



Small Rural Hospital Improvement Plan (SHIP)

The Small Rural Hospital Improvement Program (SHIP) is coordinated through the Health Resources and Services Administration’s (HRSA) Federal Office of Rural Health Policy (FORHP). SHIP funds are congressionally appointed for states to support rural hospitals with 49 or few beds.





This includes Critical Access Hospitals (CAHs). These funds go towards helping hospitals meet value based payment and care goals through investments in hardware, software and training.



In Iowa, SHIP hospitals may choose to utilize consortiums to participate in SHIP investment activities. Consortium participation encourages collaboration in meeting hospital goals in selected categories.

SHIP Investment Categories

Hospitals first meet SHIP funding priorities prior to using resources to support investments in other areas. SHIP funding priorities currently include MBQIP participation requirements and ICD-11 coding readiness activities. If priorities are already met, hospitals may choose other approved areas of funding.

-  **Value-Based Purchasing**
Improving data collection to facilitate reporting to Hospital Compare.
-  **Payment Bundling**
Building accountability across the continuum of care.
-  **Accountable Care and Shared Savings**
Improving quality outcomes in rural communities.
-  **Prospective Payment System**
Maintaining accurate PPS billing and coding.

SHIP Program Impact (FY 2024)

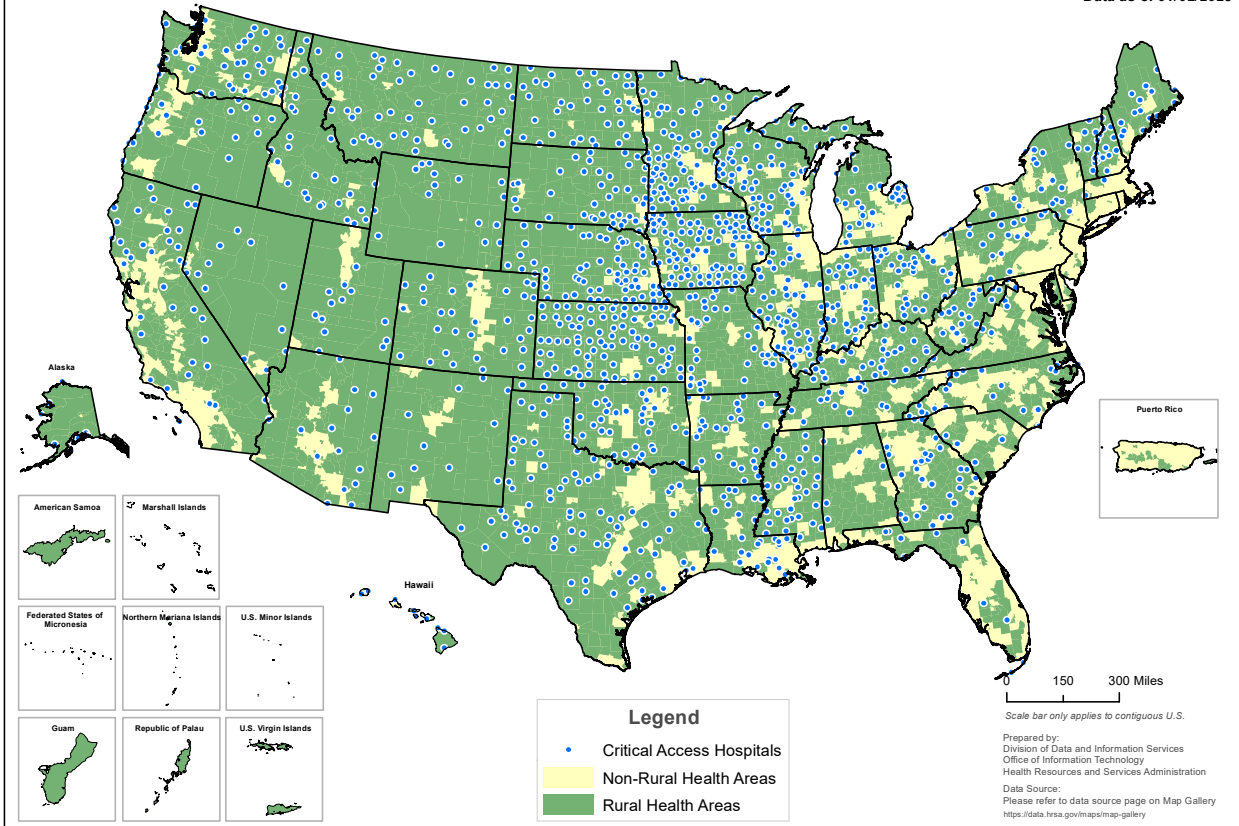
Iowa

- 86 Participating Hospitals
- \$1,189,552 in Funding (est.)
- 45% Supported Value-Based Purchasing
- 18% Supported ACO and Shared Savings
- 37% Supported Payment Bundling and PPS

National

- 46 Participating States
- \$13,832 Funding per Hospital (est.)
- 1,600 + Participating Hospitals
- All calculations are estimated based on current information available.

Data as of 01/02/2023



SHIP Eligibility Requirements

Hospitals must meet all 3 eligibility requirements to participate in SHOP

1 Small
49 Beds
or less

2 Rural
Located outside MSA
or within rural tract*

3 Hospital
Non-federal, short-term,
general acute care facility

*Metropolitan Statistical Area(s) (MSA); Determinations are made under the Goldsmith Modification or the Rural Urban Community Areas (RUCAs); rural may also be defined pursuant to 42 U.S.C. 1395(d)(8)(E)

For more information, contact:



**Health Resources and
Services Administration**
[www.hrsa.gov/rural-health/
grants/rural-hospitals](http://www.hrsa.gov/rural-health/grants/rural-hospitals)



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