

Health Workforce Development

Small Rural Hospital Improvement Program Overview

Department of Health Care Access and Information

Agenda

Housekeeping & Introduction

Christopher Roina, Communication Analyst, Operations Unit

Small Rural Hospital Improvement Program (SHIP)

Application Process and Requirements

Kayla Marquez, SHIP Program Officer, Health Workforce Development

Questions & Answers

Kayla Marquez, SHIP Program Officer, Health Workforce Development

Housekeeping & Introduction

1. This webinar is hosted in Microsoft Teams, if you're not familiar with the platform, you can find the camera, microphone, chat, and view controls in the menu bar at the top of your screens.
2. The chat option will be open for asking questions during the Q&A session which is at the end of this webinar.
3. The webinar will be recorded and will be available within 7-10 business days.

Program Overview

- The Small Rural Hospital Improvement Program (SHIP) offers grants to eligible hospitals to support activities intended to improve quality of health care in rural areas.
- The goal is to assist small rural hospitals in meeting value-based payment and care goals through investments in hardware, software, and training.
- The program is funded by the U.S. Department of Health and Human Services, Health Resources and Services Administration's (HRSA), Federal Office of Rural Health Policy (FORHP).



Funding and Award Information

- SHIP Program Year is June 1 to May 31 of each year.
- Funding and award amounts are announced each year by HRSA after all applications are submitted.
- Annual award amount is estimated at \$13,000.
- Every eligible, approved participant hospital receives an equal award.
- Continued yearly funding for the program and active grants is dependent on receiving federal funds.

Funding Priorities

- Current SHIP funding priorities are MBQIP and ICD-11 coding readiness and/or implementation.
- Hospitals must submit projects related to one or both of these goals, or demonstrate they are otherwise meeting the goals, before selecting other projects.
- For non-CAH SHIP eligible PPS hospitals, ICD-11 coding readiness and/or implementation activities must be selected before other activities.
- HCAHPS activities may be selected to facilitate MBQIP Patient Engagement measures.

Application and Award Process - Important Dates:

Date	
Dec. 1, 2025	Application cycle opened
Dec. 15, 2025	Technical Assistance Guide Available Online
January 16, 2026	Application cycle closes
March 15, 2026	Workplan edits and corrections due
June 1, 2026	Program Year start date

Note: Due to federal deadlines, failure to submit an application by January 16, 2026 may result in loss of grant funds for this program year.

Hospital Eligibility

Participating hospitals must:

- Be in California, outside Metropolitan Statistical Areas (MSA) or in a rural census tract of an MSA.
- Be non-federal, short-term general acute care facility.
- Staff forty-nine (49) beds or fewer.
- Meet federal priorities as specified in the yearly application.

Note:

- Hospitals may be for-profit, non-for-profit, tribal, and/or faith-based hospital.
- Critical Access Hospitals (CAH) are automatically eligible.

Application Process

- Applicants and continuing grantees must complete an annual online application.
- Applications are submitted via HCAI's Funding Portal. In the application, applicants and continuing grantees will:
 - Provide certification or recertification that they meet program eligibility requirements.
 - Select allowable projects for the next program year.
 - Complete detailed work plans for each selected project.
 - Provide a mid-term update on project(s) selected for the current program year (continuing grantees only).
 - The Funding Portal is located at: <https://funding.hcai.ca.gov/>

Application Process – User Profile

All new applicants and existing grantees must create a user profile before beginning an application for the upcoming program year.

To begin, click "Create Account" on any page of the Funding Portal site.



HCAI Funding Portal

Application Process – User Profile, Cont.



[Apply Here](#)

[Applications - In Progress/Submitted](#)

[Awards](#)

[Payments/Deliverables](#)

[Messages](#)

Profile

When creating your user profile,
Select "Organization for small rural hospital
improvement" as your user type.



My Security Settings

[Change Password](#)

[Change Email](#)

Select your user type. (Choose all that apply) *

- ☐ Healthcare Professional
- ☐ Student
- ☐ Organization for seismic construction funding
- ☐ Organization for healthcare workforce support
- ☐ Organization for small rural hospital improvement



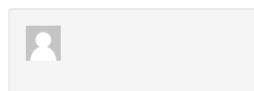
[Submit](#)

Application Process – User Profile, Cont.



Profile

Complete user profile information and click "Submit."



My Security Settings

Change Password

Change Email

Select your user type. (Choose all that apply) *

☒ Organization for small rural hospital improvement

Prefix

First Name *

Middle Initial

Last Name *

Suffix

Title

Degree *

Phone 1 *

Phone 2

Email *

nathaniel.4d+1@gmail.com

☐ Receive email announcements for new **funding** opportunities

Submit

Application Process – Beginning an Application



Open grant applications matching your Profile are displayed below. To find additional applications, please change the applicable user types in your Profile. To find applications already started or submitted, go to the Applications In Progress/Submitted tab.

Program	Release Date	Due Date	Who Can Apply
Small Rural Hospital Improvement Program 2024	12/04/2023 7:00 AM	01/15/2024 8:00 AM	Organization small rural hospital improvement

After creating your user profile:

1. Click on "Apply Here."
2. Select the Small Rural Hospital Improvement Program 2026 option.
3. Follow the prompt in the pop-up to begin your application.

Application Process – Useful Information

Participation Requirements:

1. All hospitals seeking a SHIP grant must submit an application and workplan each year.
2. Hospitals with an existing grant agreement with HCAI must provide a new workplan via the application.

Navigating the Application:

1. Use the "Save & Next" button to save your progress and proceed to the next page of the application.
2. Use the "Previous" button to return to the previous page of the application, if necessary.

Previous

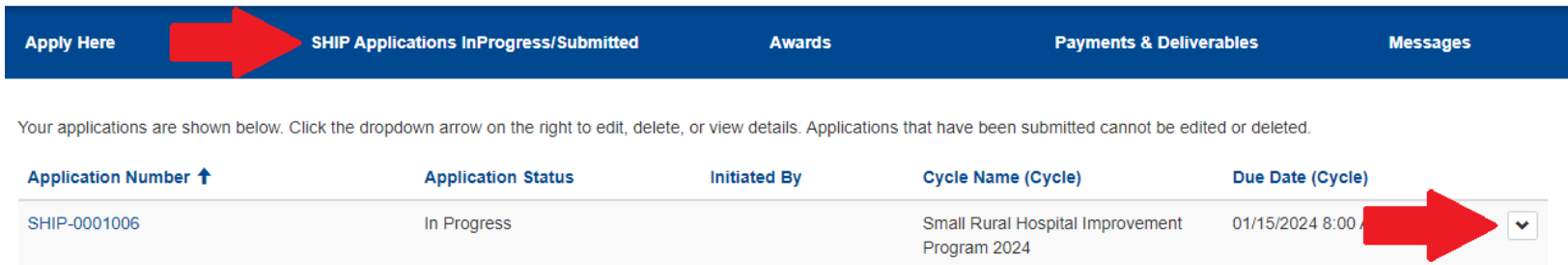
Save & Next

Application Process – Useful Information, Cont.

Continuing an In-Progress Application or Viewing a Submitted Application:

1. Log into your User Account.
2. Click on "SHIP Application In Progress/Submitted" on tab in the header.
3. Use the arrow button to open the dropdown menu.
4. To continue an in-progress application, click "Edit" on the dropdown menu.
5. To review a submitted application, click "View" on the dropdown menu.

Note: Users cannot edit submitted applications. If edits to a submitted application are required, please contact us.



The screenshot displays the SHIP application interface. At the top is a dark blue header with five tabs: "Apply Here", "SHIP Applications InProgress/Submitted", "Awards", "Payments & Deliverables", and "Messages". A red arrow points to the "SHIP Applications InProgress/Submitted" tab. Below the header, a message states: "Your applications are shown below. Click the dropdown arrow on the right to edit, delete, or view details. Applications that have been submitted cannot be edited or deleted." Below this message is a table with the following columns: "Application Number ↑", "Application Status", "Initiated By", "Cycle Name (Cycle)", and "Due Date (Cycle)". The table contains one row with the following data: "SHIP-0001006", "In Progress", an empty cell, "Small Rural Hospital Improvement Program 2024", and "01/15/2024 8:00". A red arrow points to a dropdown arrow icon in the "Due Date (Cycle)" column of this row.

Application Number ↑	Application Status	Initiated By	Cycle Name (Cycle)	Due Date (Cycle)
SHIP-0001006	In Progress		Small Rural Hospital Improvement Program 2024	01/15/2024 8:00

Application Review Process

After applications are submitted, HCAI staff will review your application for hospital eligibility and project eligibility.

- If edits are necessary, HCAI staff will contact you and return the application to “In Progress” so edits can be made.
 - Edits are due by January 16, 2026.
 - Due to federal deadlines, failure to submit necessary edits by January 16, 2026, may result in loss of grant funds for this program year.
- If no edits are necessary, HCAI staff will contact you to confirm your application.

Allowable Project Categories

Eligible hospitals apply for funding to assist in the implementation of activities related to:

- **Value-Based Purchasing (VBP) Investment Activities**
 - Activities that support improved data collection to facilitate quality reporting and improvement
- **Accountable Care Organization (ACO) or Shared Savings Investment Activities**
 - Activities that support the development or the basic tenets of ACOs or shared savings programs
- **Payment Bundling (PB) or Prospective Payment System (PPS) Investment Activities**
 - Activities that improve hospital financial processes

Value-Based Purchasing (VBP)

Value Based Purchasing investment activities:

- Quality reporting data collection/related training or software
- MBQIP data collection process/related training
- Efficiency or quality improvement training in support of VBP related initiatives
- Provider-Based Clinic quality measures education
- Alternative Payment Model and Quality Payment Program training/education

Payment Bundling (PB) or Prospective Payment System (PPS)

Payment Bundling or Prospective Payment Systems investment activities:

- ICD-11 software
- ICD-11 training
- Efficiency or quality improvement training in support of PB or PPS related initiatives
- S-10 Cost Reporting training
- Price Transparency training

Accountable Care Organization (ACO)

Accountable Care Organization or Shared Savings investment activities:

- Computerized provider order entry implementation and/or training.
- Pharmacy services training, hardware/software and machines (Not pharmacists' services or medications).
- Social Determinants of Health Screening software/training.
- Efficiency or quality improvement training in support of ACO or shared savings related initiatives.
- Systems performance training in support of ACO or shared savings related initiatives.
- Mobile health and telehealth hardware/software (not telecommunications).
- Community Paramedicine hardware/software and training.
- Health Information Technology (HIT) training for value and ACO including training, software and risk assessments associated with cybersecurity.

Award Process

- HCAI passes completed, eligible applications to FORHP in April 2026.
- All eligible applicants are awarded if funding is available.
- Final award amounts are determined by FORHP after reviewing all applications.
- HCAI will contact applicants and grantees with award information when it is available.
- Awards are paid out at the end of each program year, after each participant submits a Year-End Report confirming completion of their selected projects.

Yearly Program Priorities

The Federal Office of Rural Health Policy (FORHP) announces yearly program priorities. SHIP participants are expected to show they are meeting these priorities, with or without the assistance of SHIP grant funding.

For Program Year 2026/27 the priorities were:

- Medicare Beneficiary Quality Improvement Program (MBQIP) reporting.
- ICD-11 training and software.

These priorities may change for each program year. Applicants will be informed if these priorities change.

Year-End Reporting

Grantees must submit a Year-End Report (YER) at the end of each grant year, including the following:

- A detailed description of project progress and outcomes.
- Invoice reporting showing award funds were spent on approved projects.
- Supporting documentation for yearly program priorities.

Workplan Changes and Amendments

- If your hospital must make any changes to the awarded workplan for any reason, contact HCAI immediately.
- Participants must submit a Year-End Report at the end of the program year.
 - This report confirms completion of approved projects.
- Failure to complete approved projects or to alert HCAI to changes in approved projects may result in loss of award funds.

For More Information

Useful Links

Department of Health
Care Access and Information (HCAI):
<https://www.hcai.ca.gov>

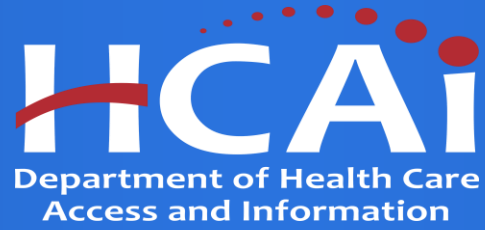
California State Office of Rural
Health (CalSORH): <https://hcai.ca.gov/workforce-capacity/california-primary-care-office/california-state-office-of-rural-health/>

SHIP: <https://hcai.ca.gov/workforce-capacity/pco/small-rural-hospital-improvement-program-grants/>

Allowable Investment Search
Tool: <https://www.ruralcenter.org/ship/allowable-investments/search-tool>

Program Contacts:

SHIP Inbox: SHIP@hcai.ca.gov



Thank You!

For further questions, please contact:

Small Rural Hospital Improvement Program

SHIP@hcai.ca.gov