australian Government has yet to take a decision to extend ACT's existing bilateral guarantee of a minimum level of NHR funding growth for the term of the 2020-26 NHRA. This will be negotiated through ongoing discussions with the Commonwealth as the NHRA negotiations continue.

Health Reform

The 2020-26 NHRA includes a commitment for the Australian Government and the states and territories to work in partnership to implement arrangements for a nationally unified and locally controlled health system to improve patient outcomes, patient experience and access to services. This commitment includes supporting innovative models of care and trialling new funding arrangements. This is consistent with existing ACT initiatives and policies, including the Hospital in the Home program.

Improving integrated care and contributing to national discussion on health reform

The 2020-26 NHRA Addendum aims to improve health outcomes for Australians, by enabling better coordinated and more integrated care in the community and ensuring the future sustainability of Australia's public hospital system. There are six long-term health reform areas included in the 2020-26 NHRA:

- a) empowering people through health literacy – person-centred health information and support will empower people to manage their own health well and engage effectively with health services;
- b) prevention and wellbeing – to reduce the burden of long-term chronic conditions and
- c) improve people's quality of life;
- d) paying for value and outcomes – enabling new and flexible ways for governments to pay for health services;
- e) joint planning and funding at a local level – improving the way health services are planned and delivered at the local level;
- f) enhanced health data – integrating data to support better health outcomes and save lives;
- g) nationally cohesive health technology assessment – improving health technology decisions will deliver; and
- h) safe, effective, and affordable care.

High cost and highly specialised therapies

High cost and highly specialised therapies include new and emerging cellular therapies, gene therapies, stem cell therapies, 3D printing, and regenerative medicine approved for therapeutic use in public hospitals.

The 2020-26 NHRA (continued under schedule K for 2025-26) contains specific arrangements for new high cost, highly specialised therapies recommended for delivery in public hospitals by the Medical Services Advisory Committee. Under the cross-border or interstate charging arrangements, the ACT is required to meet the cost of these services (exclusive of the Commonwealth contribution component).

ACT residents, based on clinical criteria, will have access to facilities for the following high cost and highly specialised therapies in 2025-26:

- a) Kymriah;
- b) Kymriah or Yescarta;
- c) Qarziba;
- d) Luxterna; and
- e) Zolgensma.

Private patients in public hospitals

As a specified requirement of the NHRA the ACT funding model is financially neutral with respect to all patients, regardless of whether they elect to be treated as private or public patients.

Medicare Urgent Care Clinics

This Federation Funding Agreement supports the delivery of Medicare Urgent Care Clinics (Medicare UCCs) in the ACT. Provision of Medicare UCC services is through existing community-based Walk-in Centres. They provide ACT families with more options to see a healthcare professional when they have an urgent but not life-threatening need for care. The Schedule is expected to expire on 30 June 2026.

National Mental Health and Suicide Prevention Agreement

This Agreement is a key first step in the Mental Health and Suicide Prevention Reform agenda. It nominates areas identified as requiring immediate reform and highlights areas where further collaboration between the Commonwealth and States and Territories is required. It builds upon the agreed principles as identified in the National Federation Reform Council, and the NHRA and will underpin whole-of-governments efforts to transform and improve Australia's mental health and suicide prevention system.

The Agreement will expire on 30 June 2026.

Essential Vaccines

This Schedule supports the cost-effective and efficient delivery of the National Immunisation Program (NIP) to protect the Australian public from the spread of vaccine preventable diseases.

The NIP is a joint initiative of the Commonwealth and states and territories, making free vaccines available to eligible individuals through a range of vaccination providers nationally. The NIP provides vaccines for eligible individuals against multiple disease groups, ensuring those most at risk are protected.

Public Dental Services for Adults

This program provides additional funding to states and territories to alleviate pressure on adult public dental waiting lists.

Other Agreements

In addition to the above, Commonwealth Own Purpose Expenses (COPEs) and other government agreements, relevant to ACT operations, include:

- a) Home and Community Care (HACC);
- b) Community Aged Care Packages;
- c) Medicare;
- d) Multi-Purpose Service – MPS;
- e) Aged Care Assessment Program;
- f) Radiation Oncology Capital Equipment;
- g) Transition Care Program; and
- h) Commonwealth Initiative for Organ Donation.

Activity Based Funding in the ACT

Activity and Funding: TABLE 1: ACT LOCAL HOSPITAL NETWORK – TOTAL FUNDING ALLOCATION

ACT Local Hospital Network 2025-26	In-scope services (NWAU)	Out-of-scope services (WAU)	Total services (WAU)	State Price (\$)	Total Funding (\$)	Total Funding for inscope services (\$)	Commonwealth Funding for inscope services (\$)	State / Territory Funding for inscope services (\$)	Funding for outofscope services (\$)
Activity Funding									
Emergency department	25,124	1,311	26,434	7,258	186,357,378	182,348,588	62,145,662	120,202,926	4,008,790
Admitted acute	127,764	5,423	133,187	7,258	943,898,455	927,309,892	311,994,937	615,314,955	16,588,563
Admitted mental health	11,069	72	11,141	7,258	80,557,414	80,337,492	31,718,598	48,618,894	219,922
Community Mental Health	8,252	90	8,342	7,258	60,167,600	59,892,631	20,637,726	39,254,905	274,969
Admitted sub-acute and non acute	18,616	754	19,369	7,258	137,416,704	135,111,430	48,806,657	86,304,772	2,305,274
Non-admitted	28,967	9,859	38,826	7,258	240,399,274	210,243,252	72,818,928	137,424,324	30,156,021
Other state funded block grants			-	7,258	116,162,486	-	-	-	116,162,486
Activity Funding at National Efficient price	219,791	17,508	237,299		1,764,959,311	1,595,243,285	548,122,509	1,047,120,777	169,716,025
Funding adjustment (State Supplementary Grant)									
Emergency department supplementation					28,414,371	28,414,371	-	28,414,371	-
Admitted acute supplementation					144,497,568	144,497,568	-	144,497,568	-
Admitted mental health supplementation					12,518,547	12,518,547	-	12,518,547	-
Community Mental Health supplementation					21,053,666	21,053,666	-	21,053,666	-
Admitted sub-acute and non acute supplementation					32,761,042	32,761,042	-	32,761,042	-
Non-admitted supplementation					9,332,737	9,332,737	-	9,332,737	-
Total Funding adjustment (State Supplementary Grant)					248,577,931	248,577,931	-	248,577,931	-
Block Allocation									
Queen Elizabeth II Hospital *					4,328,823	4,328,823	1,742,095	2,586,728	-
Non-Admitted Home Ventilation **					1,996,989	1,996,989	766,663	766,663	-
Teaching, Training and Research					70,636,530	70,636,530	13,561,389	57,075,141	-
Total Block Allocation					76,962,342	76,962,342	16,070,148	60,428,532	-
Other allocation - NHRA in-scope									
Federation Funding Agreement Schedule – Health Reform 2025-26***					50,000,000	50,000,000			
Financial Sustainability Taskforce					3,000,000	3,000,000			
Cross Border Payments					47,154,000	47,154,000	-	47,154,000	-
Public Health - ACTHD					10,202,763	10,202,763	10,202,763	-	-
Public Health - CHS					2,777,654	2,777,654	-	2,777,654	-
Total Other Allocation - NHRA in-scope					113,134,416	113,134,416	10,202,763	49,931,654	-
TOTAL NHRA In-Scope	219,791		-			2,033,917,975	574,395,419	1,406,058,893	
TOTAL ACT LHN Allocation			237,299		2,203,634,000	2,033,917,975	574,395,419	1,406,058,893	169,716,025

Notes

* The block funding for Queen Elizabeth II has been updated to reflect the most current Service Agreement (ie the contract payment schedule for 2025-26)

** Non-Admitted Home Ventilation has been rebased to reflect expected actual expenditure for 2024-25, with indexation of 2.65% for 2025-26

*** The funding table reflects the Commonwealth's commitment of an additional \$50 million in 2025-26, with an intention for it to be directed towards activity

The ACT price per NWAU is estimated at \$9,244, the ABF Budget informs the 2025-26 SLA including any transition and supplementary grants. This estimate will be reviewed and recalculated if required during the mid-term review.

TABLE 2: OUT OF SCOPE FUNDING - OTHER STATE FUNDED GRANTS

ACT Local Hospital Network 2025-26	State funding (\$)	Cwlth funding (\$)	Total Funding (\$)
Out of Scope Funding***			
Leases	6,587,036	-	6,587,036
Primary Health (Mental Health and Justice Health)	39,006,188	-	39,006,188
Interstate Patient Travel Assistance Scheme	1,332,535	-	1,332,535
Blood and Blood Products	19,506,695	-	19,506,695
Directorate Functions	14,370,832	-	14,370,832
Public dental services	17,592,347	-	17,592,347
Supplementation for Aged Care and NDIS	17,766,852	-	17,766,852
Total out of scope funding	116,162,486	-	116,162,486

NWAU Estimates 2025-26

ACT produces data on volume of weighted activity, which is reported for determining the Commonwealth funding contribution to the ACT.

TABLE 3 – ANNUAL NWAU ESTIMATE 2025-26

Emergency department	Admitted acute	Admitted Mental Health	Community Mental Health	Admitted sub-acute and non-acute	Non-admitted	Total
25,124	127,764	11,069	8,252	18,616	28,967	219,791

Service Funding Agreement

The purpose of the Service Funding Agreement (SFA) is to ensure the provision of equitable, safe, high-quality, patient-centered, and financially sustainable healthcare services at Canberra Health Services (CHS) under the ACT Health Commissioning Framework 2025.

The SFA sets out the service and performance expectations for funding and other support provided to Canberra Health Services and facilitates accountability to the Minister for Health and the community for service delivery and funding. The agreement articulates direction, responsibility and accountability, and specifies the service delivery and performance priorities expected of Canberra Health Services that will be monitored in line with the ACT Performance and Accountability Framework. The *Financial Management Act 1996*, Section 12 (1) (b) sets out responsibilities of accountable parties to the performance criteria to be met by the directorate in providing outputs.

Through execution of SFA, the Minister for Health commissions the activity and funding provided for the delivery of the commissioned activity and specific funding commitments under agreed funding policy parameters as outlined in the SFA.

Key Performance Indicators

The performance of the Organisation is assessed in terms of whether it is meeting key performance indicator targets for ACT Health strategic priorities.

Detailed specifications for the key performance indicators are provided in the SLA Data Supplement.

HCSD is reviewing the Performance Framework for the ACT LHN which will inform and monitor key performance indicators, consistent with quality and service standards that apply to services delivered, including the National Health Reform Performance and Accountability Framework and Australian Health Performance Framework.

Key to this SLA are the Strategic Indicators and Accountability Indicators in the ACT Government Budget Statement C, ACT 2025-26 Budget, detailed below.

Canberra Health Services

Strategic Indicator	2025-26 Targets
Patient Experience Survey – Proportion of respondents rating their overall care as good or very good	>85%
Number of admitted patients who acquire a SAB infection per 10,000 patient days	<1.0 per 10,000
Estimated hand hygiene	80%
The number of patients waiting longer than clinically recommended timeframes for elective surgery	430
Participation rate – proportion of women aged 50 to 74 who had a breast screen	60%
Proportion of mental health patients whose emergency department length of stay is greater than 24 hours	0%
Occasions of staff absence caused by an occupational violence incident (lost time incident frequency rate due to occupational violence)	5.8 million hours worked
Proportion of patients 80 years or older at admission for an inpatient episode of care at Canberra Health Services with “Goals of Care” registered during admission	100%
Proportion of patients who present to a Canberra Health Services’ emergency department or Walk-in Centre who have a registered primary health care provider recorded	100%

Output 1.1: Acute Services

Accountability Indicator	2025-26 Targets
Number of surgical complications requiring unplanned return to theatre per 10,000 hospital admissions	<45
Number of avoidable readmissions for selected conditions per 10,000 hospital admissions	<125
Percentage of emergency department presentations whose length of stay in the emergency department is four hours or less	81%
Percentage of ACT emergency department presentations that are treated within clinically recommended timeframes, by triage category	
Category 1 - Resuscitation patients seen immediately	100%
Category 2 - Emergency patients seen within 10 minutes	80%
Category 3 - Urgent patients seen within 30 minutes	75%
Category 4 - Semi-Urgent patients seen within 60 minutes	70%
Category 5 - Non-Urgent patients seen within 120 minutes	70%
Performing more elective surgery	
Number of elective surgeries performed	17,000
Percentage of ACT elective surgery patients admitted for surgery with clinically recommended timeframes, by triage category	
Percentage of Category 1 elective surgery patients admitted for surgery within clinically recommended timeframes (30 days)	100%
Percentage of Category 2 elective surgery patients admitted for surgery within clinically recommended timeframes (90 days)	80%
Percentage of Category 3 elective surgery patients admitted for surgery within (365 days)	93%

Output 1.2: Mental Health, Justice Health and Alcohol and Drug Services

Accountability Indicator	2025-26 Targets
Proportion of detainees at the Alexander Maconochie Centre with a completed health assessment within 24 hours of detention	100%
Proportion of detainees at the Bimberi Youth Detention Centre with a completed health assessment within 24 hours of detention	100%
Proportion of current clients on opioid treatment with management plans	98%
Proportion of mental health clients contacted by a Canberra Health Services' community facility within 7 days post discharge from inpatient services	75%
The rate of mental health clients who are subjected to a seclusion event while being an admitted patient in an ACT public mental health inpatient unit per 1,000 patient days	<7 per 1,000 patient days
Proportion of clients who return to hospital within 28 days of discharge from an ACT acute psychiatric mental health inpatient unit	<17%

Output 1.3: Cancer Services

Accountability Indicator	2025-26 Targets
The percentage of patients requiring a breast screen who attend for an assessment visit within 28 calendar days of their screening visit	90%
Radiotherapy Treatment Within Standard Timeframes	
Emergency – treatment starts within 48 hours	100%
Palliative – treatment starts within 2 weeks	90%
Radical – treatment starts within 4 weeks	90%

Output 1.4: Subacute and Community Services

Accountability Indicator	2025-26 Targets
Mean waiting time for clients on the dental services waiting list	12 months
Median wait time to be seen (all Walk-in Centres combined)	<30 minutes

NHRA Public Hospital Funding

In line with the NHRA, a single NHFP has been established, comprising a Reserve Bank of Australia account for each state and territory. The pool is operated by the Administrator, an independent statutory office holder.

All Australian Government funding for the NHRA is deposited into the State Pool Account along with the State's contribution to activity-based public hospital funding. NHRA funding is paid to ACT LHN in accordance with this SLA.

The Administrator has responsibility for calculating the Australian Government contributions to states and territories and ensuring Australian Government funds are deposited in the NHFP are in line with the NHRA (ABF and NHRA Block models):

- a) Australian Government and State ABF Funding are deposited into the NHFP, then distributed directly to the State Pool Account; this is distributed directly to the ACT LHN. The ABF funding is determined by the NWAU activity itemised in this SLA.
- b) Australian Government NHRA block funding is deposited into the NHFP, then distributed directly to the ACT LHN through the State Managed Funding (SMF). Similarly, State Block Funding is transferred directly to ACT LHN through the SMF, in accordance with this SLA.

During the annual ABF reconciliation process, the Administrator may make a further adjustment to the price of an admitted activity account for private insurance benefits paid for activity in public hospitals that has not been accounted for by the combined adjustments in the NEP and state or territory funding models.

Acknowledgment of Country

We acknowledge the Ngunnawal people as traditional custodians of the ACT and recognise any other people or families with connection to the lands of the ACT and region. We acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

Accessibility

If you have difficulty reading a standard printed document and would like an alternative format, please phone 13 22 81.



If English is not your first language and you need the Translating and Interpreting Service (TIS), please call 13 14 50.

For further accessibility information, visit www.act.gov.au/accessibility

www.act.gov.au/health | Phone: 132281

© Australian Capital Territory, Canberra Month Year
