HRSA
Health Resources & Services Administration

NOTICE OF FUNDING OPPORTUNITY

Fiscal Year 2023

Federal Office of Rural Health Policy

Hospital State Division

Small Rural Hospital Improvement Program (SHIP)

Funding Opportunity Number: HRSA-23-033

Funding Opportunity Types: Competing Continuation, New

Assistance Listings Number: 93.301

Application Due Date: November 8, 2022

Ensure your SAM.gov and Grants.gov registrations and passwords are current immediately!

HRSA will not approve deadline extensions for lack of registration.

Registration in all systems may take up to 1 month to complete.

Issuance Date: August 10, 2022

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See Section VII for a complete list of agency contacts.

Authority: Section 1820(g)(3) of the Social Security Act (42 U.S.C. 1395i-4).

508 COMPLIANCE DISCLAIMER

Note: Persons using assistive technology may not be able to fully access information in this file. For assistance, email or call one of the HRSA staff listed in Section VII. Agency Contacts.

EXECUTIVE SUMMARY

The Health Resources and Services Administration (HRSA) is accepting applications for the fiscal year (FY) 2023 Small Rural Hospital Improvement Program (SHIP). The purpose of this program is to help small rural hospitals with 49 beds or fewer implement quality and operational improvement efforts to align with value-based care.

This notice is a contingency action taken to ensure that, should funds become available for this purpose, HRSA can process applications and award funds appropriately. You should note that this program may be cancelled before award.

Funding Opportunity Title:	Small Rural Hospital Improvement Program
Funding Opportunity Number:	HRSA-23-033
Due Date for Applications:	November 8, 2022
Anticipated FY 2023 Total Available Funding:	$20,734,674
Estimated Number and Type of Awards:	Up to 46 grants
Estimated Annual Award Amount:	Up to $13,011 per hospital per year subject to the availability of appropriated funds
Cost Sharing/Match Required:	No
Period of Performance:	June 1, 2023 through May 31, 2028 (5 years)
Eligible Applicants:	The State Office of Rural Health (SORH) in each state will be the official award recipient of record, and will act as fiscal intermediary for all eligible small rural hospitals within the state.

| | Eligible hospitals within the territories that do not have access to a SORH must apply to the SHIP program individually.

Eligible "small rural hospital" is defined as a non-federal, short-term general acute care hospital that: (i) is located in a rural area as defined in 42 U.S.C. 1395ww(d) and (ii) has 49 available beds or fewer, as reported on the hospital's most recently filed Medicare Cost Report.

See Section III.1 of this notice of funding opportunity (NOFO) for complete eligibility information. |
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Application Guide

You (the applicant organization/agency) are responsible for reading and complying with the instructions included in this NOFO and in HRSA's *SF-424 Application Guide*. Visit HRSA's How to Prepare Your Application page for more information.

Technical Assistance

HRSA has scheduled the following webinar:

Day and Date: Wednesday, August 31, 2022
Time: 3 – 4 p.m. ET

Weblink: https://hrsa-gov.zoomgov.com/j/1619804226?pwd=MlVDb3ZPcTFSRFRpN01JbEtNSDNldz09

Attendees without computer access or computer audio can use the dial-in information below:

Call-In Number: 1-833-568-8864
Meeting ID: 161 980 4226
Passcode: 41092373

HRSA will record the webinar:

Webinar Recording: https://www.ruralcenter.org/ship/events

Table of Contents

I. Program Funding Opportunity Description

1. Purpose

This notice announces the opportunity to apply for funding under the Small Rural Hospital Improvement Program (SHIP). This program supports eligible small rural hospitals in meeting value-based payment and care goals for their respective organizations through purchases of hardware, software, and training. SHIP also assists such hospitals in participating in delivery system reforms such as to become or join a Medicare Shared Savings Program or Accountable Care Organizations (ACOs), participate in other shared saving programs, and purchase health information technology (hardware/software), equipment, and/or training to comply with quality improvement activities such as advancing patient care information, promoting interoperability, and payment bundling.

2. Background

SHIP is authorized by Section 1820(g)(3) of the Social Security Act (42 U.S.C. 1395i-4). This program was first authorized by the Balanced Budget Act of 1997, an amendment to the Social Security Act, to help small rural hospitals implement data systems required by the Medicare Prospective Payment System (PPS). The initial funding for this program was provided by the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002.

The reauthorization of the program through the Patient Protection and Affordable Care Act expanded SHIP to support eligible hospitals in meeting value-based purchasing goals for their respective organizations and to enable small rural hospitals to become or join a Medicare Shared Savings Program or ACOs and purchase health information technology, equipment (hardware and software), and/or training to comply with meaningful use, ICD-10[1] standards, and payment bundling.

II. Award Information

1. Type of Application and Award

Types of applications sought: Competing Continuation, New

HRSA will provide funding in the form of a grant.

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[1] https://www.cms.gov/Medicare/Coding/ICD10/index.html

2. Summary of Funding

HRSA estimates approximately $20,734,674 to be available annually to fund approximately 1,600 hospitals, consolidated under 46 state recipients with award amounts of approximately $13,011 per hospital. The actual amount available will not be determined until enactment of the final FY 2023 federal appropriation. You may apply for a ceiling amount of up to $13,011 total cost (includes both direct and indirect (facilities and administrative) costs) per hospital per year. This program notice is subject to the appropriation of funds, and is a contingency action taken to ensure that, should funds become available for this purpose, HRSA can process applications and award funds appropriately.

The period of performance is June 1, 2023 through May 31, 2028 (5 years). Funding beyond the first year is subject to the availability of appropriated funds for SHIP in subsequent fiscal years, satisfactory progress, and a decision that continued funding is in the best interest of the Federal Government.

All hospitals that meet the eligibility requirements and propose to use funds for allowable activities will receive funding through this program and will be allocated funds equally from the SORH.

All HRSA awards are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements at 45 CFR part 75.

Indirect Costs Rate

Applicants are encouraged to limit Indirect Costs to the lesser of:

(i) 15 percent of the amount of the award for administrative expenses; or
(ii) the applicant organization's federally negotiated indirect rate for administering the grant.

The applicant must have a current indirect cost rate agreement at the time of application.

III. Eligibility Information

1. Eligible Applicants

Eligible applicants include states that are current SHIP recipients, as well as states and territories with hospitals that meet eligibility requirements that have not been previously funded. The SORH will be the official award recipient acting as fiscal intermediary for all eligible hospitals within its state. Each SORH submits an application to HRSA on behalf of the eligible hospital applicants in its state. The SORH receives the federal funds, verifies hospital eligibility utilizing the Rural Health Grants Analyzer

(https://data.hrsa.gov/tools/rural-health), makes awards to eligible hospitals, and ensures appropriate use of funds. At the end of the budget period, each SORH submits a financial report documenting reporting expenditure activity to HRSA.

Eligible small rural hospitals are non-federal, short-term general acute care facilities that are located in a rural area of the U.S. and the territories, including faith-based hospitals.

For the purpose of this program:
1) "eligible small rural hospital" is defined as a non-federal, short-term general acute care hospital that: (i) is located in a rural area as defined in 42 U.S.C. 1395ww(d) and (ii) has 49 available beds or fewer, as reported on the hospital's most recently filed Medicare Cost Report;
2) "rural area" is defined as either: (1) located outside of a Metropolitan Statistical Area (MSA); (2) located within a rural census tract of a MSA, as determined under the Goldsmith Modification or the Rural Urban Commuting Areas (RUCAs) or (3) is being treated as if being located in a rural area pursuant to 42 U.S.C. 1395(d)(8)(E); and,
3) Eligible small rural hospitals may be for-profit or not-for-profit, including faith-based. Hospitals in U.S. territories as well as tribally operated hospitals under Titles I and V of P.L. 93-638 are eligible to the extent that such hospitals meet the above criteria.

Individual hospitals can find the SORH contact in their state at: https://nosorh.org/nosorh-members/nosorh-members-browse-by-state/.

Eligible hospitals within the territories that do not have access to a SORH must apply to the SHIP program individually and should contact the SHIP Program Coordinator. See Section VII for a complete list of agency contacts.

2. Cost Sharing/Matching

Cost sharing/matching is not required for this program.

3. Other

HRSA may not consider an application for funding if it contains any of the non-responsive criteria below:

- Exceeds the funding ceiling amount

- Fails to satisfy the deadline requirements referenced in Section IV.4

NOTE: Multiple applications from an organization are not allowed. HRSA will only accept and review your **last** validated electronic submission before the Grants.gov application due date.

IV. Application and Submission Information

1. Address to Request Application Package

HRSA *requires* you to apply electronically. HRSA encourages you to apply through Grants.gov using the SF-424 workspace application package associated with this notice of funding opportunity (NOFO) following the directions provided at Grants.gov: HOW TO APPLY FOR GRANTS. If you use an alternative electronic submission, see Grants.gov: APPLICANT SYSTEM-TO-SYSTEM.

The NOFO is also known as "Instructions" on Grants.gov. You must select "Subscribe" and provide your email address for HRSA-23-033 in order to receive notifications including modifications, clarifications, and/or republications of the NOFO on Grants.gov. You will also receive notifications of documents placed in the RELATED DOCUMENTS tab on Grants.gov that may affect the NOFO and your application. *You are ultimately responsible for reviewing the For Applicants page for all information relevant to this NOFO.*

2. Content and Form of Application Submission

Application Format Requirements

Section 4 of HRSA's *SF-424 Application Guide* provides general instructions for the budget, budget narrative, staffing plan and personnel requirements, assurances, and certifications. You must submit the information outlined in the HRSA *SF-424 Application Guide* in addition to the program-specific information below. You are responsible for reading and complying with the instructions included in this NOFO and HRSA's *SF-424 Application Guide*. You must submit the application in the English language and in the terms of U.S. dollars (45 CFR § 75.111(a)).

See Section 8.5 of the HRSA *SF-424 Application Guide* for the Application Completeness Checklist to assist you in completing your application.

Application Page Limit

The total size of all uploaded files included in the page limit shall be no more than the equivalent of **50 pages** when printed by HRSA. Standard OMB-approved forms included in the workspace application package do not count in the page limit. The abstract is the standard form (SF) "Project_Abstract Summary." If there are other attachments that do not count against the page limit, this will be clearly denoted in Section IV.2.vi Attachments.

The abstract is no longer an attachment that counts in the page limit. Additionally, Indirect Cost Rate Agreement and proof of non-profit status (if applicable) do not count in the page limit. However, if you use an OMB-approved form that is not included in the workspace application package for HRSA-23-033, it will count against the page limit.

Therefore, we strongly recommend you only use Grants.gov workspace forms associated with this NOFO to avoid exceeding the page limit.

It is important to take appropriate measures to ensure your application does not exceed the specified page limit. Any application exceeding the page limit of 50 will not be read, evaluated, or considered for funding.

Applications must be complete, within the maximum specified page limit, and validated by Grants.gov under HRSA-23-033 before the deadline.

Debarment, Suspension, Ineligibility, and Voluntary Exclusion Certification

1) You certify on behalf of the applicant organization, by submission of your proposal, that neither you nor your principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

2) Failure to make required disclosures can result in any of the remedies described in 45 CFR § 75.371, including suspension or debarment. (See also 2 CFR parts 180 and 376, and 31 U.S.C. § 3354).

3) If you are unable to attest to the statements in this certification, you must include an explanation in *Attachment 10: Other Relevant Documents*.

See Section 4.1 viii of HRSA's *SF-424 Application Guide* for additional information on all certifications.

Program-Specific Instructions

In addition to application requirements and instructions in Section 4 of HRSA's *SF-424 Application Guide* (including the budget, budget narrative, staffing plan and personnel requirements, assurances, certifications, and abstract), include the following:

i. *Project Abstract*

Use the Standard OMB-approved Project Abstract Summary Form that is included in the workspace application package. Do not upload the abstract as an attachment or it may count toward the page limit. For information required in the Project Abstract Summary Form, see Section 4.1.ix of HRSA's *SF-424 Application Guide.*

NARRATIVE GUIDANCE

To ensure that you fully address the review criteria, the table below provides a crosswalk between the narrative language and where each section falls within the review criteria. Any forms or attachments referenced in a narrative section may be considered during the objective review.

Narrative Section	Review Criteria
Introduction	(1) Need
Needs Assessment	(1) Need
Methodology	(2) Response and (4) Impact
Work Plan	(2) Response
Resolution of Challenges	(2) Response
Evaluation and Technical Support Capacity	(3) Evaluative Measures
Organizational Information	(5) Resources/Capabilities
Budget Narrative	(6) Support Requested

ii. *Project Narrative*

This section provides a comprehensive description of all aspects of the proposed project. It should be succinct, self-explanatory, consistent with forms and attachments, and organized in alignment with the sections and format below so that reviewers can understand the proposed project.

Successful applications will contain the information below. Please use the following section headers for the narrative:

o INTRODUCTION -- Corresponds to Section V's Review Criterion (1) Need
  This section should briefly describe the purpose of the proposed goals supported by SHIP funding including any new policies, collaborations and/or administrative changes. Please include the vision of your SHIP and highlight the goals for the five-year period of performance. Indicate which program areas from the SHIP Allowable Investments (https://www.ruralcenter.org/ship/allowable-investments) you will be addressing.

o NEEDS ASSESSMENT -- Corresponds to Section V's Review Criterion (1) Need
  This section provides an overview of the needs of small rural hospitals as they relate to the purpose of the SHIP program. The needs assessment should demonstrate an understanding of your state's small rural hospital landscape. The assessment will inform and set priorities for the objectives and activities described within each program area in the methodology and work plan sections. The assessment should answer the following questions:

  • What is the current status and/or trends for small rural hospitals in your state? Include the total number of small rural hospitals in your state and note any newly certified small rural hospitals or small rural hospitals that closed or converted to a different facility type within the past year.

- What are the challenges that impact the ability of small rural hospitals to provide quality care to communities?
- What other stakeholders are engaged in supporting small rural hospital efforts?
- What are the gaps in data related to small rural hospitals?
- What underserved communities[2], if any, are served by small rural hospitals in your state?

Clearly identify data sources and associated dates to show that the needs and trends are outlined.

- METHODOLOGY -- Corresponds to Section V's Review Criteria (2) Response and (4) Impact

  - Overview: Describe the proposed methods by which the state SHIP Director will:

    - Collect, compile, and report information
    - Disburse funds
    - Lead or plan any activities (if applicable)
    - Communicate with hospital staff to monitor progress
    - Provide technical assistance if necessary
    - Monitor for fidelity including ensure hospital eligibility, compliance, and appropriate expenditure of funds
    - Work with any consultants or technical assistance providers

  Activities, programs, and initiatives (i.e., trainings, formation of networks/consortia, or group purchasing) should be specific, realistic, measurable, and achievable within a specified timeframe.

  SORHs are strongly encouraged to assist hospitals form networks/consortia on an intra- or inter-state basis to purchase hardware, software, and/or training.

  - SHIP Funding Priorities: Provide a plan for monitoring the progress of the participating hospital(s) for programmatic and spending progress. Additionally, Describe any activities that may be best practices or innovations (replicable, measurable, demonstrated impact) including network/consortia, as applicable. SORHs will also include details about the engagement of hospital administrators, staff and community

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[2] Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; and persons otherwise adversely affected by persistent poverty or inequality as defined by Executive Order 13985: https://www.federalregister.gov/documents/2021/01/25/2021-01753/advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government

representatives, program collaborators, and other stakeholders whose efforts support process improvements.

SHIP funds should be prioritized by participating Critical Access Hospitals (CAH) in the following manner, one or both, in no particular order:
1) Hospitals must meet MBQIP (see https://www.hrsa.gov/rural-health/rural-hospitals/mbqip and https://www.ruralcenter.org/resource-library/mbqip-measures) participation requirements in order to improve hospital quality outcomes. Non-federal tribal hospitals may use another culturally sensitive federally managed measure of hospital quality outcomes.

2) ICD-11[3] coding readiness and/or implementation activities.

If a CAH has implemented both MBQIP and ICD-11 activities, then that hospital may select a different activity listed on the SHIP Allowable Investments (https://www.ruralcenter.org/ship/allowable-investments), contained within the hospital application.

If a CAH is currently using all hardware, software, equipment, and/or trainings listed on the SHIP Allowable Investments (https://www.ruralcenter.org/ship/allowable-investments), the hospital may select other hardware, software, equipment, and/or training provided:

1) the purchase will optimally affect the hospital's ability to transform its practice and participate in a Medicare Shared Savings Program or an ACO, increase value based purchasing objectives, aid in the adoption of ICD-11, and/or support care transitions/coordination. Hospitals are encouraged to align SHIP purchases in ways that ensure the consistent and systematic fair, just, and impartial treatment[4] of all patients by addressing Social Determinants of Health[5] (SDOH) to improve the quality of healthcare provided; and

2) The hospital receives permission from both its SORH SHIP Director if in a state and the state's SHIP Director's FORHP Project Officer for an activity not listed on the Allowable Investments website.

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[3] See https://www.who.int/standards/classifications/classification-of-diseases and https://icd.who.int/en
[4] As defined by Executive Order 13985: https://www.federalregister.gov/documents/2021/01/25/2021-01753/advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government
[5] Social determinants of health (SDOH) are the conditions in the environments where people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks. https://health.gov/healthypeople/priority-areas/social-determinants-health

SHIP funds for non-CAHs should be prioritized in the following manner:

1) ICD-11 coding readiness and/or implementation activities

If a Prospective Payment System hospital has implemented ICD-11 activities then that hospital may select a different activity on the SHIP Allowable Investments (https://www.ruralcenter.org/ship/allowable-investments).

If a non-CAH is currently using all hardware, software, equipment, and/or trainings listed on the SHIP Allowable Investments (https://www.ruralcenter.org/ship/allowable-investments), the hospital may select an alternative hardware, software, equipment, and/or training provided:

1) the purchase will optimally affect the hospital's ability to transform its practice and participate in a Medicare Shared Savings Program or an ACO, increase value based purchasing objectives, aid in the adoption of ICD-11, and/or support care transitions/coordination. Hospitals are encouraged to align SHIP purchases in ways that ensure the consistent and systematic fair, just, and impartial treatment[6] of all patients by addressing Social Determinants of Health[7] (SDOH) to improve the quality of healthcare provided; and

2) The hospital receives permission from both its SORH SHIP Director if in a state and the state's SHIP Director's FORHP Project Officer.

- SHIP Hospital Applications: All hospitals must complete the Hospital Application. The suggested application templates are available at https://www.ruralcenter.org/ship/grant-guidance. All hospitals must have their CEOs and the individual(s) responsible for SHIP-funded purchase(s) and/or project(s) sign the SHIP hospital applications in ink or electronically. These signatures will attest to the accuracy of each hospital's prioritized purchase(s), certifying each hospital's engagement in MBQIP or ICD-11, or other activity. Note that allowable activities categories are broad and specific activities may fall into more than one category. Hospitals within the states must send the application to the state SHIP Director. SORHs must collect and store the hospital applications. Hospitals in the territories without a SORH must complete the application and submit as **Attachment #7**. FORHP Program Staff may request hospital applications from the SORH as

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[6] As defined by Executive Order 13985: https://www.federalregister.gov/documents/2021/01/25/2021-01753/advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government
[7] Social determinants of health (SDOH) are the conditions in the environments where people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks. https://health.gov/healthypeople/priority-areas/social-determinants-health

part of program monitoring to ensure appropriate spending and satisfactory progress.

- At a minimum, the SHIP Hospital Application must include:
    - Hospital Name
    - CMS Certification Number (CCN)
    - Number of beds per line 14 of the most recently filed Medicare Cost Report
    - Participation in the following CMS programs (yes/no):
        - Medicare Shared Savings Program
        - Other ACO Program (e.g., Medicaid ACO, private payer ACO)
        - Hospital Inpatient Quality Reporting (IQR) Program
        - Care Compare (formerly Hospital Compare)
        - Medicare Hospital VBP Program (PPS hospitals only)
        - Other Value Based Care Models or Alternative Payment Models
    - Allowable Investment Activities by category and a description of the activity, in table format
    - The amount and percent of funding requested by category
    - If a competing continuation hospital applicant, also include:
        - Anticipated FY22 funding expenditure
        - Activity and progress by category
        - Lessons learned
    - If a new hospital applicant, also include:
        - Hospital former name (if applicable)
        - Hospital address
        - Hospital Administrator/CEO contact information
        - Hospital SHIP Project Director (PD) contact information
        - CAH (yes/no)
        - Tribally operated under Titles 1 and V and P.L. 93-638 (yes/no)
    - FY23 Network/Consortium information (if applicable)
    - Hospital Administrator/CEO signature and date
    - Hospital SHIP PD signature and date

- FY23 SHIP Hospital Funding Spreadsheet: For this NOFO, all applicants must submit a FY23 SHIP Hospital Funding Spreadsheet.

- The suggested template is available at: https://www.ruralcenter.org/ship/grant-guidance. Complete the spreadsheet and submit as **Attachment #8**.

- At a minimum, the FY23 SHIP Hospital Funding Spreadsheet must include the following for every hospital:
  - CCN
  - Hospital Name
  - Address
  - Administrator/CEO name and email
  - Hospital SHIP PD name and email
  - CAH (Y/N)
  - Tribally operated under Titles I and V of P.L. 93-638? (Y/N)
  - Bed size (must be 49 or fewer)
  - CMS program/model participation, or other VBP programs, models, or initiatives: (yes/no)
    - Medicare Shared Savings Program
    - Other ACO Program (e.g., Medicaid ACO, private payer ACO)
    - Hospital IQR Program
    - Care Compare (formerly Hospital Compare)
    - Medicare Hospital VBP Program
    - Other Value Based Care Models or Alternative Payment Models
  - Indicate VBP Investment Activities selection(s):
    - Quality Reporting
    - MBQIP data collection process/related training
    - Efficiency or Quality Improvement (QI) training
    - Provider-Based Quality Measures education
    - Alternative Payment Model and Quality Payment Program training/education
  - Indicate ACO Investment Activities selection(s):
    - Computerized Provider Order Entry
    - Pharmacy services training, hardware/software, and/or machines
    - Population Health or Disease Registry training and/or software/hardware
    - SDOH screening software and training
    - Efficiency or QI training/project
    - System Performance training
    - Telehealth/mobile health
    - Community Paramedicine
    - Health Information Technology training for value and ACOs

- Indicate Payment Bundling or PPS Investment Activities selection(s):
  - ICD-11 software
  - ICD-11 training
  - Efficiency or QI training
  - S-10 Cost Reporting training
  - Price Transparency training
- Investment Budget Request
  - VBP amount
  - ACO/Shared Savings amount
  - Payment Bundling/PPS amount
  - Total funding request
- Network/Consortium Expenditures
  - Will FY23 funds be allocated to a SHIP network/consortium of hospitals to complete SHIP allowable activities (Y/N)?
  - Will FY23 funds be allocated to any other network/consortium of hospitals to complete SHIP allowable activities? (Y/N)
- Fund Distribution
  - If a SORH, indicate in which of the following ways funds will be allocated for each hospital: direct to hospital; to network (whether partially or fully); or released by SORH
  - Percent requested per investment area
    - VBP
    - ACO/Shared Savings Program
    - Payment Bundling/PPS

- WORK PLAN -- Corresponds to Section V's Review Criterion (2) [Response](#)
  Describe the activities or steps to achieve each of the objectives proposed by the state (or individual hospital) as outlined in the Methodology section during the entire period of performance. As appropriate, identify meaningful support and collaboration with key stakeholders in planning, designing, and implementing all activities, including developing the application.

  Provide a summary of the proposed activities of the hospital applicants, and how the program funds will be used regarding the identified needs of the SHIP, within the Allowable Investments (https://www.ruralcenter.org/ship/allowable-investments) categories: 1) Value-Based Purchasing, 2) ACOs/Shared Savings Program, and 3) Payment Bundling/PPS.

  Include the FY 2023 Work Plan template found here: https://www.ruralcenter.org/ship/grant-guidance as **Attachment #5** that specifies each activity and identifies responsible staff.

- o At a minimum, the work plan must include the following for each objective; table format is recommended:
  - Activity
  - Anticipated Completion Date/Timeline
  - Staff and Entity
  - Progress/Process Measures
  - Outcome/Impact

- o RESOLUTION OF CHALLENGES -- Corresponds to Section V's Review Criterion (2) Response

  Discuss challenges anticipated in designing and implementing the activities described in the SHIP work plan and approaches used to resolve such challenges. Include any anticipated problems with implementation of hospital activities (e.g., selection of measures) and/or network development. Challenges can be fiscal or operational.

- ▪ EVALUATION AND TECHNICAL SUPPORT CAPACITY -- Corresponds to Section V's Review Criterion (3) Evaluative Measures
  Describe the plan for the program performance evaluation that will contribute to continuous quality improvement. The program performance evaluation should monitor ongoing processes and the progress towards the goals and objectives of the project. Provide evaluative measures to monitor SHIP investment and its impact. Include descriptions of the inputs (e.g., organizational profile, collaborators, key staff, budget, and other resources), key processes, contractor monitoring (as applicable), and expected outcomes of the funded activities (including improved quality, improved operational efficiencies, or cost savings).

- ▪ ORGANIZATIONAL INFORMATION -- Corresponds to Section V's Review Criterion (5) Resources/Capabilities
  Provide information on the applicant organization's current mission and structure, scope of current activities, and provide an organizational chart (**Attachment #6**).

iii. *Budget*

The directions offered in the SF-424 Application Guide may differ from those offered by Grants.gov. Follow the instructions in Section 4.1.iv of HRSA's *SF-424 Application Guide* and the additional budget instructions provided below. A budget that follows the *Application Guide* will ensure that, if HRSA selects your application for funding, you will have a well-organized plan and, by carefully following the approved plan, may avoid audit issues during the implementation phase.

Reminder: The Total Project or Program Costs are the total allowable costs (inclusive of direct **and** indirect costs) you incur to carry out a HRSA-supported project or activity. Total project or program costs include costs charged to the award and costs borne by you to satisfy a matching or cost-sharing requirement, as applicable.

As required by the Consolidated Appropriations Act, 2022 (P.L. 117-103), Division H, § 202, "None of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II." See Section 4.1.iv Budget – Salary Limitation of HRSA's *SF-424 Application Guide* for additional information. Note that these or other salary limitations may apply in the following fiscal years, as required by law.

iv. *Budget Narrative*

See Section 4.1.v. of HRSA's *SF-424 Application Guide*.

In addition, SHIP requires the following:

- Total budget should not exceed $13,011 per hospital.
- Budget justifications should specifically describe how each item supports the achievement of proposed objectives, activities, programs, and initiatives. The budget period is for one year. However, one-year budgets for each of the subsequent budget periods within the requested period of performance must be submitted with the application. Line item information provided should explain the costs entered in the SF-424A.
- Personnel costs are only for the oversight of the award and do not include hospital personnel costs.
- "Travel," "Supplies," "Construction," and "Other" are not allowable expenses.
- A SORH is encouraged to request the lesser of 15 percent of the award total or their indirect cost rate. The current indirect cost rate agreement must be included (**Attachment #1**) and will not count toward the page limit.

v. *Attachments*

Provide the following items in the order specified below to complete the content of the application. **Unless otherwise noted, attachments count toward the application page limit.** Your indirect cost rate agreement and proof of non-profit status (if applicable) will not count toward the page limit. **Clearly label each attachment**. You must upload attachments into the application. HRSA and the objective review committee will not open/review any *hyperlinked* attachments.

Attachment 1: Indirect Cost Rate Allocation Agreement or Plan
Provide the current federally negotiated indirect cost rate agreement used to substantiate indirect costs in the proposed budget. **Not counted in the page limit.**

Attachment 2: Staffing Plan
Applicants must include a staffing plan and provide a justification for the plan that includes education, experience qualifications, and rationale for requested time (percent of Full Time Equivalent [FTE]) for each staff position. If a staff member works on other federal awards, include the program name and FTE. Note that

staff cannot be compensated with award funds for more than 100 percent of their time across all federal awards (45 CFR 75.430). Briefly include a statement outlining your organization's succession planning process to ensure continuity of operations and grant activity oversight and management.

Attachment 3: Job Descriptions for Key Personnel

Keep each job description to one page in length as much as is possible. Include the role, responsibilities, and qualifications of proposed project staff.

Attachment 4: Biographical Sketches of Key Personnel

Include biographical sketches for persons occupying the key positions described in *Attachment 3*, not to exceed two pages in length per person. In the event that a biographical sketch is included for an identified individual not yet hired, include a letter of commitment from that person with the biographical sketch.

Attachment 5: Work Plan

Provide a detailed summary at the state level regarding proposed applicant activities, how funds are to be used during each budget period, activities, and a timeline that describes funds disbursement (if a SORH) processes and the use of SHIP hospital networks (if applicable). The suggested template and instruction is available here: https://www.ruralcenter.org/ship/grant-guidance

Attachment 6: Organizational Chart

Provide a one-page figure that depicts the organizational structure of the SHIP program within the SORH or the hospital.

Attachment 7: Hospital Application Form (only required for hospitals applying individually)

The suggested hospital application templates and instructions are available here: https://www.ruralcenter.org/ship/grant-guidance

Attachment 8: FY 2023 SHIP Hospital Funding Spreadsheet

Attach the completed FY 2023 SHIP Hospital Funding Spreadsheet. The suggested template and instruction is available here: https://www.ruralcenter.org/ship/grant-guidance. **Not counted in the page limit.**

Attachment 9: 5th Year Budget

After using columns (1) through (4) of the SF-424A Section B for a 5-year period of performance, you will need to submit the budget for the 5th year as an attachment. Use the SF-424A Section B, which does not count in the page limit; however, any related budget narrative does count. See Section 4.1.iv of HRSA's *SF-424 Application Guide*.

Attachments 10–15: Other Relevant Documents

> Include here any other documents that are relevant to the application, including letters of support. Letters of support must be dated and specifically indicate a commitment to the project/program (in-kind services, dollars, staff, space, equipment, etc.).

3. Unique Entity Identifier (UEI) and System for Award Management (SAM)

Effective April 4, 2022:

- The UEI (SAM), a new, non-proprietary identifier assigned by SAM, has replaced the UEI Data Universal Numbering System (DUNS) number.

- Register at SAM.gov and you will be assigned a UEI.

You must register with SAM and continue to maintain active SAM registration with current information at all times when you have: an active federal award, an active application, or an active plan under consideration by an agency (unless you are an individual or federal agency that is exempted from those requirements under 2 CFR § 25.110(b) or (c), or you have an exception approved by the agency under 2 CFR § 25.110(d)). For your SAM registration, you must submit a notarized letter appointing the authorized Entity Administrator.

If you are chosen as a recipient, HRSA will not make an award until you have complied with all applicable SAM requirements. If you have not fully complied with the requirements by the time HRSA is ready to make an award, you may be deemed not qualified to receive an award, and HRSA may use that determination as the basis for making an award to another applicant.

If you have already completed Grants.gov registration for HRSA or another federal agency, confirm that the registration is still active and that the Authorized Organization Representative (AOR) has been approved.

The Grants.gov registration process requires information in two separate systems:

- System for Award Management (SAM) (https://sam.gov/content/home | SAM.gov Knowledge Base)

- Grants.gov (https://www.grants.gov/)

For more details, see Section 3.1 of HRSA's *SF-424 Application Guide*.

If you fail to allow ample time to complete registration with SAM or Grants.gov, you will not be eligible for a deadline extension or waiver of the electronic submission requirement.

4. Submission Dates and Times

Application Due Date

The application due date under this NOFO is *November 8, 2022 at 11:59 p.m. ET*. HRSA suggests you submit your application to Grants.gov at least **3 calendar days before the deadline** to allow for any unforeseen circumstances. See Section 8.2.5 – Summary of emails from Grants.gov in HRSA's *SF-424 Application Guide* for additional information.

5. Intergovernmental Review

SHIP is not subject to the provisions of Executive Order 12372, as implemented by 45 CFR part 100.

See Section 4.1 ii of HRSA's *SF-424 Application Guide* for additional information.

6. Funding Restrictions

You may request funding for a period of performance of up to 5 years, at no more than $13,011 per hospital per year (inclusive of direct **and** indirect costs). This program notice is subject to the appropriation of funds, and is a contingency action taken to ensure that, should funds become available for this purpose, HRSA can process applications and award funds appropriately. Awards to support projects beyond the first budget year will be contingent upon Congressional appropriation, satisfactory progress in meeting the project's objectives, and a determination that continued funding would be in the best interest of the Federal Government.

The General Provisions in Division H of the Consolidated Appropriations Act, 2022 (P.L. 117-103) apply to this program. See Section 4.1 of HRSA's *SF-424 Application Guide* for additional information. Note that these and other restrictions will apply in following fiscal years, as required by law.

Federal funds provided through this program may only be used for purposes authorized in section 1820(g)(3) of the Social Security Act (42 U.S.C. 1395i-4), as amended.

You are required to have the necessary policies, procedures, and financial controls in place to ensure that your organization complies with all legal requirements and restrictions applicable to the receipt of federal funding including statutory restrictions on specific uses of funding. It is imperative that you review and adhere to the list of statutory restrictions on the use of funds detailed in Section 4.1 of HRSA's *SF-424 Application Guide*. Like all other applicable grants requirements, the effectiveness of these policies, procedures, and controls is subject to audit.

Be aware of the requirements for HRSA recipients and subrecipients at 2 CFR § 200.216 regarding prohibition on certain telecommunications and video surveillance services or equipment. For details, see the HRSA Grants Policy Bulletin Number: 2021-01E.

All program income generated as a result of awarded funds must be used for approved project-related activities. Any program income earned by the recipient must be used under the addition/additive alternative. You can find post-award requirements for program income at 45 CFR § 75.307.

V. Application Review Information

1. Review Criteria

HRSA has procedures for assessing the technical merit of applications to provide for an objective review and to assist you in understanding the standards against which your application will be reviewed. HRSA has critical indicators for each review criterion to assist you in presenting pertinent information related to that criterion and to provide the reviewer with a standard for evaluation.

These criteria are the basis upon which the reviewers will evaluate and score the merit of the application. The entire proposal will be considered during objective review.

Six review criteria are used to review and rank SHIP applications. Below are descriptions of the review criteria and their scoring points.

Criterion 1: NEED (20 points) – Corresponds to Section IV's Introduction and Needs Assessment

The extent to which the application:
- Describes the purpose of the proposed goals supported by SHIP funding including any new policies, collaborations, and/or administrative changes.
- Details the vision of your SHIP and highlight the goals for the five-year period of performance.
- Demonstrates comprehensive knowledge and understanding of issues facing and unmet needs of small rural hospitals relating to the purpose of the SHIP program.
- If a SORH, details how SHIP activities compliment other statewide work with small hospitals.
- Demonstrates how comprehensive knowledge and understanding of issues and unmet needs of the health care landscape including underserved communities were obtained (i.e., research, annual assessments/surveys, etc.).

Criterion 2: RESPONSE (45 points) – Corresponds to Section IV's Methodology, Work Plan, and Resolution of Challenges

Methodology (20 points):
The extent to which the application clearly demonstrates:

- An approach to collect, compile, and report information as well as disburse funds, lead or plan activities, and work with consultants or technical assistance providers.
- How expenditures will be prioritized according to the SHIP Funding Priorities by participating hospitals.
- How equipment or services will be provided.
- If a SORH, how the SORH ensures receipt and accuracy of purchase from participating hospitals.
- How the SORH will communicate with hospital staff to monitor progress, provide technical assistance if necessary, and ensure eligibility, compliance, and appropriate expenditure of funds.
- Complete data and a summary pertaining to all hospital applicants, as detailed under **Attachment #8** FY 2023 SHIP Hospital Funding Spreadsheet including percentage or number of MBQIP and ICD-11 activities, number of CAH and PPS hospitals, and any particular needs hospitals may have and how they will be addressed.

Work Plan (20 points)
The extent to which the application clearly discusses:
- Activities, goals, objectives, or steps taken during each budget period of the five (5) year period of performance.
- Dates of initiation and completion (or anticipated) for each of the activities, goals, and/or objectives.
- Number and type of staff (or responsible entity).
- All evaluative measures (anticipated and/or actual).
- All outcomes/impacts (anticipated and/or actual).
- Format and use of networks/consortia (if applicable).
- Proposing appropriate activities, in alignment with the SHIP Allowable Investments.

Resolution of Challenges (5 points)
The extent to which the application clearly describes:
- Potential barriers and challenges in designing and implementing the activities described in the SHIP work plan along with the specific approaches to resolve challenges.
- Framework and method to overcome barriers and challenges.

Criterion 3: EVALUATIVE MEASURES (10 points) – Corresponds to Section IV's
Evaluation and Technical Support Capacity

The extent to which the application:
- Demonstrates the strength and effectiveness of the strategies and measures proposed to evaluate the SHIP work plan and results, and provides specific

evidence that the evaluative measures will be able to asses to what extent the program objectives have been met.

- Describes the data collection strategies implemented by the SORH or hospital to assess program objectives, improve performance, and identify future hospital needs.
- Proposes feasible and effective method(s) to monitor and evaluate the project results (including improved quality, improved efficiencies, or cost savings).
- Provides evaluative measures to assess the extent program objectives are met and attributed to the SHIP investment.
- Includes a self-assessment strategy through the course of the project to ensure project alignment with proposed goals.
- Describes contract assessment and monitoring process(es), as applicable.

Criterion 4: IMPACT (10 points) – Corresponds to Section IV's [Methodology](#)

The extent to which the application:
- Clearly provides a plan for monitoring the progress of the participating hospital(s) that will contribute to the overall improvement of hospital operations.
- Describes activities that stand out as best practices or innovations (replicable, measurable, demonstrated impact) including network/consortia, as applicable.
- Describes the engagement of hospital administrators, staff and community representatives, program collaborators, and other stakeholders in order to identify and implement program refinements and process improvements.

Criterion 5: RESOURCES/CAPABILITIES (10 points) – Corresponds to Section IV's [Organization Information](#)

Items under this criterion address the Staffing Plan (**Attachment #2**), Job Descriptions for Key Personnel (**Attachment #3**), and the Organizational Chart (**Attachment #6**). The extent to which the attachments:
- Identify a SHIP Coordinator responsible for the program who has appropriate skills and qualifications as evidenced by the biographical sketch/resume;
- Demonstrate qualified staff, by identifying training and/or experience to implement, monitor, and evaluate the program;
- Include a statement outlining the organization's succession planning process to ensure continuity of operations and grant activity oversight and management;
- Provide sufficient information on the applicant's current structure;
- Clearly describe the ability of the organization and/or staff to meet the unique needs of rural communities;
- Include a sufficiently detailed organizational chart that includes a SORH Director (or similar title) if a SORH and SHIP Director; and
- Demonstrate applicant's capability to manage SHIP and related projects including effective management of subcontractors and other projects, as applicable.

Criterion 6: SUPPORT REQUESTED (5 points) – Corresponds to Section IV's Budget and Budget Narrative

The extent to which the:
- Proposed budget for each year of the performance period clearly aligns with the objectives, proposed investments, and anticipated results.
- Key personnel have adequate time devoted to achieve project objectives.

2. Review and Selection Process

The objective review process provides an objective evaluation of applications to the individuals responsible for making award decisions. The highest ranked applications receive consideration for award within available funding ranges. HRSA may also consider assessment of risk and the other pre-award activities described in Section 3 below. See Section 5.3 of HRSA's *SF-424 Application Guide* for more details.

3. Assessment of Risk

HRSA may elect not to fund applicants with management or financial instability that directly relates to the organization's ability to implement statutory, regulatory, or other requirements (45 CFR § 75.205).

HRSA reviews applications receiving a favorable objective review for other considerations that include past performance, as applicable; cost analysis of the project/program budget; assessment of your management systems, ensuring continued applicant eligibility; and compliance with any public policy requirements, including those requiring just-in-time submissions. HRSA may ask you to submit additional programmatic or administrative information (such as an updated budget or "other support" information) or to undertake certain activities (such as negotiation of an indirect cost rate) in anticipation of an award. However, even at this point in the process, such requests do not guarantee that HRSA will make an award. Following review of all applicable information, HRSA's approving and business management officials will determine whether HRSA can make an award, if special conditions are required, and what level of funding is appropriate.

Award decisions are discretionary and are not subject to appeal to any HRSA or HHS official or board.

HRSA is required to review and consider any information about your organization that is in the Federal Awardee Performance and Integrity Information System (FAPIIS). You may review and comment on any information about your organization that a federal awarding agency previously entered. HRSA will consider your comments, in addition to other information in FAPIIS in making a judgment about your organization's integrity, business ethics, and record of performance under federal awards when completing the review of risk as described in 45 CFR § 75.205 HHS Awarding Agency Review of Risk Posed by Applicants.

HRSA will report to FAPIIS a determination that an applicant is not qualified ([45 CFR § 75.212](#)).

VI. Award Administration Information

1. Award Notices

HRSA will release the Notice of Award (NOA) on or around the start date of June 1, 2023. See Section 5.4 of HRSA's *[SF-424 Application Guide](#)* for additional information.

2. Administrative and National Policy Requirements

See Section 2.1 of HRSA's *[SF-424 Application Guide](#)*.

If you are successful and receive a NOA, in accepting the award, you agree that the award and any activities thereunder are subject to:

- all provisions of 45 CFR part 75, currently in effect or implemented during the period of the award,

- other federal regulations and HHS policies in effect at the time of the award or implemented during the period of award, and

- applicable statutory provisions.

Accessibility Provisions and Non-Discrimination Requirements

Should you successfully compete for an award, recipients of federal financial assistance (FFA) from HHS must administer their programs in compliance with federal civil rights laws that prohibit discrimination on the basis of race, color, national origin, disability, age and, in some circumstances, religion, conscience, and sex (including gender identity, sexual orientation, and pregnancy). This includes ensuring programs are accessible to persons with limited English proficiency and persons with disabilities. The HHS Office for Civil Rights (OCR) provides guidance on complying with civil rights laws enforced by HHS. See [Providers of Health Care and Social Services](#) and [HHS Nondiscrimination Notice](#).

- Recipients of FFA must ensure that their programs are accessible to persons with limited English proficiency. For guidance on meeting your legal obligation to take reasonable steps to ensure meaningful access to your programs or activities by limited English proficient individuals, see [Fact Sheet on the Revised HHS LEP Guidance](#) and [Limited English Proficiency](#).

- For information on your specific legal obligations for serving qualified individuals with disabilities, including reasonable modifications and making services accessible to them, see [Discrimination on the Basis of Disability](#).

- HHS-funded health and education programs must be administered in an environment free of sexual harassment. See [Discrimination on the Basis of Sex](#).

- For guidance on administering your program in compliance with applicable federal religious nondiscrimination laws and applicable federal conscience protection and associated anti-discrimination laws, see [Conscience Protections for Health Care Providers](#) and [Religious Freedom](#).

Please contact the [HHS Office for Civil Rights](#) for more information about obligations and prohibitions under federal civil rights laws or call 1-800-368-1019 or TDD 1-800-537-7697.

The HRSA Office of Civil Rights, Diversity, and Inclusion (OCRDI) offers technical assistance, individual consultations, trainings, and plain language materials to supplement OCR guidance and assist HRSA recipients in meeting their civil rights obligations. Visit [OCRDI's website](#) to learn more about how federal civil rights laws and accessibility requirements apply to your programs, or contact OCRDI directly at [HRSACivilRights@hrsa.gov](#).

Health Information Technology (IT) Interoperability Requirements

Should you successfully compete for an award that involves implementing, acquiring, or upgrading health IT for activities, recipients and subrecipients are required to utilize health IT that meets standards and implementation specifications adopted in 45 CFR part 170, Subpart B, if such standards and implementation specifications can support the activity. Visit https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-D/part-170/subpart-B to learn more.

[Executive Order on Worker Organizing and Empowerment](#)
Pursuant to the Executive Order on Worker Organizing and Empowerment (E.O. 14025), HRSA strongly encourages applicants to support worker organizing and collective bargaining and to promote equality of bargaining power between employers and employees. This may include the development of policies and practices that could be used to promote worker power. Applicants can describe their plans and specific activities to promote this activity in the application narrative.

Requirements of Subawards

The terms and conditions in the NOA apply directly to the recipient of HRSA funds. The recipient is accountable for the performance of the project, program, or activity; the appropriate expenditure of funds under the award by all parties; and all other obligations of the recipient, as cited in the NOA. In general, the requirements that apply to the recipient, including public policy requirements, also apply to subrecipients under awards, and it is the recipient's responsibility to monitor the compliance of all funded subrecipients. See [45 CFR § 75.101 Applicability](#) for more details.

3. Reporting

Award recipients must comply with Section 6 of HRSA's *SF-424 Application Guide* **and** the following reporting and review activities:

1) **Progress Report**. The recipient must submit a progress report to HRSA on an annual basis. This is a separate submission from the NCC to capture end-of-year progress on SHIP outcomes.

2) **Non-Competing Continuation Report.** The recipient must submit a Non-Competing Continuation Report in advance of the next budget period to ensure satisfactory progress and that continued funding is in the best interest of the Federal Government.

3) **Integrity and Performance Reporting.** The NOA will contain a provision for integrity and performance reporting in FAPIIS, as required in 45 CFR part 75 Appendix XII.

Note that the OMB revisions to Guidance for Grants and Agreements termination provisions located at 2 CFR § 200.340 - Termination apply to all federal awards effective August 13, 2020. No additional termination provisions apply unless otherwise noted.

VII. Agency Contacts

You may request additional information and/or technical assistance regarding business, administrative, or fiscal issues related to this NOFO by contacting:

Kimberly Dews
Grants Management Specialist
Division of Grants Management Operations, OFAM
Health Resources and Services Administration
Phone: (301) 443-0655
Email: kdews@hrsa.gov

You may request additional information regarding the overall program issues and/or technical assistance related to this NOFO by contacting:

Mx. Krista M. Mastel, MPH
Public Health Analyst, SHIP Program Coordinator
Attn: SHIP
Federal Office of Rural Health Policy
Health Resources and Services Administration
Phone: (301) 443-0491
Email: kmastel@hrsa.gov

You may need assistance when working online to submit your application forms electronically. Always obtain a case number when calling for support. For assistance with submitting the application in Grants.gov, contact Grants.gov 24 hours a day, 7 days a week, excluding federal holidays at:

Grants.gov Contact Center
Phone: 1-800-518-4726 (International callers dial 606-545-5035)
Email: support@grants.gov
Self-Service Knowledge Base

Successful applicants/recipients may need assistance when working online to submit information and reports electronically through HRSA's Electronic Handbooks (EHBs). Always obtain a case number when calling for support. For assistance with submitting in the EHBs, contact the HRSA Contact Center, Monday–Friday, 7 a.m. to 8 p.m. ET, excluding federal holidays at:

HRSA Contact Center
Phone: (877) 464-4772 / (877) Go4-HRSA
TTY: (877) 897-9910
Web: http://www.hrsa.gov/about/contact/ehbhelp.aspx

VIII. Other Information

Technical Assistance

See TA details in Executive Summary.

Tips for Writing a Strong Application

See Section 4.7 of HRSA's *SF-424 Application Guide*.