

Health Innovation Fund – Stage Two

FEDERATION FUNDING AGREEMENT – HEALTH

Table 1: Formalities and operation of schedule

Parties	Commonwealth and Victoria												
Duration	This Schedule is expected to expire on 30 September 2024 or on completion of the project, including final performance reporting.												
Purpose	<p>This Schedule will support the delivery of:</p> <p>A project that promotes post-pandemic recovery and system sustainability in Victoria through new funding and care models.</p> <p>The project involves four activities that advance the National Health Reform Agreement long-term health reform agenda including:</p> <ul style="list-style-type: none"> • Developing standardised referral criteria and care pathways for specific high-volume procedures to ensure patients only receive surgery if it is the best option for them, and to identify and educate patients with modifiable risks among the patients to undergo surgery. • Rapid surgery throughput - standing up and scaling innovative same day surgical models in key specialties, as well as reducing length of stay for patients. • Working with the Independent Hospital Pricing Authority to develop new funding models for joint replacement to drive greater incentives and flexibilities to improve care. • Conducting a waitlist audit and establishing gatekeeping processes to reduce use of procedures with limited evidence of clinical benefit for specific clinical indications – ensuring patients get the care that is right for them. 												
Estimated financial contributions	<p>The Commonwealth will provide an estimated total financial contribution to Victoria of \$13.032 million in respect of this Schedule.</p> <table border="1"> <thead> <tr> <th>Table 1 (\$ million)</th> <th>2020-21</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>13.032</td> <td>13.032</td> </tr> <tr> <td>Less estimated National Partnership Payments</td> <td>13.032</td> <td>13.032</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0.000</td> <td>0.000</td> </tr> </tbody> </table>	Table 1 (\$ million)	2020-21	Total	Estimated total budget	13.032	13.032	Less estimated National Partnership Payments	13.032	13.032	Balance of non-Commonwealth contributions	0.000	0.000
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Additional terms	Health Service activity will not be funded through this Agreement if the same service, or any part of the same service, is funded through any other Commonwealth program or agreement, including the <i>Addendum to the National Health Reform Agreement 2020-25</i> and Hospital Services Payments under the <i>National Partnership on COVID-19 Response</i> .
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Table 2: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Report due	Payment
<p>Promoting post-pandemic recovery and healthcare sustainability through systematic reform to reduce surgical length of stay</p>	<p>Project plan setting out the:</p> <ul style="list-style-type: none"> • The project description/scope, activities, milestones (including timeframes), budget breakdown, target population, stakeholder engagement (Including co-design), governance, success measures and evaluation. • The plan should also include the risk management approach (with consideration of privacy impact if required). 	18 June 2021	\$13.032m
	<p>Annual progress report for the period from commencement of the project to 30 June 2022 detailing the:</p> <ul style="list-style-type: none"> • progress to date on the milestones in the project plan against the three project streams; and • project risks, issues and learnings. 	30 September 2022	Nil
	<p>Annual progress report for the period from 1 July 2022 to 30 June 2023, detailing the:</p> <ul style="list-style-type: none"> • progress to date on the milestones in the project plan against the three project streams; and • project risks, issues and learnings. 	30 September 2023	Nil
	<p>Final evaluation report, which includes an evaluative component that aims to assess impact on patient outcomes such as readmission rate and complication rate, length of stay, cost and elective surgery waitlist across the three project streams.</p> <ul style="list-style-type: none"> • Victoria will determine the scope and methodology for a final evaluation of the benefits and learnings from the project. The final evaluation report will detail outcomes of the project, key achievements and challenges, with supporting data where available. Evaluation reports will be shared with all jurisdictions. • The report is to include supporting data, where available. Performance indicators should be meaningful, simple and comprehensible to the public. Indicators should be limited to those necessary to measure performance and inform the public about progress of the project (Clause 25 of HFFA). 	30 September 2024	Nil

The Parties have confirmed their commitment to this schedule as follows:

*Signed for and on behalf of the Commonwealth
of Australia by*



The Honourable Greg Hunt MP
Minister for Health and Aged Care

25.5. 2021

*Signed for and on behalf of the
State of Victoria by*

The Honourable Martin Foley MP
Minister for Health

18 June 2021

