Small Hospital Improvement Program Application Instructions

OCTOBER 16, 2018

FFY 2019-2020 SHIP Application Instructions

It’s time to apply for the Small Rural Hospital Improvement Program (SHIP) grant for projects to begin approximately June 1, 2019. Please complete and return the attached form to Emma Distel (Emma.Distel@state.mn.us) via email by November 30, 2018.

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 (Emma Distel, Interim SHIP director) and the appropriate Federal Office of Rural Health Policy project officer (Emma will contact the federal project officer on your behalf if this is necessary).
Special Innovations Project (SIP)

Network and consortia development has been a long-standing program priority to assist resource and knowledge sharing throughout the SHIP grant. SIPs are for hospitals that are interested in working together to encourage sustainable best practices and improve long-term quality care across small rural hospitals. These hospitals will combine their awards into a multi-year, innovative project to better leverage the impact of the SHIP funds. Through peer sharing and networking, SIPs will demonstrate replicability that will be highlighted through state and national rural information networks. A sample of a SIP Project can be found at: https://www.ruralcenter.org/ship.

- A SIP must include three or more hospitals and/or provider based clinics that will work together.
- Cohorts must stay intact for the duration of the project with no change in annual SHIP investments.
- Each hospital’s entire SHIP award must be used in the special innovation project.
- All hospitals participating in the cohort must continue to meet HCAHPS and ICD-10 requirements through the duration of the project.
- A project can last 2-4 years. If a hospital is interested in participating in a SIP
- Applicants must provide timelines and expected outcomes in their application for the entire anticipated performance period.
- Each cohort can select 1-2 investments from the standard SHIP purchasing menu to monitor, track and evaluate. Baseline measures and goals for each activity must be identified along with the associated evaluation methods and measures that will indicate success.
- A mid-term report is due at the end of each year and a final report is due at the end of the project.

Hospitals that are interested in starting a special innovation project in future grant years, they should indicate so on the application.

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 or any construction costs
- Any activity regarding a certificate of need
- Reimbursement of food or travel expense
- Staff salaries or supplies
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 Emma.distel@state.mn.us and feel free to contact Emma 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 2019, otherwise check “returning.”

Third Section: Returning Hospitals Progress Report

Returning hospitals (those who have a SHIP grant for the period from July, 2018 through May, 2019) please answer the questions related to progress being made on the 2018 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 $12,000. The actual award is estimated to be between $10,000 and $12,000, depending on the number of hospital applications nationwide.

▪ Hospitals may select more than one category, dividing the $12,000 request among multiple categories if priorities are followed.
▪ 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 June 1, 2019 — May 31, 2020.
▪ 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 November 30, 2018, to Emma Distel (Emma.distel@state.mn.us). The Office of Rural Health and Primary Care submits all Minnesota hospital applications on behalf of the hospitals.

Timeline

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
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<tbody>
<tr>
<td>November 30, 2018</td>
<td>Hospital applications due to Office of Rural Health &amp; Primary Care (ORHPC)</td>
</tr>
<tr>
<td>December 31, 2018</td>
<td>ORHPC submits State application to HRSA/Office of Rural Health Policy on behalf of hospitals</td>
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<tr>
<td>May 2019 (estimate)</td>
<td>ORHPC receives notice of award</td>
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<tr>
<td>June 1, 2019 (estimate)</td>
<td>Grant agreement signed by hospital and State; hospitals may begin work on projects</td>
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<tr>
<td>May 31, 2020 (estimate)</td>
<td>All projects must be completed</td>
</tr>
<tr>
<td>June 30, 2020 (estimate)</td>
<td>All reports and invoices must be submitted to the Office of Rural Health &amp; Primary Care</td>
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