

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Health Resources and Services Administration**

*Office of Rural Health Policy (ORHP)*

***Small Rural Hospital Improvement Grant Program (SHIP)***

**Announcement Type:** New and Competing Continuation

**Announcement Number:** HRSA-13-163

**Catalog of Federal Domestic Assistance (CFDA) No. 93.301**

**FUNDING OPPORTUNITY ANNOUNCEMENT**

Fiscal Year 2013

**Application Due Date: March 15, 2013**

*Ensure your Grants.gov registration and passwords are current immediately!  
Deadline extensions are not granted for lack of registration.  
Registration may take up to one month to complete.*

**Release Date: January 16, 2013**

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**Modified on February 21, 2013 – Summary of Funding, page 2. Addition of last sentence.**

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

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## **I. Funding Opportunity Description**

### **1. Purpose**

The purpose of the Small Rural Hospital Improvement Grant Program (SHIP) is to help small rural hospitals of 49 beds or less, and do any or all of the following: 1) enable the purchase of equipment and/or training to help hospitals attain value-based purchasing provision in the Patient Protection and Affordable Care Act (ACA), 2) aid small rural hospitals in joining or becoming accountable care organizations, or create shared savings programs per the ACA, and 3) enable small rural hospitals to purchase health information technology, equipment and/or training to comply with meaningful use, ICD-10 standards, and payment bundling.

### **2. Background**

This program is authorized by Section 1820 (g)(3) of the Social Security Act, amended by section 3129 of the ACA. The SHIP was first authorized by the Balanced Budget Refinement Act of 1999 of the Social Security Act to help small rural hospitals meet the costs of implementing data systems required to meet requirements of the Medicare Prospective Payment System (PPS). Funding for this program was first provided by the Labor/HHS Appropriations Act for FY 2002 in which conference report language expanded the purpose of this grant program to also help small rural hospitals comply with provisions of HIPPA and reduce medical errors while supporting quality improvement.

More recently, in 2010, the ACA authorized SHIP funds to help eligible hospitals meet value-based purchasing goals for their organization, enable small rural hospitals to become or join accountable care organizations or become shared savings programs, and purchase health information technology, equipment, and/or training to comply with meaningful use, ICD-10 standards, and payment bundling.

## **II. Award Information**

### **1. Type of Award**

Funding will be provided in the form of a grant.

### **2. Summary of Funding**

This program will provide funding for Federal fiscal years 2013-2015. Approximately \$15,000,000 is expected to be made available annually to fund up to forty-seven (47) states. Applicants should budget approximately \$9000 per hospital, though the final amount awarded will be dependent upon HRSA appropriation of funds. The project period is three (3) years. Funding beyond the first year is dependent upon the availability of appropriated funds for SHIP in subsequent fiscal years, grantee satisfactory performance, and a decision that continued funding is in the best interest of the federal government.

This funding opportunity announcement is subject to availability of appropriated funds. If associated funding is not available for the Small Rural Hospital Improvement Grant Program (SHIP), this announcement will be withdrawn and grants will not be awarded.

### **III. Eligibility Information**

#### **1. Eligible Applicants**

The State Office of Rural Health (SORH) in each state will be the official grantee of record, as they will act as a fiscal intermediary for all hospitals within their state. This is a new and competing continuation announcement. Eligible applicants include current SORHs receiving SHIP, as well as SORHs not previously funded who meet eligibility requirements.

#### **2. Cost Sharing/Matching**

Cost Sharing/Matching is not required for this program.

#### **3. Other**

Applications that exceed the ceiling amount will be considered non-responsive and will not be considered for funding under this announcement.

Any application that fails to satisfy the deadline requirements referenced in *Section IV.3* will be considered non-responsive and will not be considered for funding under this announcement.

Though the SORH will be the official grantee of record, and they will act as a fiscal intermediary for all hospitals within their state, SHIP funds are geared towards assisting small rural hospitals that are essential access points for Medicare and Medicaid beneficiaries. Eligible small rural hospitals are non-federal, short-term general acute care facilities that are located in a rural area of the US and the territories, including faith-based hospitals. For the purpose of this program:

- 1) “small hospital” is defined as 49 available beds or less, as reported on the hospital’s most recently filed Medicare Cost Report,
- 2) “rural” is defined as either located outside of a Metropolitan Statistical Area (MSA) or located within a rural census tract of a MSA, as determined under the Goldsmith Modification or the Rural Urban Commuting Areas (RUCAs), and,
- 3) Eligible SHIP hospitals may be for-profit or not-for-profit. 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.

In regards to hospitals determining their eligibility and to request a hospital application, hospitals should contact their SORH. More about the SHIP, eligibility, and a list of SORH contacts can be found on at <http://ruralhealth.hrsa.gov>. To facilitate the awards process, eligible hospitals must submit a hospital application to their SORH by the SORH designated deadline.

Any eligible small rural hospital in the US Territories may contact their SHIP Program Coordinator for more information. Eligible hospitals within the Territories must apply for the SHIP grant program individually; as such hospitals will not have access to a SORH.

## IV. Application and Submission Information

### 1. Address to Request Application Package

#### **Application Materials and Required Electronic Submission Information**

HRSA *requires* applicants for this funding opportunity announcement to apply electronically through Grants.gov. The registration and application process protects applicants against fraud and ensures that only authorized representatives from an organization can submit an application. Applicants are responsible for maintaining these registrations, which should be completed well in advance of submitting an application. All applicants *must* submit in this manner unless they obtain a written exemption from this requirement in advance by the Director of HRSA's Division of Grants Policy. Applicants must request an exemption in writing from [DGPWaivers@hrsa.gov](mailto:DGPWaivers@hrsa.gov), and provide details as to why they are technologically unable to submit electronically through the Grants.gov portal. If requesting a waiver, include the following in the e-mail request: the HRSA announcement number for which the organization is seeking relief, the organization's DUNS number, the name, address, and telephone number of the organization and the name and telephone number of the Project Director as well as the Grants.gov Tracking Number (GRANT XXXX) assigned to the submission along with a copy of the "Rejected with Errors" notification as received from Grants.gov. HRSA's Division of Grants Policy is the only office authorized to grant waivers. **HRSA and its Digital Services Operation (DSO) will only accept paper applications from applicants that received prior written approval.** However, the application must still be submitted by the deadline. Suggestion: submit application to Grants.gov at least two days before the deadline to allow for any unforeseen circumstances.

**IMPORTANT NOTICE: CCR to be moved to SAM**  
**at the end of July 2012**  
**(rev. 5/22/12)**

The Central Contractor Registration (CCR) transitioned to the System for Award Management (SAM) on July 30, 2012. For any registrations in process during the transition period, data submitted to CCR will be migrated to SAM.

If a record was scheduled to expire between July 16, 2012 and October 15, 2012, CCR is extending the expiration date by 90 days. The registrant received an e-mail notification from CCR when the expiration date was extended. The registrant then will receive standard e-mail reminders to update their record based on the new expiration date. Those future e-mail notifications will come from SAM.

SAM will reduce the burden on those seeking to do business with the government. Vendors will be able to log into one system to manage their entity information in one record, with one expiration date, through one streamlined business process. Federal agencies will be able to look in one place for entity pre-award information. Everyone will have fewer passwords to remember and see the benefits of data reuse as information is entered into SAM once and reused throughout the system.

**Active SAM registration is a pre-requisite to the**  
**successful submission of grant applications!**

Items to consider are:

- When does the account expire?
- Does the origination need to complete the annual renewal of registration?
- Who is the eBiz POC? Is this person still with the organization?
- Does anything need to be updated?

To learn more about SAM, please visit <https://www.sam.gov>.

Note: SAM information must be updated at least every 12 months to remain active (for both grantees and sub-recipients). Grants.gov will reject submissions from applicants with expired registrations. Do not wait until the last minute to register in SAM. According to the SAM Quick Guide for Grantees

([https://www.sam.gov/sam/transcript/SAM\\_Quick\\_Guide\\_Grants\\_Registrations-v1.6.pdf](https://www.sam.gov/sam/transcript/SAM_Quick_Guide_Grants_Registrations-v1.6.pdf)), your entity registration will become active after 3-5 days. Therefore, **check for active registration well before the application deadline.**

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

All applicants are responsible for reading the instructions included in HRSA's *Electronic Submission User Guide*, available online at <http://www.hrsa.gov/grants/apply/userguide.pdf>. This Guide includes detailed application and submission instructions for both Grants.gov and HRSA's Electronic Handbooks. Pay particular attention to Sections 2 and 5 that provide detailed information on the competitive application and submission process.

Applicants are also responsible for reading the Grants.gov Applicant User Guide, available online at <http://www.grants.gov/assets/ApplicantUserGuide.pdf>. This Guide includes detailed information about using the Grants.gov system and contains helpful hints for successful submission.

Applicants must submit proposals according to the instructions in the Guide and in this funding opportunity announcement in conjunction with Application Form SF-424. The forms contain additional general information and instructions for applications, proposal narratives, and budgets. The forms and instructions may be obtained by:

- 1) Downloading from <http://www.grants.gov>, or
- 2) Contacting the HRSA Digital Services Operation (DSO) at: [HRSADSO@hrsa.gov](mailto:HRSADSO@hrsa.gov)

Each funding opportunity contains a unique set of forms and only the specific forms package posted with an opportunity will be accepted. Specific instructions for preparing portions of the application that must accompany Application Form SF-424 appear in the "Application Format Requirements" section below.

## **2. Content and Form of Application Submission**

### **Application Format Requirements**

The total size of all uploaded files may not exceed the equivalent of 80 pages when printed by HRSA. The total file size may not exceed 10 MB. The 80-page limit includes the abstract, project and budget narratives, attachments, and letters of commitment and support. Standard forms are NOT included in the page limit. **HRSA strongly urges applicants to print their application to ensure it does not exceed the 80-page limit. Do not reduce the size of the fonts or margins to save space. See the formatting instructions in Section 5 of the *Electronic Submission User Guide* referenced above.**

**Applications must be complete, within the 80-page limit, within the 10 MB limit, and submitted prior to the deadline to be considered under this announcement.**

### **Application Format**

Applications for funding must consist of the following documents in the following order:

## SF-424 Non-Construction – Table of Contents

- 🔔 It is mandatory to follow the instructions provided in this section to ensure that the application can be printed efficiently and consistently for review.
- 🔔 Failure to follow the instructions may make the application non-responsive. Non-responsive applications will not be considered under this funding opportunity announcement.
- 🔔 For electronic submissions, applicants only have to number the electronic attachment pages sequentially, resetting the numbering for each attachment, i.e., start at page 1 for each attachment. Do not attempt to number standard OMB approved form pages.
- 🔔 For electronic submissions, no Table of Contents is required for the entire application. HRSA will construct an electronic table of contents in the order specified.

Application Section	Form Type	Instruction	HRSA/Program Guidelines
Application for Federal Assistance (SF-424)	Form	Pages 1, 2 & 3 of the SF-424 face page.	Not counted in the page limit
Project Summary/Abstract	Attachment	Can be uploaded on page 2 of SF-424 - Box 15	Required attachment. Counted in the page limit. Refer to the funding opportunity announcement for detailed instructions.
Additional Congressional District	Attachment	Can be uploaded on page 3 of SF-424 - Box 16	As applicable to HRSA; Counted in the page limit.
Project Narrative Attachment Form	Form	Supports the upload of Project Narrative document	Not counted in the page limit.
Project Narrative	Attachment	Can be uploaded in Project Narrative Attachment form.	Required attachment. Counted in the page limit. Refer to the funding opportunity announcement for detailed instructions. Provide table of contents specific to this document only as the first page.
SF-424A Budget Information - Non-Construction Programs	Form	Pages 1–2 to support structured budget for the request of Non-construction related funds.	Not counted in the page limit.
Budget Narrative Attachment Form	Form	Supports the upload of Project Narrative document.	Not counted in the page limit.
Budget Narrative	Attachment	Can be uploaded in Budget Narrative Attachment form.	Required attachment. Counted in the page limit. Refer to the funding opportunity announcement for detailed instructions.
SF-424B Assurances - Non-Construction Programs	Form	Supports assurances for non-construction programs.	Not counted in the page limit.
Project/Performance Site Location(s)	Form	Supports primary and 29 additional sites in structured form.	Not counted in the page limit.
Additional Performance Site Location(s)	Attachment	Can be uploaded in the SF-424 Performance Site Location(s) form. Single document with	Counted in the page limit.

Application Section	Form Type	Instruction	HRSA/Program Guidelines
		all additional site location(s)	
Grants.gov Lobbying Form	Form	Supports structured data for lobbying activities.	Optional, as applicable. Not counted in the page limit.
Disclosure of Lobbying Activities (SF-LLL)	Form	Supports structured data for lobbying activities.	Not counted in the page limit.
Attachments Form	Form	Supports up to 15 numbered attachments. This form only contains the attachment list.	Not counted in the page limit.
Attachment 1-15	Attachment	Can be uploaded in Other Attachments form 1-15.	Refer to the attachment table provided below for <b>specific</b> sequence. Counted in the page limit.

-  To ensure that attachments are organized and printed in a consistent manner, follow the order provided below. Note that these instructions may vary across programs.
-  Evidence of Non-Profit status and invention related documents, if applicable, must be provided in the other attachment form.
-  Additional supporting documents, if applicable, can be provided using the available rows. Do not use the rows assigned to a specific purpose in the program funding opportunity announcement.
-  Merge similar documents into a single document. Where several documents are expected in the attachment, ensure that a table of contents cover page is included specific to the attachment. The Table of Contents page will not be counted in the page limit.
-  Please use only the following characters when naming your attachments: A-Z, a-z, 0-9, underscore (\_), hyphen (-), space, period, and limit the file name to 50 or fewer characters. Attachments that do not follow this rule may cause the entire application to be rejected or cause issues during processing.

Attachment Number	Attachment Description (Program Guidelines)
Attachment 1	Indirect Cost Agreement (not counted in the page limit)
Attachment 2	Staffing Plan and Personnel Requirements
Attachment 3	Position Descriptions
Attachment 4	Biographical sketches / resumes
Attachment 5	Work Plan
Attachment 6	Organization Chart
Attachment 7	Accomplishment Summary
Attachment 8	Hospital Application Forms
Attachment 9	State Spreadsheet of SHIP Applicants
Attachments 10-15	Other documents, as necessary

## **Application Format**

### **i. Application Face Page**

Complete Application Form SF-424 provided with the application package. Prepare according to instructions provided in the form itself. Important note: enter the name of the **Project Director** in 8. f. "Name and contact information of person to be contacted on matters involving this application." If, for any reason, the Project Director will be out of the office, please ensure the email Out of Office Assistant is set so HRSA will be aware if any issues arise with the application and a timely response is required. For information pertaining to the Catalog of Federal Domestic Assistance, the CFDA Number is 93.913.

### **DUNS Number**

All applicant organizations (and sub-recipients of HRSA award funds) are required to have a Data Universal Numbering System (DUNS) number in order to apply for a grant or cooperative agreement from the Federal Government. The DUNS number is a unique nine-character identification number provided by the commercial company, Dun and Bradstreet. There is no charge to obtain a DUNS number. Information about obtaining a DUNS number can be found at <http://fedgov.dnb.com/webform> or call 1-866-705-5711. Please include the DUNS number in item 8c on the application face page. Applications **will not** be reviewed without a DUNS number. Note: A missing or incorrect DUNS number is the number one reason for applications being "Rejected for Errors" by Grants.gov. HRSA will not extend the deadline for applications with a missing or incorrect DUNS number. Applicants should take care in entering the DUNS number in the application.

Additionally, the applicant organization (and any sub-recipient of HRSA award funds) is required to register annually with the System for Award Management (SAM) in order to conduct electronic business with the Federal Government. SAM registration must be maintained with current, accurate information at all times during which an entity has an active award or an application or plan under consideration by HRSA. It is extremely important to verify that the applicant organization SAM registration is active and the Marketing Partner ID Number (MPIN) is current. Information about registering with the SAM can be found at <https://www.sam.gov>. Please see Section IV of this funding opportunity announcement for registration requirements.

### **ii. Table of Contents**

The application should be presented in the order of the Table of Contents provided earlier. Again, for electronic applications no table of contents is necessary as it will be generated by the system. (Note: the Table of Contents will not be counted in the page limit.)

### **iii. Budget**

Please complete Sections A, B, E, and F of the SF-424A Budget Information – Non-Construction Programs form included with the application kit for each year of the project period, and then provide a line item budget using Section B Object Class Categories of the SF-424A.

Please complete Sections A, B, E, and F, and then provide a line item budget for each year of the project period. In Section A use rows 1 - 4 to provide the budget amounts for the first four years of the project. Please enter the amounts in the "New or Revised Budget" column- not

the “Estimated Unobligated Funds” column. In Section B Object Class Categories of the SF-424A, provide the object class category breakdown for the annual amounts specified in Section A. In Section B, use column (1) to provide category amounts for Year 1 and use columns (2) through (4) for subsequent budget years.

**Salary Limitation:**

The Consolidated Appropriations Act, 2012 (P.L. 112-74) enacted December 23, 2011, limits the salary amount that may be awarded and charged to HRSA grants and cooperative agreements. Award funds may not be used to pay the salary of an individual at a rate in excess of Executive Level II. The Executive Level II salary of the Federal Executive Pay scale is \$179,700. This amount reflects an individual’s base salary exclusive of fringe and any income that an individual may be permitted to earn outside of the duties to the applicant organization. This salary limitation also applies to subawards/subcontracts under a HRSA grant or cooperative agreement.

As an example of the application of this limitation: If an individual’s base salary is \$350,000 per year plus fringe benefits of 25% (\$87,500) and that individual is devoting 50% of their time to this award, their base salary should be adjusted to \$179,700 plus fringe of 25% (\$44,925) and a total of \$112,312.50 may be included in the project budget and charged to the award in salary/fringe benefits for that individual. See the breakdown below:

Individual’s <i>actual</i> base full time salary: \$350,000 50% of time will be devoted to project	
Direct salary	\$175,000
Fringe (25% of salary)	\$43,750
Total	\$218,750
<b>Amount that may be claimed on the application budget due to the legislative salary limitation:</b> Individual’s base full time salary <i>adjusted</i> to Executive Level II: \$179,700 50% of time will be devoted to the project	
Direct salary	<b>\$89,850</b>
Fringe (25% of salary)	<b>\$22,462.50</b>
Total amount	<b>\$112,312.50</b>

**iv. Budget Justification**

Provide a narrative that explains the amounts requested for each line in the budget. The budget justification should specifically describe how each item will support the achievement of proposed objectives. The budget period is for ONE year. However, the applicant **must** submit one-year budgets for each of the subsequent budget periods within the requested project period at the time of application. Line item information must be provided to explain the costs entered in the SF-424A. Be very careful about showing how each item in the “other” category is justified. For subsequent budget years, the justification narrative should highlight any changes from year one or clearly state that substantive budget changes are not expected during the project period. The budget justification **MUST** be concise. Do NOT use the justification to expand the project narrative. The budget justification must clearly differentiate between costs that will use federal funds and costs that will use matching non-federal funds.

### Budget for Multi-Year Award

This announcement is inviting applications for project periods up to three (3) years. Awards, on a competitive basis, will be for a one-year budget period; although the project period may be up to three-years. Submission and HRSA approval of the Progress Report(s) and any other required submission or reports is the basis for the budget period renewal and release of subsequent year funds. Funding beyond the one-year budget period but within the three-year project period is subject to availability of funds, satisfactory progress of the awardee, and a determination that continued funding would be in the best interest of the Federal Government.

Include the following in the Budget Justification narrative:

*Personnel Costs:* Personnel costs should be explained by listing each staff member who will be supported from funds, name (if possible), position title, percentage of full-time equivalency, and annual salary. Reminder: Award funds may not be used to pay the salary of an individual at a rate in excess of Executive Level II or \$179,700. An individual's base salary, per se, is NOT constrained by the legislative provision for a limitation of salary. The rate limitation simply limits the amount that may be awarded and charged to HRSA grants and cooperative agreements. Please provide an individual's actual base salary if it exceeds the cap. See the sample below.

Sample:

Name	Position Title	% of FTE	Annual Salary	Amount Requested
J. Smith	Chief Executive Officer	50	\$179,700*	\$89,850
R. Doe	Nurse Practitioner	100	\$75,950	\$75,950
D. Jones	Data/AP Specialist	25	\$33,000	\$8,250

\*Actual annual salary = \$350,000

*Fringe Benefits:* List the components that comprise the fringe benefit rate, for example health insurance, taxes, unemployment insurance, life insurance, retirement plans, and tuition reimbursement. The fringe benefits should be directly proportional to that portion of personnel costs that are allocated for the project. (If an individual's base salary exceeds the legislative salary cap, please adjust fringe accordingly).

*Travel:* No funds from this grant should be used for travel purposes.

*Equipment:* List equipment costs and provide justification for the need of the equipment to carry out the program's goals. Extensive justification and a detailed status of current equipment must be provided when requesting funds for the purchase of computers and furniture items that meet the definition of equipment (a unit cost of \$5,000 or more and a useful life of one or more years).

*Supplies:* List the items that the project will use. In this category, separate office supplies from educational purchases. Office supplies could include paper, pencils, and the like; etc., and educational supplies may be pamphlets and educational videotapes. Remember, they must be listed separately.

*Contractual:* Applicants are responsible for ensuring that their organization or institution has in place an established and adequate procurement system with fully developed

written procedures for awarding and monitoring all contracts. Applicants must provide a clear explanation as to the purpose of each contract, how the costs were estimated, and the specific contract deliverables. This is critically important when contracts are for large amounts or used to expend non-federal matching funds. Reminder: recipients must notify potential sub-recipients that entities receiving sub-contracts must be registered in SAM and provide the recipient with their DUNS number.

*Other:* Not applicable for this application. Do not include in this category any costs for administering the award; include those costs, if requested, under the “Indirect Costs” category below.

*Indirect Costs:* Indirect costs are those costs incurred for common or joint objectives which cannot be readily identified but are necessary to the operations of the organization, e.g., the cost of operating and maintaining facilities, depreciation, and administrative salaries. For the purposes of this grant, SORHs may request up to 15% indirect costs of the total grant amount. Personnel costs and fringe benefits are to be included in the indirect costs. For institutions subject to OMB Circular A-21, the term “facilities and administration” is used to denote indirect costs. If an organization applying for an assistance award does not have an indirect cost rate, the applicant may wish to obtain one through HHS’s Division of Cost Allocation (DCA). Visit DCA’s website at: <http://rates.psc.gov/> to learn more about rate agreements, the process for applying for them, and the regional offices which negotiate them. The indirect cost rate agreement must be included (attachment #1) but will not count toward the page limit. **The total amount of funds for administering the SHIP is limited to fifteen-percent of the federal funds, regardless of an applicant’s indirect cost rate.**

**v. *Staffing Plan and Personnel Requirements***

Applicants must present a staffing plan and provide a justification for the plan that describes how the SHIP will be administered. Describe the structure of the SHIP program and how it fits within the SORH, if applicable. This should include a description of how coordination and communication to the hospitals and assistance with creating networks will be handled. An organization chart is not required, but may be attached to provide illustrative detail. If provided as supplementary material, the organizational chart should depict how the SORH, SHIP, and Flex grants are related within the organization. It should also include sub-contractors and other significant collaborators, i.e. Quality Improvement Organizations (QIOs) and state hospital associations. Copies of biographical sketches and/or resumes for any personnel that will be assigned to work on the SHIP must be included. Please attach this as **Attachment 2**.

**vi. *Assurances***

Complete Application Form SF-424B Assurances – Non-Construction Programs provided with the application package.

**vii. *Certifications***

Use the Certifications and Disclosure of Lobbying Activities Application Form provided with the application package.

**viii. *Project Abstract***

Provide a summary of the application. Because the abstract is often distributed to provide information to the public and Congress, please prepare this so that it is clear, accurate, concise, and without reference to other parts of the application. It must include a brief description of the proposed project including the needs to be addressed, the proposed services, and the population group(s) to be served.

Please place the following at the top of the abstract:

- Project Title – Small Hospital Improvement Grant Program (SHIP)
- Applicant Organization Name
- Address
- Project Director Name
- Contact Phone Numbers (Voice, Fax)
- E-Mail Address
- Web Site Address, if applicable

The project abstract must be single-spaced and limited to one page in length.

#### **ix. *Project Narrative***

This section provides a comprehensive framework and description of all aspects of the proposed project. It should be succinct, self-explanatory, and well organized so that reviewers can understand the proposed project.

Use the following section headers for the Narrative:

- *INTRODUCTION*

This section should briefly describe the purpose of the proposed project. It should summarize your project's goals and expected outcomes.

- *NEEDS ASSESSMENT*

#### *ASSESSMENT OF STATEWIDE USE OF SHIP FUNDS*

Provide an overview of the needs of the small rural hospitals in your state relating to the purpose of the SHIP grant and explain how SHIP activities complement other statewide work with small hospitals in the state. State Offices of Rural Health must certify that the activities they undertake using SHIP resources do not duplicate activities funded with Flex grants.

#### *HOSPITAL APPLICANT INFORMATION*

This section provides a general overview of the hospital applicants in the state to be funded and activities they will engage in. This is to be provided in the form of a spreadsheet. List all new hospital applicants, returning applicants, and those hospitals not returning from FY 12. Within these categories, alphabetize the hospitals and provide the full physical address, county, and names of both CEOs and Hospital Coordinator of SHIP Project(s). Within the same spreadsheet, also provide the information below for each new and returning hospital:

- a) Critical Access Hospital (CAH) designation (yes or no);
- b) Bed count;

- c) Amount requested in dollars and the amount requested by percent of award that each hospital will spend on: 1) value-based purchasing, 2) accountable care organizations or shared savings, and/or 3) payment bundling/PPS. Also, list the purchase(s) of each hospital under their respective category. Hospitals may select more than one category to fund, provided they follow investment priorities described in the *Methodology* section below. Recommended purchases per category include:

Value-Based Purchasing

Training and/or software related specifically to the implementation and reporting of MBQIP measures; HCAHPS training and/or software; Efficiency training (Six Sigma, Lean, or other approved form of training) in one of the following areas: ER efficiency, patient satisfaction, or efficiencies to clinical care delivery areas.

Accountable Care Organizations/Shared Savings

Computerized provider entry systems; Consultant pharmacy services; Hardware/software related to the purchase of a disease registry; Efficiency training (Six Sigma, Lean, or other approved form of training) in one of the following areas: non-clinical operations, board organization/operation, or multi-hospital/network formation projects.

Payment Bundling/PPS

ICD-10 Software and/or training; Purchase of the Quality Health Indicator (QHi); QI training (Six Sigma, Lean, or other approved form of training) in one of the following areas: finance, operations, or multi-hospital/network formation projects

- d) Indicate selection of a process measure correlating to above purchase. Sample selection measures may include:

Value-Based Purchasing

Training related to MBQIP data collection; Implementation and completion of HCAHPS training; Completion of efficiency training and project implementation with selection of a measure and target.

Accountable Care Organizations/Shared Savings

Implementation and/or training regarding use of a computerized provider entry system; Implementation of a pharmacy consultant with selection of a process measure to improve upon; Implementation and/or training regarding use of a disease registry; Completion of efficiency training, with the selection of a measure to improve upon based upon an activity as a result of this training.

Payment Bundling/PPS

Installation and use of ICD-10; Implementation of an efficiency training project, with activity and measure selection, as a result of this training.

- e) Indicate if a hospital is participating in an existing network, or will form a new network for a specific activity;
- f) Indicate if the hospital is requesting:
- Direct funding;
  - Full or partial network funding; or
  - Funding to be released to the SORH.
- g) Provide the totals for the following:
- Number of eligible hospitals;
  - Number of returning hospitals;
  - Number of new hospitals;
  - Number of hospitals not-returning, and reason;

- e. Amount of funds for the state in dollars and percent expended in each category:
  - 1) Value-Based Purchasing; 2) Accountable Care Organizations/Shared Savings; 3) Payment Bundling/PPS.
- h) Each hospital must provide the ink signature of both the CEO and Hospital Coordinator of SHIP Project(s) regarding the use of that specific hospital's funds. Applications may be scanned, but must contain an original ink signature.

▪ *METHODOLOGY*

In narrative format, describe the proposed methods by which the state SHIP director will collect, compile, and report information, as well as disperse funds, lead or plan any activities, and if necessary, work with technical assistance provider. Activities, programs, and initiatives (i.e, formation of networks, trainings/group purchasing) for the proposed project period should be specific, realistic, measurable and achievable within a specified timeframe.

Though the SORH will be the official grantee of record, and they will act as a fiscal intermediary for all hospitals within their state, SHIP funds are geared towards assisting small rural hospitals that are essential access points for Medicare and Medicaid beneficiaries. Eligible small rural hospitals are non-federal, short-term general acute care facilities that are located in a rural area of the US and the territories, including faith-based hospitals. For the purpose of this program:

- 4) "small hospital" is defined as 49 available beds or less, as reported on the hospital's most recently filed Medicare Cost Report,
- 5) "rural" is defined as either located outside of a Metropolitan Statistical Area (MSA) or located within a rural census tract of a MSA, as determined under the Goldsmith Modification or the Rural Urban Commuting Areas (RUCAs), and,
- 6) Eligible SHIP hospitals may be for-profit or not-for-profit. 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.

It is strongly encouraged that concerning the purchase of equipment and training, when applicable, hospitals form networks on an intra and/or inter-state basis. State Offices of Rural Health (SORHs) are strongly encouraged to help hospitals form networks.

Small Hospital Improvement Program funds are to be spent in a prioritized manner. Critical Access Hospitals are to base funding expenditures in this order:

- 1) Activities relating to MBQIP implementation and reporting (if that hospital has yet to register and transmit MBQIP data),
- 2) HCAHPS or ICD-10 activities (one or the other or both, in no order), if a hospital has yet to implement either activity, and
- 3) If a hospital has already signed-up for MQBIP and has implemented both HCAHPS and ICD-10, then that hospital may select a different activity listed on the SHIP Purchasing Menu, contained within the hospital application.

If a hospital is currently using all equipment and/or services listed on the SHIP Purchasing Menu, that hospital may select an alternative piece of equipment and/or service provided: 1) This purchase will optimally affect a hospital's transformation into an accountable care

organization, increase value based purchasing objectives, and/or aid in the adoption of ICD-10, and 2) That hospital receives permission from both their state SHIP director and the SHIP Director's Office of Rural Health Policy (ORHP) Project Officer.

Small hospitals that are not CAHs will prioritize HCAHPS and/or ICD-10 activities, or if they are already completing both activities, an activity listed on the SHIP Purchasing Menu, contained on the Hospital Application. If a small non-CAH is completing all Purchasing Menu activities, that hospital may engage in a different purchase, provided: 1) This purchase will optimally affect a hospital's transformation into an accountable care organization, increase value based purchasing objectives, and/or aid in the adoption of ICD-10, and 2) That hospital receives permission from both their state SHIP director and the SHIP Director's Office of Rural Health Policy (ORHP) Project Officer.

Hospitals must have their CEO and individual who will be responsible for the SHIP-funded purchase and/or project sign the SHIP application in ink (copies may be scanned or faxed). These signatures will attest to the accuracy of each hospital's prioritized purchase(s) – certifying each hospital's engagement in MBQIP, HCAHPS, ICD-10, or other activity. Critical Access Hospitals that aren't participating in MBQIP may still receive SHIP funds, provided those CAHs spend SHIP funds on MBQIP-related activities.

▪ *WORK PLAN*

The Work Plan covers all three-years of the project period. Describe required activities and any other activities, actions or steps that will be used to achieve each of the goals/objectives proposed in the *Methodology* section. As appropriate, identify collaborations with key partners, stakeholders, and networks in planning, designing, and implementing all activities.

The Work Plan should be clear, coherent and aligned with the goals and objectives described in the *Methodology* section. The Work Plan should contain these key points:

- a) Provide a summary at the state level of the proposed activities of the hospital applicants, and how the grant funds will be used regarding each of the three categories. The activities proposed should directly correlate with the identified needs of the SHIP (One or more of the following): 1) Value-Based Purchasing, 2) Accountable Care Organizations/Shared Savings, and 3) Payment Bundling/PPS.
- b) List the goal(s) and objective(s) for each budget period and the associated evaluative method(s) and measures that will measure success.
- c) Administration and Management of Hospital Awards
  - a. Describe the application process the SORH will use to make awards to the hospitals and identify the responsible staff for this process;
  - b. Provide a sample of the entire hospital application to the SORH (that the hospital completes), and include the SORH deadline for the hospital application;
  - c. State the approximate length of time anticipated, in weeks, for all awards to be provided to hospital applicants; identify responsible staff members for this process;
  - d. Describe the process the SORH will use to solicit information from the hospitals, prior to, during, and at the end of each year of the grant.
    - i. The SORH must verify hospital eligibility, and will prepare and submit a single grant application to the federal government on behalf of all

eligible hospital applicants within their respective state. State Offices of Rural Health will be responsible for the collection, maintenance, and storage of all SHIP hospitals' receipts and signed hospital attestations regarding SHIP expenditures.

d) SHIP Hospital Networks

- a. The formation and utilization of either existing or new networks to leverage purchases is strongly encouraged. Networks formed within the Flex program may also be used as SHIP networks, provided Flex and SHIP funds do not co-mingle (that Flex and SHIP funds are spent on separate activities). Describe any existing networks, and what they are planning to do with SHIP funds;
- b. Describe the efforts of the SORH and other partners in helping hospitals organize into networks. If there will not be networks used in conjunction with the SHIP funds, indicate why and provide reasons.
- c. Describe why the hospitals chose to use current networks, organize into new networks for the purposes of this grant, or not use networks.
- d. Describe any communication and efforts to share and disseminate information about the projects in your state, specifically efforts or opportunities to organize into SHIP networks (inter-state as well).

▪ *RESOLUTION OF CHALLENGES*

Discuss challenges that are likely to be encountered in designing and implementing the activities described in the SHIP work plan, and approaches that will be used to resolve such challenges. Include any anticipated problems with implementation of hospital activities (i.e., selection of measures).

▪ *EVALUATION AND TECHNICAL SUPPORT CAPACITY*

Applicant must describe the strategies and measures that will be used to evaluate performance during the project period. The applicant should describe how progress toward meeting grant-funded goals will be tracked, measured, and evaluated. Explain any assumptions made in developing the project work plan and discuss the anticipated performance measures and desired outcomes of grant-funded activities.

Describe the data collection strategy to collect, analyze and track data to measure performance and determine impact or outcomes. Explain how the data will be used to improve performance. Sample process measures per ACA category could include:

Value-Based Purchasing

Training related to MBQIP data collection; Implementation and completion of HCAHPS training; Completion of efficiency training and project implementation with selection of a measure and target.

Accountable Care Organizations/Shared Savings

Implementation and/or training regarding use of a computerized provider entry system; Implementation of a pharmacy consultant with selection of a process measure to improve upon; Implementation and/or training regarding use of a disease registry; Completion of efficiency training, with the selection of a measure to improve upon based upon an activity as a result of this training.

Payment Bundling/PPS

Installation and use of ICD-10 or implementation of an efficiency training project, with activity and measure selection, as a result of this training.

The process/evaluative measures may also include a statewide aggregate of measures listed on the SHIP Hospital Application/SHIP Purchasing Menu, as well as measures based upon efficiency and effectiveness concerning the administration of the SHIP grant (i.e., timeliness of fund dispersion, percentage of funds spent, number and types of networks formed, etc.). Statewide evaluative measures should assess whether the program objectives were met.

Many of the measures listed above will become reporting requirements per HRSA's Performance Improvement Measurement System (PIMS).

▪ **ORGANIZATIONAL INFORMATION**

Provide information on the applicant organization's current mission and structure, scope of current activities, and provide an organizational chart that identifies the SORH within larger organization as well as sub-components of SORH (as applicable). Describe relationships, if applicable, regarding how the SHIP may complement the Flex program. Describe how the unique needs of rural communities are routinely assessed and monitored regarding possible SHIP purchases (equipment and training).

**x. Attachments**

The following items must be included to complete the content of the application. Please note that these are supplementary in nature, and are not intended to be a continuation of the project narrative. Unless otherwise noted, attachments count toward the application page limit. Each attachment must be clearly labeled.

*Attachment 1: Indirect Cost Rate Allocation Agreement or Plan.*

If indirect charge is included in budget, attach current HHS Cost Rate Allocation Agreement or plan. However, if plan is lengthy, summarize provisions pertaining to SHIP grant and provide formula for determining 15% indirect charge (i.e. percent of salary and benefits). 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 and experience qualifications and rationale for the amount of time (percent of FTE) being requested for *each* staff position.

*Attachment 3: Job Descriptions for Key Personnel*

Keep each job description to one page in length as much as is possible. Include the roles, 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. In the event that a biographical sketch is included for an identified individual who is not yet hired, please 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 will be utilized during each budget period, activities and a timeline throughout the application and funds disbursement processes, and the use of SHIP Hospital Networks.

*Attachment 6: Organizational Chart*

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

*Attachment 7: Accomplishment Summary*

One to three paragraphs describing previous year activities (this attachment is unnecessary for new applicants).

A well planned accomplishment summary can be of great value by providing a record of accomplishments. It is an important source of material for HRSA in preparing annual reports, planning programs, and communicating program specific accomplishments. The accomplishments of competing continuation applicants are carefully considered during the review process; therefore, applicants are advised to include previously stated goals and objectives in their application and emphasize the progress made in attaining these goals and objectives. Because the Accomplishment Summary is considered when applications are reviewed and scored, competing continuation applicants who do not include an Accomplishment Summary may not receive as high a score as applicants who do. The Accomplishment Summary will be evaluated as part of *Review Criterion #5:*

*Resources/Capabilities.* An *Accomplishment Summary* is not required for new grantees.

The accomplishment summary should be a brief presentation of the accomplishments, in relation to the objectives of the program during the *current FY 12* budget period. The report should include:

- (1) The period covered.
- (2) Specific Objectives - Briefly summarize the specific goal /objectives of the project.
- (3) Results - Describe the program activities and any results for each objective.
- (4) Current or anticipated challenges in meeting the goals and objectives for period remaining in current FY 12 budget period and discuss how they will be addressed / resolved.
- (5) The reason and amount (if any) of FY 11 unobligated balance (UOB) carried forward into current FY 12 budget period and plan to expend UOB before end of current budget period.

*Attachment 8: Hospital Applicant Form*

A sample application is available through the Technical Assistance and Services Center (TASC) website, <http://www.ruralcenter.org/tasc>.

*Attachment 9: State Spreadsheet of SHIP Applicants*

All statewide participating hospital information must be included in this attachment.

*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.) List all other support letters on one page.

### **3. Submission Dates and Times**

### **Application Due Date**

The due date for applications under this funding opportunity announcement is March 15, 2013 at 11:59 P.M. ET. Applications completed online are considered formally submitted when the application has been successfully transmitted electronically to the correct funding opportunity number, by the organization's Authorized Organization Representative (AOR) through Grants.gov and validated by Grants.gov on or before the deadline date and time.

**Receipt acknowledgement:** Upon receipt of an application, Grants.gov will send a series of email messages to document the progress of an application through the system.

1. The first will confirm receipt in the system;
2. The second will indicate whether the application has been successfully validated or has been rejected due to errors;
3. The third will be sent when the application has been successfully downloaded at HRSA; and
4. The fourth will notify the applicant of the Agency Tracking Number assigned to the application.

The Chief Grants Management Officer (CGMO) or designee may authorize an extension of published deadlines when justified by circumstances such as natural disasters (e.g., floods or hurricanes) or other disruptions of services, such as a prolonged blackout. The CGMO or designee will determine the affected geographical area(s).

### **Late applications:**

Applications which do not meet the criteria above are considered late applications and will not be considered in the current competition.

## **4. Intergovernmental Review**

SORH is a program subject to the provisions of Executive Order 12372, as implemented by 45 CFR 100. Executive Order 12372 allows States the option of setting up a system for reviewing applications from within their states for assistance under certain federal programs. Application packages made available under this funding opportunity will contain a listing of States which have chosen to set up such a review system, and will provide a State Single Point of Contact (SPOC) for the review. Information on States affected by this program and State Points of Contact may also be obtained from the Grants Management Specialist listed in the Agency Contact(s) section, as well as from the following Web site:  
[http://www.whitehouse.gov/omb/grants\\_s poc](http://www.whitehouse.gov/omb/grants_s poc).

All applicants other than federally recognized Native American Tribal Groups should contact their SPOC as early as possible to alert them to the prospective applications and receive any necessary instructions on the State's process used under this Executive Order.

Letters from the SPOC in response to Executive Order 12372 are due sixty days after the application due date.

## **5. Funding Restrictions**

Applicants responding to this announcement may request funding for a project period of up to

three (3) years. Applicants should budget approximately \$9000 per hospital, though the final amount awarded will be dependent upon HRSA appropriation of funds. 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.

Federal funds provided through this grant program may not be used for the following purposes:

- (1) To provide health care services (including providing cash payments regarding such care);
- (2) To purchase medical equipment, ambulances and any other vehicles or major communications equipment;
- (3) To purchase or improve real property; or
- (4) To conduct any activity regarding a certificate of need.

In addition to these grant limitations, the grant applicants cannot spend more than 10 percent of the grant funds on research.

**Salary Limitation:** The Consolidated Appropriations Act, 2012 (P.L. 112-74) enacted December 23, 2011, limits the salary amount that may be awarded and charged to HRSA grants and cooperative agreements. Award funds may not be used to pay the salary of an individual at a rate in excess of Executive Level II. The Executive Level II salary of the Federal Executive Pay scale is \$179,700. This amount reflects an individual's base salary exclusive of fringe and any income that an individual may be permitted to earn outside of the duties to the applicant organization. This salary limitation also applies to sub-awards/subcontracts under a HRSA grant or cooperative agreement.

Per Division F, Title V, Section 503 of the Consolidated Appropriations Act, 2012 (P.L. 112-74) enacted December 23, 2011 (a) No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111-148 shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation to the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government, except in presentation to the executive branch of any State or local government itself. (b) No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111-148 shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local or tribal government in policymaking and administrative processes within the executive branch of that government. (c) The prohibitions in subsections (a) and (b) shall include any activity to advocate or promote any proposed, pending or future federal, state or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.

Per Division F, Title V, Section 523 of the Consolidated Appropriations Act, 2012 (P.L. 112-74) enacted December 23, 2011, no funds appropriated in this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

Section 1820 (g)(3) of the Social Security Act, amended by section 3129 of the ACA states that there is a limitation on use of grant funds for administrative expenses.—A State may not expend more than the lesser of—

- (i) 15 percent of the amount of the grant for administrative expenses; or
- (ii) the State’s federally negotiated indirect rate for administering the grant.

## **6. Other Submission Requirements**

As stated in Section IV.1, except in very rare cases HRSA will no longer accept applications in paper form. Applicants submitting for this funding opportunity are **required** to submit **electronically** through Grants.gov. To submit an application electronically, please use the APPLY FOR GRANTS section at <http://www.grants.gov>. When using Grants.gov applicants will be able to download a copy of the application package, complete it off-line, and then upload and submit the application via the Grants.gov site.

It is essential that organizations **immediately register** in Grants.gov and become familiar with the Grants.gov site application process. Applicants that do not complete the registration process will be unable to submit an application. The registration process can take up to one month.

To be able to successfully register in Grants.gov, it is necessary to complete all of the following required actions:

- Obtain an organizational Data Universal Numbering System (DUNS) number
- Register the organization with the System for Award Management (SAM) starting late July 2012. See Section IV of this document for more SAM details.
- Identify the organization’s E-Business Point of Contact (E-Biz POC)
- Confirm the organization’s SAM “Marketing Partner ID Number (M-PIN)” password
- Register and approve an Authorized Organization Representative (AOR)
- Obtain a username and password from the Grants.gov Credential Provider

Instructions on how to register, tutorials and FAQs are available on the Grants.gov web site at <http://www.grants.gov>. Assistance is also available 24 hours a day, 7 days a week (excluding Federal holidays) from the Grants.gov help desk at [support@grants.gov](mailto:support@grants.gov) or by phone at 1-800-518-4726. Applicants should ensure that all passwords and registration are current well in advance of the deadline.

**It is incumbent on applicants to ensure that the AOR is available to submit the application to HRSA by the published due date. HRSA will not accept submission or re-submission of incomplete, rejected, or otherwise delayed applications after the deadline.** Therefore, an organization is urged to submit an application in advance of the deadline. If an application is rejected by Grants.gov due to errors, it must be corrected and resubmitted to Grants.gov before the deadline date and time. Deadline extensions will not be provided to applicants who do not correct errors and resubmit before the posted deadline.

**If, for any reason, an application is submitted more than once prior to the application due date, HRSA will only accept the applicant's last validated electronic submission prior to the Grants.gov application due date as the final and only acceptable application.**

**Tracking an application:** It is incumbent on the applicant to track their application by using the Grants.gov tracking number (GRANTXXXXXXXX) provided in the confirmation email from Grants.gov. More information about tracking an application can be found at <https://apply07.grants.gov/apply/checkAppStatus.faces>. Be sure the application is validated by Grants.gov prior to the application deadline.

## **V. Application Review Information**

### **1. Review Criteria**

Procedures for assessing the technical merit of applications have been instituted to provide for an objective review of applications and to assist the applicant in understanding the standards against which each application will be judged. Critical indicators have been developed for each review criterion to assist the applicant in presenting pertinent information related to that criterion and to provide the reviewer with a standard for evaluation. Review criteria are outlined below with specific detail and scoring points. The Objective Review Committee will not determine award funding level.

Review Criteria are used to review to support funding decisions regarding applications. The SHIP grant program has 6 review criteria for a total of 100 points.

#### **Criterion 1: Need - 15 points**

*Items in this criterion address the Introduction (3 pts.) and Needs Assessment (12 pts.) sections of the Program Narrative.*

The extent to which the *Introduction (3 pts.)* describes clearly:

- The purpose for the proposed project, for each individual year of the grant; and
- The specific small rural hospital health and healthcare needs from both a macro and micro perspective, that can be addressed by the SHIP grant program.

The extent to which the *Needs Assessment (12 pts.)* describes clearly:

- The statewide assessment of needs of small rural hospitals and activities;
- The assessment techniques (quantitative and/or qualitative) used to determine the needs of small rural hospitals to be addressed with the grant funds;
- The inclusion of complete/correct data pertaining to all eligible hospital applicants, detailed on p. 11 under *Hospital Applicant Information*;
- Details addressing the existence, use of, or lack of use of networks; and
- The small rural hospital landscape, including basic demographics of services, percentage/number using MBQIP, HCAHPS, and ICD-10, and challenges to obtaining this equipment/training.

#### **Criterion 2: Response – 35 points**

*Items under this criterion address the Methodology (15 pts.), Work Plan (15 pts.) and Resolution of Challenges (5 pts.) sections of the Program Narrative.*

The extent to which the *Methodology (15 pts.)* describes clearly:

- The methods by which the SHIP Director will collect, compile, and report information and objectives detailed in Work Plan.

The extent to which the *Work Plan (15 pts., elements detailed on p.14)* describes clearly (especially portions concerning the use of networks):

- Each Activity (required and other);
- Date of initiation and completion (or anticipated);
- Number and type of staff (or responsible entity);
- All process / progress measures (anticipated and/or actual); and
- All outcome / Impact (anticipated and/or actual).

The extent to which the *Resolution of Challenges (5 pts.)* clearly describes:

- The challenges that are likely to be encountered in designing and implementing the activities described in the Work Plan as well as the specific approaches that will be used to resolve challenges that may be encountered.

### **Criterion 3: Evaluative Measures - 5 points**

*Items under this criterion address the Evaluation and Technical Support Capacity section of the program narrative.*

The extent to which the *Evaluation Measures* clearly describe:

- The strength and effectiveness of the method and measures proposed to monitor and evaluate the SHIP work plan and results, and provides specific evidence that the evaluative measures will be able to assess to what extent the program objectives have been met.

### **Criterion 4: Impact - 10 points**

*Items under this criterion address the Work Plan section of the Program Narrative.*

The extent to which the activities proposed in the *Work Plan*:

- Are clear, specific, and contribute to the accomplishment of each objective; and
- That the objectives are reasonably achievable and measurable, given the level and experience of staff, resources available and length of the project period to carry out the proposed activities.

### **Criterion 5: Resources / Capabilities – 25 points**

*Items under this criterion address the Organizational Information and Organizational Chart (5 pts.), the Staffing Plan (5 pts.) and Position Descriptions (5 pts.), and the Accomplishment Summary (10 pts.).*

The extent to which the *Organizational Information and Organizational Chart (5 pts.)* section:

- Provides sufficient information on the applicant organization's current mission and structure;
- Describes clearly the ability of the organization to meet program requirements; and
- Includes a sufficiently detailed organizational chart (*Attachment #6*) that includes a SORH Director (or similar title), SHIP Director.

The extent to which the application's *Staffing Plan (5 pts.)* and *Position Descriptions (5 pts., Attachment #3)*:

- Provides sufficient detail regarding the role, responsibilities, and qualifications of proposed project staff.

The extent to which competing continuation applicants include an *Accomplishment Summary (10 pts., Attachment #7)* that describes clearly:

- The specific goals and objectives of the current year budget period;
- the specific program activities conducted for each objective;
- current or anticipated challenges in meeting the goals and objectives for period remaining in current budget period; and
- the reason and amount (if any) of FY 11 unobligated balance (UOB) carried forward into *current* FY 12 budget period and plan to expend UOB before end of current budget period.

## **Criterion 6: Support Requested - 10 points**

The extent to which the *Budget Justification Narrative*:

- Explains the amount requested in each SF-424A object line category and describes how each item will support the achievement of proposed goals;
- describes utilization of funds for each individual year of the three year grant, and appears reasonable and in alignment with the activities proposed in the Work Plan; and
- provides a detailed explanation as to the purpose of each contractual, how the costs were determined or estimated, and the specific contract deliverables.

## **2. Review and Selection Process**

The Division of Independent Review is responsible for managing objective reviews within HRSA. Applications competing for Federal funds receive an objective and independent review performed by a committee of experts qualified by training and experience in particular fields or disciplines related to the program being reviewed. In selecting review committee members, other factors in addition to training and experience may be considered to improve the balance of the committee, e.g., geographic distribution. Each reviewer is screened to avoid conflicts of interest and is responsible for providing an objective, unbiased evaluation based on the review criteria noted above. The committee provides expert advice on the merits of each application to program officials responsible for final selections for award.

Applications that pass the initial HRSA eligibility screening will be reviewed and rated by a panel based on the program elements and review criteria presented in Section V. 1. Review

Criteria of this funding opportunity announcement. The review criteria are designed to enable the review panel to assess the quality of a proposed project and determine the likelihood of its success. The criteria are closely related to each other and are considered as a whole in judging the overall quality of an application.

### **3. Anticipated Announcement and Award Dates**

It is anticipated that awards will be announced prior to the start date of September 1, 2013.

## **VI. Award Administration Information**

### **1. Award Notices**

Each applicant will receive written notification of the outcome of the objective review process, including a summary of the expert committee's assessment of the application's strengths and weaknesses, and whether the application was selected for funding. Applicants who are selected for funding may be required to respond in a satisfactory manner to Conditions placed on their application before funding can proceed. Letters of notification do not provide authorization to begin performance.

The NoA sets forth the amount of funds granted, the terms and conditions of the award, the effective date of the award, the budget period for which initial support will be given, the non-federal share to be provided (if applicable), and the total project period for which support is contemplated. Signed by the Grants Management Officer, it is sent to the applicant's Authorized Organization Representative, and reflects the only authorizing document. It will be sent prior to the start date of July 1, 2013.

### **2. Administrative and National Policy Requirements**

Successful applicants must comply with the administrative requirements outlined in 45 CFR Part 74 [Uniform Administrative Requirements for Awards and Subawards to Institutions of Higher Education, Hospitals, Other Nonprofit Organizations, and Commercial Organizations](#) or 45 CFR Part 92 [Uniform Administrative Requirements For Grants And Cooperative Agreements to State, Local, and Tribal Governments](#), as appropriate.

#### **Non-Discrimination Requirements**

HRSA grant and cooperative agreement awards are subject to the requirements of the HHS Grants Policy Statement (HHS GPS) that are applicable based on recipient type and purpose of award. This includes any requirements in Parts I and II of the HHS GPS that apply to the award. The HHS GPS is available at <http://www.hrsa.gov/grants/hhsgrantspolicy.pdf>. The general terms and conditions in the HHS GPS will apply as indicated unless there are statutory, regulatory, or award-specific requirements to the contrary (as specified in the NoA).

To serve persons most in need and to comply with Federal law, services must be widely accessible. Services must not discriminate on the basis of age, disability, sex, race, color, national origin or religion. The HHS Office for Civil Rights provides guidance to grant and cooperative agreement recipients on complying with civil rights laws that prohibit discrimination on these bases. Please see <http://www.hhs.gov/ocr/civilrights/understanding/index.html>. HHS also provides specific guidance for recipients on meeting their legal obligation under Title VI of

the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color or national origin in programs and activities that receive Federal financial assistance (P.L. 88-352, as amended and 45 CFR Part 80). In some instances a recipient's failure to provide language assistance services may have the effect of discriminating against persons on the basis of their national origin. Please see <http://www.hhs.gov/ocr/civilrights/resources/laws/revisedlep.html> to learn more about the Title VI requirement for grant and cooperative agreement recipients to take reasonable steps to provide meaningful access to their programs and activities by persons with limited English proficiency.

### **Trafficking in Persons**

Awards issued under this funding opportunity announcement are subject to the requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104). For the full text of the award term, go to <http://www.hrsa.gov/grants/trafficking.html>.

### **Smoke-Free Workplace**

The Public Health Service strongly encourages all award recipients to provide a smoke-free workplace and to promote the non-use of all tobacco products. Further, Public Law 103-227, the Pro-Children Act of 1994, prohibits smoking in certain facilities (or in some cases, any portion of a facility) in which regular or routine education, library, day care, health care or early childhood development services are provided to children.

### **Cultural and Linguistic Competence**

HRSA programs serve culturally and linguistically diverse communities and multiple cultures. Although race and ethnicity are often thought to be dominant elements of culture, HRSA-funded programs embrace a broader definition to incorporate diversity within specific cultural groups including but not limited to cultural uniqueness within Native American populations, Native Hawaiian, Pacific Islanders, and other ethnic groups, language, gender, socio-economic status, sexual orientation and gender identity, physical and mental capacity, age, religion, housing status, and regional differences. Organizational behaviors, practices, attitudes, and policies across all HRSA-supported entities respect and respond to the cultural diversity of communities, clients and students served. HRSA is committed to ensuring access to quality health care for all. Quality care means access to services, information, materials delivered by competent providers in a manner that factors in the language needs, cultural richness, and diversity of populations served. Quality also means that, where appropriate, data collection instruments used should adhere to culturally competent and linguistically appropriate norms. For additional information and guidance, refer to the National Standards for Culturally and Linguistically Appropriate Services in Health Care (CLAS) published by HHS and available online at <http://minorityhealth.hhs.gov/templates/browse.aspx?lvl=2&lvlID=15>. Additional cultural competency and health literacy tools, resources and definitions are available online at <http://www.hrsa.gov/culturalcompetence> and <http://www.hrsa.gov/healthliteracy>.

### **Healthy People 2020**

Healthy People 2020 is a national initiative led by HHS that sets priorities for all HRSA programs. The initiative has four overarching goals: (1) attain high-quality, longer lives free of preventable disease, disability, injury, and premature death; (2) achieve health equity, eliminate disparities, and improve the health of all groups; (3) create social and physical environments that promote good health for all; and (4) promote quality of life, healthy development, and healthy behaviors across all life stages. The program consists of over 40 topic areas, containing measurable objectives. HRSA has actively participated in the work groups of all the topic areas

and is committed to the achievement of the Healthy People 2020 goals. More information about Healthy People 2020 may be found online at <http://www.healthypeople.gov/>.

### **National HIV/AIDS Strategy (NHAS)**

The National HIV/AIDS Strategy (NHAS) has three primary goals: (1) reducing the number of people who become infected with HIV; (2) increasing access to care and optimizing health outcomes for people living with HIV; and (3) reducing HIV-related health disparities. The NHAS states that more must be done to ensure that new prevention methods are identified and that prevention resources are more strategically deployed. Further, the NHAS recognizes the importance of early entrance into care for people living with HIV to protect their health and reduce their potential of transmitting the virus to others. HIV disproportionately affects people who have less access to prevention, care and treatment services and, as a result, often have poorer health outcomes. Therefore, the NHAS advocates adopting community-level approaches to identify people who are HIV-positive but do not know their sero status and reduce stigma and discrimination against people living with HIV.

To the extent possible, program activities should strive to support the three primary goals of the NHAS. As encouraged by the NHAS, programs should seek opportunities to increase collaboration, efficiency, and innovation in the development of program activities to ensure success of the NHAS. Programs providing direct services should comply with federally-approved guidelines for HIV Prevention and Treatment (see <http://www.aidsinfo.nih.gov/Guidelines/Default.aspx> as a reliable source for current guidelines). More information can also be found at <http://www.whitehouse.gov/administration/eop/onap/nhas>.

### **Health IT**

Health information technology (Health IT) provides the basis for improving the overall quality, safety and efficiency of the health delivery system. HRSA endorses the widespread and consistent use of health IT, which is the most promising tool for making health care services more accessible, efficient and cost effective for all Americans.

### **Related Health IT Resources:**

- [Health Information Technology \(HHS\)](#)
- [What is Health Care Quality and Who Decides? \(AHRQ\)](#)

## **3. Reporting**

The successful applicant under this funding opportunity announcement must comply with the following reporting and review activities:

### **a. Audit Requirements**

Comply with audit requirements of Office of Management and Budget (OMB) Circular A-133. Information on the scope, frequency, and other aspects of the audits can be found on the Internet at [http://www.whitehouse.gov/omb/circulars\\_default](http://www.whitehouse.gov/omb/circulars_default).

### **b. Payment Management Requirements**

Submit a quarterly electronic Federal Financial Report (FFR) Cash Transaction Report via the Payment Management System. The report identifies cash expenditures against the authorized funds for the grant or cooperative agreement. The FFR Cash Transaction

Reports must be filed within 30 days of the end of each calendar quarter. Failure to submit the report may result in the inability to access award funds. Go to <http://www.dpm.psc.gov> for additional information.

**c. Status Reports**

1) **Federal Financial Report.** The Federal Financial Report (SF-425) is required according to the following schedule:

<http://www.hrsa.gov/grants/manage/technicalassistance/federalfinancialreport/ffrschedule.pdf>. The report is an accounting of expenditures under the project that year. Financial reports must be submitted electronically through EHB. More specific information will be included in the NoA.

2) **Progress Report(s).** The awardee must submit a progress report to HRSA on a quarterly, semi-annual, or annual basis. Submission and HRSA approval of grantee Progress Report(s) triggers the budget period renewal and release of subsequent year funds. . Further information will be provided in the NoA.

3) **Tangible Personal Property Report.** If applicable, the awardee must submit the Tangible Personal Property Report (SF-428) and any related forms. The report must be submitted within 90 days after the project period ends. Awardees are required to report all federally-owned property and acquired equipment with an acquisition cost of \$5,000 or more per unit. Tangible personal property means property of any kind, except real property, that has physical existence. It includes equipment and supplies. Property may be provided by HRSA or acquired by the recipient with award funds. Federally-owned property consists of items that were furnished by the Federal Government. Tangible personal property reports must be submitted electronically through EHB. More specific information will be included in the NoA.

**4) ORHP Performance Measurement Information System (PIMS)**

ORHP has developed a broad range of performance measures based on past grantees' focus areas to assess the impact that ORHP programs have on rural communities and to enhance ongoing quality improvement. ORHP has incorporated these performance measures as a requirement for all ORHP grant programs in order to achieve the stated objectives. Grantees are required to report on the Performance Improvement Measurement System (PIMS) through HRSA's Electronic Handbook (EHB) after each budget period.

Grantees will be notified regarding the creation and implementation of SHIP specific measures. When ORHP finalizes SHIP PIMS measures, it will be expected that grantees enter performance data as directed by the ORHP SHIP Coordinator.

**d. Transparency Act Requirements**

New awards ("Type 1") issued under this funding opportunity announcement are subject to the reporting requirements of the Federal Funding Accountability and Transparency Act (FFATA) of 2006 (Pub. L. 109-282), as amended by section 6202 of Public Law 110-252, and implemented by 2 CFR Part 170. Grant and cooperative agreement recipients must report information for each first-tier sub award of \$25,000 or more in Federal funds and executive total compensation for the recipient's and sub recipient's

five most highly compensated executives as outlined in Appendix A to 2 CFR Part 170 (FFATA details are available online at <http://www.hrsa.gov/grants/ffata.html>). Competing continuation awardees, etc. may be subject to this requirement and will be so notified in the NoA.

## VII. Agency Contacts

Applicants may obtain additional information regarding business, administrative, or fiscal issues related to this funding opportunity announcement by contacting:

Inge Cooper, Grants Management Specialist  
HRSA Division of Grants Management Operations, OFAM  
Parklawn Building, Room 11A-13  
5600 Fishers Lane  
Rockville, MD 20857  
Telephone: (301) 594-4236  
Fax: (301) 594-6343  
Email: [icooper@hrsa.gov](mailto:icooper@hrsa.gov)

Additional information related to the overall program issues and/or technical assistance regarding this funding announcement may be obtained by contacting:

CDR David Dietz, MHSA, MSW  
SHIP Program Coordinator  
HRSA, Office of Rural Health Policy  
Parklawn Building, Room 5A  
5600 Fishers Lane  
Rockville, MD 20857  
Telephone: (301) 443-4081  
Fax: (301) 443-2803  
Email: [Ddietz@hrsa.gov](mailto:Ddietz@hrsa.gov)

Applicants may need assistance when working online to submit their application forms electronically. Applicants should 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, seven days a week, excluding Federal holidays at:

Grants.gov Contact Center  
Telephone: 1-800-518-4726  
E-mail: [support@grants.gov](mailto:support@grants.gov)  
iPortal: <http://grants.gov/iportal>

Successful applicants/awardees may need assistance when working online to submit information and reports electronically through HRSA's Electronic Handbooks (EHBs). For assistance with submitting information in HRSA's EHBs, contact the HRSA Call Center, Monday-Friday, 9:00 a.m. to 5:30 p.m. ET:

HRSA Contact Center

Telephone: (877) 464-4772  
TTY: (877) 897-9910  
E-mail: [CallCenter@HRSA.GOV](mailto:CallCenter@HRSA.GOV)

## **VIII. Tips for Writing a Strong Application**

HRSA has designed a technical assistance webpage to assist applicants in preparing applications. Resources include help with system registration, finding and applying for funding opportunities, writing strong applications, understanding the review process, and many other topics which applicants will find relevant. The website can be accessed online at: <http://www.hrsa.gov/grants/apply/index.html>.

In addition, a concise resource offering tips for writing proposals for HHS grants and cooperative agreements can be accessed online at: <http://dhhs.gov/asfr/ogapa/grantinformation/apptips.html>