

Date: November 22, 2016
To: Minnesota Small Hospital Improvement Program (SHIP) eligible hospitals
From: Judy Bergh, Office of Rural Health and Primary Care
651-201-3843 judith.bergh@state.mn.us

FFY 2017-18 SHIP Application Instructions

It's time to apply for the Small Rural Hospital Improvement Program (SHIP) grant for projects to begin approximately July 1, 2017. **Please complete and return the attached form to me via email by January 8, 2017.**

Use of SHIP funds

SHIP grant funds may be used to purchase items from the SHIP purchasing menu (the table on the 4th page of the application form) in one of the three funding categories (value based purchasing, accountable care organization or shared savings, payment bundling or PPS investments) according to the following priority areas:

Priority 1 – HCAHPS and ICD-10

Both of these must be fully implemented and HCAHPS must be publicly reported to Hospital Compare before your hospital can select any other investment options. You may choose either HCAHPS or ICD-10, or both.

Priority 2 – Other items on the purchasing menu

You may choose this priority if your hospital is already participating fully in HCAHPS and ICD-10.

Priority 3-Other

If you have already completed *all* pre-selected investments (equipment and/or services) listed on the SHIP Purchasing Menu, you may identify an alternative piece of equipment and/or service if:

- a) The purchase will optimally affect your hospital's transformation into an accountable care organization, increase value based purchasing objectives, and/or aid in the adoption of ICD-10; and
- b) You receive pre-approval from both your state SHIP director (Judy Bergh) and the appropriate Federal Office of Rural Health Policy project officer (Judy will contact the federal project officer on your behalf if this is necessary).

Ineligible expenses:

SHIP funds **may not** be used for:

- Provision of health care services
- Purchase of ambulances and other vehicles or major communications equipment
- Purchase or improvement of real property
- Any activity regarding a certificate of need
- Reimbursement of food or travel expense
- Staff salaries

Instructions for completing the application form

Complete the attached form electronically; fields will expand as needed. Answer all questions briefly but completely. Submit the form as an email attachment to judith.bergh@state.mn.us, and feel free to contact Judy with questions.

First Section: Hospital Contact Information

Answer all questions. On the first question, be sure to check the “new” box only if your hospital is new to SHIP, otherwise check “returning.”

Second Section: Hospital and SHIP Eligibility Information

On the first question, be sure to check the “new” box only if your hospital is new to SHIP or did not participate in 2016, otherwise check “returning.”

Third Section: Returning Hospitals Progress Report

Returning hospitals (those who have a SHIP grant for the period from August 1, 2016 through April 15, 2017) please answer the questions related to progress being made on the 2016 grant. If you do not have a 2016 SHIP grant, skip this section.

Fourth Section: SHIP Purchasing Menu

Be sure to check all activities for which you intend to expend funds.

Request \$9,000 (the actual award is estimated to be between \$8,000 and \$9,000, depending on the number of hospital applications nationwide.)

- a. Hospitals may select more than one category, dividing the \$9000 request among multiple categories if priorities are followed.
- b. Check applicable investments on the SHIP Purchasing Menu.

Make sure all expenditures fall within the categories on the table provided on the application form and according to priorities (above).

Fifth Section: Grant and Funding Information

These questions refer to the grant year August 1, 2016—April 15, 2017.

We encourage you to answer the question seeking suggestions for improving SHIP. Your suggestions help us as we administer the grant, and we pass the suggestions along to our federal funding source in the Office of Rural Health Policy at HRSA.

If you are pooling SHIP funds with other hospitals in a network or consortium, answer “yes” and identify the other hospitals.

Sixth Section: Signature

Read this section and sign. Electronic signatures are acceptable.

Application Submission:

Return the signed application form as an email attachment by January 8, 2017, to Judy Bergh, judith.bergh@state.mn.us.

The Office of Rural Health and Primary Care submits all Minnesota hospital applications on behalf of the hospitals.

Timeline

January 8, 2017	Hospital applications due to Office of Rural Health & Primary Care (ORHPC)
February 10, 2017	ORHPC submits State application to HRSA/Office of Rural Health Policy on behalf of hospitals
May 2017 (<i>estimate</i>)	ORHPC receives notice of award
July 1, 2017 (<i>estimate</i>)	Grant agreement signed by hospital and State; hospitals may begin work on projects
May 31, 2018 (<i>estimate</i>)	All projects must be completed
June 30, 2018 (<i>estimate</i>)	All reports and invoices must be submitted to the Office of Rural Health & Primary Care