



### PROGRAM OVERVIEW

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#### SMALL RURAL HOSPITAL IMPROVEMENT PROGRAM (SHIP)

[SHIP](#) funds states to support rural hospitals with 49 or fewer beds. These funds go toward operational improvements including hardware, software, and training.

#### SHIP investment categories:

- Value-Based Purchasing (VBP) - Improving data collection to facilitate reporting to Hospital Compare
- Accountable Care Organizations/Shared Savings - Improving quality outcomes
- Payment Bundling - Building accountability across the continuum of care
- Prospective Payment System - Maintaining accurate PPS billing and coding

#### MEDICARE RURAL HOSPITAL FLEXIBILITY (Flex)

State [Flex](#) programs use funds to assist critical access hospitals. Flex training and technical assistance helps participants maintain and improve economic viability, clinical quality, and population health.

#### Flex helps CAHs:

- Improve the quality of rural health care
- Improve financial and operational performance
- Understand the community's health and EMS needs
- Enhance rural communities through population health improvement initiatives
- Develop innovative models of care

#### Flex resources include:

- Technical Assistance and Services Center (TASC) provides comprehensive rural health resources for states, small rural hospitals, and CAHs.
- Rural Quality Improvement Technical Assistance (RQITA) assists CAHs with data reporting and improvement initiatives through toolkits, newsletters, and other resources.
- [Flex Monitoring Team \(FMT\)](#) analyzes CAH data around quality, financial, and community measures and evaluates the impact of the Flex Program.

Health Resources and Services Administration (HRSA)'s Federal Office of Rural Health Policy (FORHP) funds the programs and implements them through the State Offices of Rural Health (SORH). SORH's connect state and federal resources to critical access hospitals, rural health partners, and rural people across the U.S.

## FUNDING AND AWARDEES

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Each SORH coordinates activities to support small rural hospitals through the Flex and SHIP programs. Funding varies by program and state.

### SHIP

- 46 states (excluding CT, DE, NJ, and RI)
- FY20: states will receive ~\$12,000 per participating hospital

### FLEX

- 45 states (excluding CT, DE, MD, NJ, and RI)
- FY20: 45 states received ~\$28.5 million in total awards

## PROGRAM IMPACT

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### SHIP PROGRAM

SHIP serves approximately 1,600 CAHs nationwide. Hospitals selected investments from a menu of training and hardware/software.

#### Reporting results over the last year include:

- More than half of all SHIP funds (59%) went to support for improved data collection to facilitate quality reporting. Additional funds were split evenly between activities that support development of accountable care organizations and trainings and process improvements to improve the hospital revenue cycle.
- Hospitals seeking efficiency and quality improvement training increased by 53% over the previous year.
- Similarly, requests for pharmacy consultation increased by 38% from the previous year.

### FLEX PROGRAM

State Flex programs serve 1,235 CAHs nationwide and have achieved 98% voluntary quality reporting among the CAHs.

#### Reporting results over the last year include:

- 74% of CAHs reported improvement following participation in quality improvement initiatives.
- 43% of CAHs improved on a financial measure after participating in in-depth financial assessment and improvement activities.
- 47% of rural EMS agencies (276 participated) reported improvement in capacity in responding to time-critical diagnoses, such as stroke.

## QUALITY IMPROVEMENT IN ACTION

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Within Flex, the **Medicare Beneficiary Quality Improvement Project (MBQIP)** encourages CAHs to report on a core set of measures and to engage in quality improvement initiatives.

Explore the [Medicare Beneficiary Quality Improvement Project \(MBQIP\)](#).

## HRSA FEDERAL OFFICE OF RURAL HEALTH POLICY

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The Federal Office of Rural Health Policy (FORHP) administers grant programs to improve rural health care by increasing access to care for underserved populations and building health care capacity at both the state and local levels. FORHP advises the Secretary of Health and Human Services on the effects of current policies and proposed statutory, regulatory, administrative, and budgetary changes.<sup>1</sup>

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<sup>1</sup> See Office of Rural Health Policy, 42 U.S.C. 912 §711