Small Rural Hospital Improvement Grant Program (SHIP) – Program Update

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SHIP Program Update

- Overview of SHIP
- Health Information Technology
- Collaboration and Consortia
SHIP Overview

• Provides funds to approximately 1600 small rural hospitals (1200 Critical Access Hospitals) in 46 states to assist with any or all of the following:
  – pay for costs related to implementation of Prospective Payment System (PPS);
  – comply with the provisions of the Health Insurance Portability and Accounting Act (HIPAA); or
  – support quality improvement initiatives and reduce medical errors (QI).
Figure 2: Hospital Use of Funds by Category and Year
Overview (cont.)

- Established 2002, ~$15M awarded annually
- State submits a consolidated grant application on behalf of all eligible hospitals within state
- Eligible hospitals range from 3 in Maryland to 113 in Texas, most are in the mid-west and southeast (12 in Virginia)
- In FY 06, ~$9,000 to each of 1622 small rural hospitals
- Most states have sub-contracts with hospitals
Figure 1: Number of Participating Hospitals

Source: ORHP SHIP FY 05 Annual Report
Health Information Technology

• FY 2004 / 2005 Comparison
  - 72% / 59% of hospitals used funds for HIT
  - 58% / 48% of purchases were QI related
  - Most QI purchases related to pharmacy

• HIPAA related HIT purchases increased from 40% in FY 2004 to 54% in FY 2005
  - Mainly for servers and operating systems
  - Compliance w/privacy & security standards
Health Information Technology Inventory

Figure A: Hospitals Using SHIP Funds for HIT

<table>
<thead>
<tr>
<th>Year</th>
<th>HIT</th>
<th>Other</th>
</tr>
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<tbody>
<tr>
<td>FY 2004</td>
<td>72%</td>
<td>28%</td>
</tr>
<tr>
<td>FY 2005</td>
<td>59%</td>
<td>41%</td>
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</tbody>
</table>

Source: ORHP SHIP FY 05 Annual Report
Health Information Technology

Figure C: Hospitals Purchasing HIT for QI

- FY 2004: 58% QI, 42% All Other HIT
- FY 2005: 48% QI, 52% All Other HIT

Source: ORHP SHIP FY 05 Annual Report
Figure B: Hospitals Purchasing HIT for HIPAA

Source: ORHP SHIP FY 05 Annual Report
Health Information Technology

• FY 2006 Query
  – High speed Internet access - 92%
  – Clinical results linked to billing - 50%
  – Clinical applications (12 categories)
    • Lab results review - 44%
    • Radiology results review - 41%
    • Telemedicine - 37%
    • Pharmacy order entry - 34%
    • Electronic medical record - 23% IP, 20% OP
HIT FY 2006

High Speed Internet Access

- Internet: 92%
- Administration: 90%
- Clinical: 78%

Source: ORHP SHIP FY 05 Annual Report
SHIP Collaboration

- Goal of SHIP program
- Amount of funds increased from 7 percent to 16 percent in four years
- Encourage pooling of funds to maximize purchasing power for services and equipment
- Most pooled through existing networks, systems or consortiums
- In FY 04, 48 percent of hospitals participated in some form, 62% in FY 05
- 14 percent now in SHIP exclusive consortiums
Figure 4: SHIP Funds Allocated to Networks, Systems or Consortiums

Source: ORHP SHIP FY 05 Annual Report
SHIP Collaboration (cont.)

• Handout lists 20 States with SHIP network, system or consortium activities for FY 2005
• Some are State-wide, others are partial
• Nine case stories are on SHIP website - http://tasc.ruralhealth.hrsa.gov/ship
• SHIP and FLEX funds combined for innovative projects in PA & NV
Virginia

- Critical Access Small Hospital Integrated Network (CASH-IN)

- Twelve SHIP hospitals / six are also CAHs

- Five hospitals participated in telemedicine initiative in FY 2005
Leveraging Federal Grant Dollars for Performance Improvement in Rural and Frontier Hospitals

The Experience of the Nevada Flex Program and the Nevada SHIP Consortium
Nevada Rural Hospital Partners  
(NRHP)

- Voluntary consortium of fourteen of Nevada’s rural and frontier hospitals
- Purpose - maintain access to hospital-based services in rural settings
- Mission - improve the viability of member hospitals through shared services, resources, and member advocacy
- Principal Flex and SHIP subcontractor for the last five years and longstanding partner with ORH on a wide range of rural health care projects
Nevada Rural Quality Initiatives

- Nevada Flex Program and Nevada SHIP Consortium

- NRHP review of available independent quality measurement tools found that they were designed for larger/urban facilities and/or were cost prohibitive

- Partnership formed with Pioneer Health Network (PHN) to create a rural quality indicator reporting tool (DeskHDC) utilizing pooled SHIP Grant funds from the Nevada SHIP Consortium
Pennsylvania Critical Access Hospital Coalition (PACAHC)

Integration in Pennsylvania
PACAHC
12 of 18 SHIP Eligible Hospitals

Source: Stroudwater Associates
Defining Characteristics of PACAHC

- Participation = FLEX & SHIP Funds
- Quarterly Meetings
- Breadth, Depth and Quality of Data Reporting
- No “tyranny of the consensus”
- Partnerships – QIO, HAP, DOH, PSU
- Specific initiatives can be funded & shared
- Leverage funding opportunities
Culture of “Shared Learning”

- Share best practices
- Use each other as a resource
- Improve individually and collectively
Commitment to Collaborate

• Resulted in move from Quality Improvement to Performance Improvement

• Quality Improvement = Clinical

• Performance Improvement = Holistic
  – Financial
  – Clinical
  – Operational
  – Satisfaction
Specific Initiatives

• Institute for Safe Medication Practices
  – Created a Four Phased Program on Medication Safety for the PACAHC

• Quality Insights – PA QIO
  – 06/07 – Pneumonia Project
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