U.S. Department of Health and Human Services

Health Resources & Services Administration

NOTICE OF FUNDING OPPORTUNITY

Fiscal Year 2024

Federal Office of Rural Health Policy

Hospital State Division

Medicare Rural Hospital Flexibility Program

Funding Opportunity Number: HRSA-24-002

Funding Opportunity Type(s): New, Competing Continuation

Assistance Listing Number: 93.241

Application Due Date: April 16, 2024

Ensure your SAM.gov and Grants.gov registrations and passwords are current immediately!
We will not approve deadline extensions for lack of registration.
Registration in all systems may take up to 1 month to complete.

Issuance Date: January 17, 2024

Laura Seifert, MPH
Public Health Analyst, Federal Office of Rural Health Policy
Call: 301-443-3343
Email: lseifert@hrsa.gov

See Section VII for a complete list of agency contacts.

Authority: 42 U.S.C. 1395i-4(g)(1)-(2) (§1820(g)(1)-(2) of the Social Security Act)

508 COMPLIANCE DISCLAIMER

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

SUMMARY

Funding Opportunity Title:	Medicare Rural Hospital Flexibility Program
Funding Opportunity Number:	HRSA-24-002
Assistance Listing Number:	93.241
Due Date for Applications:	April 16, 2024
Purpose:	The purpose of the Medicare Rural Hospital Flexibility (Flex) Program is to enable states to support critical access hospitals (CAHs) in quality improvement, quality reporting, performance improvement and benchmarking; to assist facilities seeking designation as CAHs; and to establish or expand programs for the provision of rural emergency medical services (EMS).
Program Objective(s):	The long-term objectives of the Flex Program are to enable CAHs, including CAH-owned clinics, and rural EMS agencies to: • Show and improve quality of care; • Stabilize finances and maintain services; • Adjust to address changing community needs; and • Ensure patient care is integrated throughout the rural health care delivery system.
Eligible Applicants:	States are eligible to apply for funding under this notice, including states that are current Medicare Rural Hospital Flexibility Program award recipients under HRSA-19-024 or states submitting a new application from a Governor designated entity. HRSA will accept only one application from each state. The Governor designates the organization that may submit an application on behalf of each

	state. See Section III.1 of this notice of funding opportunity (NOFO) for complete eligibility information.
Anticipated FY 2024 Total Available Funding:	Approximately $30,000,000 *We're issuing this notice to ensure that, should funds become available for this purpose, we can process applications and award funds appropriately. You should note that we may cancel this program notice before award if funds are not appropriated.*
Estimated Number and Type of Award(s):	Approximately 45 competing continuation, new cooperative agreements
Estimated Annual Award Amount:	Varies by state per year subject to the availability of appropriated funds
Cost Sharing or Matching Required:	No
Period of Performance:	September 1, 2024 through August 31, 2029 (5 years)
Agency Contacts:	**Business, administrative, or fiscal issues:** Bria Haley Grants Management Specialist Division of Grants Management Operations, OFAM Email: bhaley@hrsa.gov **Program issues or technical assistance:** Laura Seifert Public Health Analyst, Hospital State Division Federal Office of Rural Health Policy Email: lseifert@hrsa.gov

Application Guide

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

Technical Assistance

We have scheduled the following webinar:

Wednesday, January 31, 2024
2 – 3 p.m. ET
Weblink: https://hrsa-gov.zoomgov.com/j/1602225205?pwd=eDVwcWxHQWg1QzgxTWh2RGVvN2R3UT09

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

Call-In Number: 1-833-568-8864
Meeting ID: 160 222 5205

Passcode: 45023337We will record the webinar. Please contact Laura Seifert (lseifert@hrsa.gov) to access the recording.

Table of Contents

I. Program Funding Opportunity Description

1. Purpose

This notice announces the opportunity to apply for funding under the Medicare Rural Hospital Flexibility (Flex) Program. The purpose of the Flex Program is to enable states to support critical access hospitals (CAHs) in quality improvement, quality reporting, performance improvement and benchmarking; to assist facilities seeking designation as CAHs; and to establish or expand programs for the provision of rural emergency medical services (EMS).

The Flex Program aims to provide training and technical assistance to build capacity, support innovation, and promote sustainable improvement in the rural health care system. The overall goal of the Flex Program is to ensure that high quality health care services are available in rural communities and aligned with community needs. Health care services include appropriate preventative, ambulatory, pre-hospital, emergent, and inpatient care. High quality rural health care will deliver high value to patients and communities and result in healthier rural people.

The long-term objectives of the Flex Program are to enable CAHs, including CAH-owned clinics, and rural EMS agencies to:

- Show and improve quality of care;
- Stabilize finances and maintain services;
- Adjust to address changing community needs; and
- Ensure patient care is integrated throughout the rural health care delivery system.

State Flex funding for this period of performance will act as a resource and focal point to address needs and demonstrate outcomes in the following five program areas with priority for quality, financial and operational improvement in CAHs, and supporting rural hospitals converting to CAH status. We recognize that the healthcare landscape is changing rapidly, with focus being placed on value-based care and alternative payment models. We encourage states to develop projects supporting innovative models of care, as appropriate, and place them in the following program areas:

- Program Area 1: CAH Quality Improvement (required)
- Program Area 2: CAH Financial and Operational Improvement (required)
- Program Area 3: CAH Population Health Improvement (optional)
- Program Area 4: Rural EMS Improvement (optional)
- Program Area 5: CAH Designation (required if assistance is requested by rural hospitals)

For more details, see Program Requirements and Expectations.

2. Background

This program is authorized by 42 U.S.C. 1395i-4(g)(1)-(2) (§1820(g)(1)-(2) of the Social Security Act). The Balanced Budget Act of 1997 (Public Law 105-33, codified in relevant part at 42 U.S.C. 1395i-4) created the CAH designation to improve access to hospital and other health services for rural residents. The Act also authorized state Flex programs to facilitate CAH designations and support CAHs and rural EMS.

There are 1,362 CAHs throughout the country that serve as first line health care providers to patient populations living in rural communities. The health care environment has changed drastically in recent years, affecting how hospitals operate financially, manage the quality of care, and participate in their communities, especially during the COVID-19 pandemic. Over 150 rural hospitals have closed or converted since 2010, and the remaining rural hospitals are at a higher risk of closure. As the healthcare landscape continues to change, there is increased pressure on CAHs to become more efficient and effective in meeting the health needs of their communities to remain financially viable and continue to provide needed services. The Flex Program provides support to these hospitals and rural EMS agencies to improve quality of care as well as financial and operational processes, ensuring rural communities have access to high-quality, necessary healthcare.

Faced with a rapidly changing landscape moving toward quality improvement, value-based payment, and population health initiatives, for the upcoming period of performance the Flex Program will focus on activities that assist CAHs in demonstrating their value and preparing for the continuing changes in our health care system.

II. Award Information

1. Type of Application and Award

Application type(s): New, Competing Continuation

We will fund you via a cooperative agreement.

A cooperative agreement is like a grant in that we award money, but we are substantially involved with program activities.

Aside from monitoring and technical assistance (TA), we also get involved in these ways:

- Collaborating with award recipients to review and provide input on the work plan in alignment with HRSA priorities, state needs, and changes in the rural health care environment through such activities as identifying and prioritizing needs to be addressed using federal funds;
- Monitoring and supporting implementation of the work plan through progress report reviews;

- Identifying opportunities to coordinate activities with other federally-funded projects;
- Providing guidance and assistance in identifying key changes in federal health care policies and the rural health care environment that impact State Flex Programs (e.g., changes to national Medicare quality reporting program measures); and
- Collaborating with technical assistance providers that are developing tools and resources for State Flex Program use.

You must follow all relevant federal regulations and public policy requirements. Your other responsibilities will include:

- Developing and implementing a State Flex Program as described in this notice;
- Collaborating with HRSA on refining and implementing the work plan according to HRSA priorities, state needs, and changes in the rural health care environment;
- Negotiating with HRSA to update work plans at least annually, or more frequently as needed (e.g., in response to identified challenges or to establish new activities in response to environmental or national health care changes); and
- Ensuring program staff have appropriate training to carry out Flex Program activities.

2. Summary of Funding

We estimate approximately $30,000,000 will be available each year to fund 45 recipients. Projected funding amounts for current Flex Program recipients by state are based on FY 2023 amounts and are calculated based on the number of CAHs in a state, geographic remoteness of CAHs, and the risk of financial distress. Refer to Appendix A for projected FY24 State Flex Program Funding Levels.

Applicants should propose a level of funding commensurate with current efforts in that state. This approach intends to minimize service disruptions, address the health needs of and ensure the continuity of care for residents of rural communities. New applicants to the Flex Program should propose a level of funding sufficient to support the state program's operations and activities appropriate to the number of CAHs in the state.

The period of performance is September 1, 2024, through August 31, 2029 (5 years).

This program notice depends on the appropriation of funds. If funds are appropriated for this purpose, we will proceed with the application and award process.

Support beyond the first budget year will depend on:

- Appropriation
- Satisfactory progress in meeting the project's objectives

- A decision that continued funding is in the government's best interest

45 CFR part 75 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards applies to all HRSA awards.

Authorizing legislation at 42 U.S.C. 1395i-4(g)(4)(B) (§1820(g)(4)(B) of the Social Security Act) limits the use of funds for administrative expenses under the Flex Program. You may not expend more than the lesser of: 15 percent of the amount of the cooperative agreement for administrative expenses; or your state's federally negotiated indirect cost rate for administering the cooperative agreement (i.e., Indirect Cost Rate Agreement (ICRA)). This limitation is a requirement of this federal award and, as required in 45 CFR § 75.351-353, the limitation includes subrecipients.

If you've never received a negotiated indirect cost rate, you may elect to charge a *de minimis* rate of 10 percent of modified total direct costs (MTDC)*. You may use this for the life of the award. If you choose this method, you must use it for all federal awards until you choose to negotiate for a rate. You may apply to do so at any time. See Section 4.1.v. Budget Narrative in the *Application Guide*.

**Note*: One exception is a governmental department or agency unit that receives more than $35 million in direct federal funding.

III. Eligibility Information

1. Eligible Applicants

States are eligible to apply for funding under this notice, including states that are current Medicare Rural Hospital Flexibility Program award recipients under HRSA-19-024 or states submitting a new application from a Governor designated entity.

HRSA will accept only one application from each state. The Governor designates the organization that may submit an application on behalf of each state.

2. Cost Sharing or Matching

Cost sharing or matching is not required for this program.

3. Other

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

- Exceeds the funding ceiling amount
- Fails to satisfy the deadline requirements referenced in Section IV.4

Multiple Applications

We will only review your **last** validated application before the Grants.gov due date.

IV. Application and Submission Information

1. Address to Request Application Package

We ***require*** you to apply online through Grants.gov. Use the SF-424 workspace application package associated with this notice of funding opportunity (NOFO). Follow these directions: How to Apply for Grants. If you choose to submit using an alternative online method, see Applicant System-to-System.

Note: Grants.gov calls the NOFO "Instructions."

Select "Subscribe" and enter your email address for HRSA-24-002 to receive emails about changes, clarifications, or instances where we republish the NOFO. You will also be notified by email of documents we place in the RELATED DOCUMENTS tab that may affect the NOFO and your application. *You're responsible for reviewing all information that relates to this NOFO.*

2. Content and Form of Application Submission

Application Format Requirements

Submit your information as the *Application Guide* and this program-specific NOFO state. **Do so in English and budget figures expressed in U.S. dollars.** There's an Application Completeness Checklist in the *Application Guide* to help you.

Application Page Limit

The total number of pages that count toward the page limit shall be no more than **50 pages** when we print them. We will not review any pages that exceed the page limit. Using the pages within the page limit, HRSA will determine eligibility using Section III. Eligibility Information of the NOFO.

These items do not count toward the page limit:

- Standard OMB-approved forms you find in the NOFO's workspace application package
- Abstract (standard form (SF) "Project_Abstract Summary")
- Indirect Cost Rate Agreement
- Biographical sketches of key personnel
- Proof of non-profit status (if it applies)

If there are other items that do not count toward the page limit, we'll make this clear in Section IV.2.vi Attachments.

If you use an OMB-approved form that is not in the HRSA-24-002 workspace application package, it may count toward the page limit.

Applications must be complete and validated by Grants.gov under HRSA-24-002 before the deadline.

Debarment, Suspension, Ineligibility, and Voluntary Exclusion Certification

- When you submit your application, you certify that you and your principals[1] (for example, program director, principal investigator) can participate in receiving award funds to carry out a proposed project. That is, no federal department or agency has debarred, suspended, proposed for debarment, claimed you ineligible, or you have voluntarily excluded yourself from participating.
- If you fail to make mandatory disclosures, we may take an action like those in 45 CFR § 75.371. This includes suspending or debarring you.[2]
- If you cannot certify this, you must include an explanation in *Attachment #9: Other Relevant Documents*.

(See Section 4.1 viii "Certifications" of the *Application Guide*)

Program Requirements and Expectations

- State Flex Programs must have key personnel conducting activities central to this program, including a project director with adequate time to oversee the program's administrative, fiscal, and business operations for the entirety of the project. Flex work may be supported by one person or split across multiple staff members.

- State Flex Programs must address the required program areas of (1) CAH Quality Improvement and (2) CAH Financial & Operational Improvement. Program Area (5) CAH Designation is required only if hospitals in the recipient's state seek help in conversion to CAH status. For detailed examples of potential Flex interventions and activities, refer to the Flex Program Funding Guidance. In order to maximize the impact of Flex Program funding, we encourage state Flex Programs to prioritize the highest need CAHs in your state.

- As applicable, other provider types such as CAH-owned rural health clinics, rural EMS organizations, and Rural Emergency Hospitals may be invited to participate in Flex related activities. Assistance provided to other types of rural hospitals, for example hospitals interested in converting to Rural Emergency Hospitals, must be clearly justified and secondary to CAH assistance.

- State Flex Programs must support analysis and distribution of both current data and new data (if proposed) to help CAHs improve their performance, continue to report on program outcomes, track trends, and identify areas of growth and best practices.

- HRSA expects State Flex Programs to consider ways to develop statewide data collection methods to address identified gaps in data related to CAHs and rural EMS, including opportunities to leverage relationships with stakeholders and share resources for data collection.

---

[1] See definitions at eCFR :: 2 CFR 180.995 -- Principal. and eCFR :: 2 CFR 376.995 -- Principal (HHS supplement to government-wide definition at 2 CFR 180.995).
[2] See also 2 CFR parts 180 and 376, 31 U.S.C. § 3354, and 45 CFR § 75.113.

- HRSA expects State Flex Programs to use the data they collect to evaluate how their programs are performing overall and implement a plan for continuous improvement in the program. See Appendix B for a list of definitions for common program evaluation terms.
- To meet the goals of the Medicare Beneficiary Quality Improvement Project (MBQIP), HRSA expects State Flex Programs to encourage all CAHs to participate in MBQIP reporting. We highly encourage CAHs to report as many measures as possible. For CAHs that are unable to report on one or more measures, State Flex Programs will provide that information on a regular basis to FORHP along with a reason why the CAH(s) cannot report a measure(s).
- State Flex Programs must consult with their state hospital associations, rural hospitals, and rural community members to identify community needs and appropriate projects. We also encourage states to work with Quality Innovation Network-Quality Improvement Organizations (QIN-QIOs), Health Information Exchanges (HIEs), Hospital Improvement Innovation Networks (HIINs), CDC-funded Healthcare Associated Infections and Antibiotic Resistance prevention programs, State Rural Health Associations, and others concerned with the future of rural health care.
- We encourage these external partnerships to implement projects that ensure the consistent and systematic fair, just, and impartial treatment[3] of all patients by addressing social determinants of health (SDOH)[4] to improve the quality of healthcare provided.
- New applicants (e.g., states that do not currently have a State Flex Program) are required to develop, or be in the process of developing, a state rural health care plan as part of this application. **NOTE:** This does NOT apply to current Flex Program recipients.
- To ensure program maintenance and integrity, State Flex Programs must attend the annual Flex Program meeting and one other regional or national meeting each year related to the administration of the Flex award.
- To ensure Flex Program staff have adequate training, new staff directly responsible for executing the Flex Program award activities must attend a Flex Program Workshop within one year of their start date.

[3] As defined by Executive Order 13985: https://www.federalregister.gov/documents/2021/01/25/2021-01753/advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government

[4] Social determinants of health (SDOH) are the conditions in the environments where people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks. https://health.gov/healthypeople/priority-areas/social-determinants-health

- State Flex Programs must participate in information sharing and program improvement activities coordinated by designated Flex Program technical assistance providers.
- State Flex Programs must participate in the national evaluation of the Flex Program.

Program-Specific Instructions

Include application requirements and instructions from Section 4 of the *Application Guide* (budget, budget narrative, staffing plan and personnel requirements, assurances, certifications, and abstract). Also include the following:

i. *Project Abstract*

Use the Standard OMB-approved Project Abstract Summary Form that you'll find in the workspace application package. Do not upload the abstract as an attachment or it may count toward the page limit. For information you must include in the Project Abstract Summary Form, see Section 4.1.ix of the *Application Guide.*

NARRATIVE GUIDANCE

The following table provides a crosswalk between the narrative language and where each section falls within the review criteria. Make sure you've addressed everything. We may consider any forms or attachments you reference in a narrative section during the merit review.

Narrative Section	**Review Criteria**
Introduction	*Criterion 1: NEED*
Organizational Information	*Criterion 5: RESOURCES/CAPABILITIES*
Need	*Criterion 1: NEED*
Approach	*Criterion 2: RESPONSE*
Work Plan	*Criterion 2: RESPONSE* *Criterion 4: IMPACT*
Resolution of Challenges	*Criterion 2: RESPONSE*
Evaluation and Technical Support Capacity	*Criterion 3: EVALUATIVE MEASURES* *Criterion 5: RESOURCES/CAPABILITIES*
Budget Narrative	*Criterion 6: SUPPORT REQUESTED*

ii. *Project Narrative*

This section must describe all aspects of the proposed project. Make it brief and clear.

All applicants must address the program areas of (1) CAH Quality Improvement and (2) CAH Financial & Operational Improvement, as these are priority areas for addressing need. The program areas of (3) CAH Population Health Improvement and (4) Rural EMS Improvement are optional. Program Area (5) CAH Designation is required only if hospitals in the applicant's state seek help in conversion to CAH status. State Flex Programs considering work in an optional program area (3 or 4) must demonstrate that existing needs of CAHs and rural hospitals in the required program areas have been or will be addressed and additional resources are available to work in the optional areas.

Provide the following information in the following order. Please use the section headers. This ensures reviewers can understand your proposed project.

- *Introduction -- Corresponds to Section V's Review Criterion #1: Need*

  Briefly describe the purpose of the proposed project, the vision of your State Flex Program, and your goals for the five-year period of performance. Indicate which of the program areas noted above that you will be working in.

- *Organizational Information -- Corresponds to Section V's Review Criterion #5: Resources/Capabilities*

  - Briefly describe your mission, structure, and scope of current activities. Explain how these elements all contribute to the organization's ability to carry out the program requirements and meet program expectations. Include a project organizational chart in Attachment #7 and explain (as applicable) how the State Flex Program fits within the larger organization.

  - Include a staffing plan and job descriptions for key personnel such as organization staff or contractors as Attachment 2. HRSA recommends dedicating staff with adequate time to meet program goals, at least 1.0 full time equivalent, either one full time person or multiple part time people. Key personnel may include a Project Director, State Flex Coordinator, or others who contribute to the Flex Program in a substantive manner.

  - Describe relationships, contracts and subawards that contribute to the ability of the State Flex Program to meet program requirements and expectations.

  - Describe how you will ensure coordination between staff, contractors, and subrecipients, as applicable.

  - Describe how you will monitor subawards and/or contracts, if applicable.

- Discuss how you'll follow the approved plan, account for federal funds, and record all costs to avoid audit findings.
- NEW APPLICANTS: Include your state rural health care plan that meets the requirements of section 1820(b)(1)(A) of the Social Security Act as Attachment 8. Describe your consultation process with your state hospital association, rural hospitals located in your state, and the State Office of Rural Health. If your state rural health care plan is not completed at the time of submitting this application, describe your plans to complete the plan by the date of award. Include an assurance that your state has designated (consistent with its rural health care plan), or is in the process of designating, rural nonprofit or public hospitals or facilities located in your state as CAHs. (**NOTE:** this does NOT apply to current Flex Program recipients).

- *Need -- Corresponds to Section V's Review Criterion #1: Need*

  This section will help reviewers understand whom you will serve with the proposed project.

  - Describe the needs of CAHs, rural EMS agencies, and rural communities in the state. Outline the high-level needs for all CAHs in your state in the areas of quality, financial, operational, and population health. Discuss rural EMS agencies, and other stakeholders, as applicable. (Note: This needs assessment is separate from the CAH and EMS assessment activities identified within the Flex program areas.)
  - Utilize the most relevant and recent data available including:
    - Quality data (MBQIP reports, annual state quality reports from the Flex Monitoring Team (FMT))
    - Financial data (Critical Access Hospital Measurement & Performance Assessment System (CAHMPAS) from the FMT or other relevant sources that collect more timely financial data from hospitals)
    - Population health data (Population health toolkit from the National Rural Health Resource Center, CAHMPAS, or the Rural Health Mapping Tool from NORC)
    - Emergency Medical Services data (National Emergency Medical Services Information System)
  - Clearly answer the following questions in your needs assessment:
    - What is the environment for CAHs in your state, including current status and trends? Include the total number of CAHs in your state

and note any newly certified CAHs or CAHs that closed or converted to a different facility type within the past five years.

- Which CAHs in your state are vulnerable (financially or otherwise) and most in need of state Flex Program assistance?
- What are the challenges that limit the ability of CAHs to provide high quality care to communities or that make financial stability difficult for CAHs?
- What resources are available to help CAHs succeed?
- What stakeholders are engaged in supporting CAH efforts and how are they doing so? What additional stakeholders could be engaged?
- What are the gaps in data related to CAHs in your state?

- If you plan to include work in the two optional program areas (program area 3: population health or program area 4: rural EMS improvement), answer the following questions, as applicable:
  - What is the environment for engaging in population health work in your state?
  - What are the population health needs challenging rural communities in your state?
  - What stakeholders are engaged in supporting community needs in your state? What additional stakeholders could be sought out?
  - What data is available to show the unique needs of rural communities in your state?
  - What are the gaps in services related to CAHs and minority populations in your state?
  - What is the environment for rural EMS in your state, including current status and trends? Include total number of rural EMS agencies in your state and estimate the number that may participate in Flex projects.
  - What are the challenges in your state that affect quality of care and financial stability of rural EMS agencies?
  - Which rural EMS agencies are vulnerable (financially or otherwise) and most in need of state Flex Program assistance?
  - What resources are available to help rural EMS agencies succeed?

        - What stakeholders are engaged in supporting rural EMS agencies and how are they doing so? What other stakeholders could be engaged?
        - What data is available on rural EMS in your state? What are the gaps in data related to rural EMS?
    - Discuss any relevant barriers in the service area that the project hopes to overcome.

- *Approach -- Corresponds to Section V's Review Criterion #2: Response*
    - Tell us how you'll address the identified needs of CAHs, rural EMS agencies, and rural communities in the state, and meet the program requirements and expectations described in this NOFO.
    - Describe how proposed projects and interventions will achieve Flex Program goals.
        - Explain the conceptual framework that supports the specific projects selected in each program area and how they will achieve the identified objectives and associated outcomes.
        - Specific improvement projects can be for one to five years, and you should assess project outcomes at the end of each budget year as well as over the course of the five-year period of performance.
    - Describe how your projects will drive change at the hospital, EMS agency, and community level and lead to the desired improvement.
    - Describe your process for prioritizing CAHs and how training, technical assistance, and other support will be targeted to CAHs with high needs and capacity. To efficiently use Flex funding and maximize program impact, we encourage State Flex Programs to consider funding cohorts of CAHs with similar challenges.
    - Explain your process for engaging key stakeholders in your project. Describe your plan for CAH site visits, including planned annual number, content, participants, duration, and frequency. Discuss how you will engage non-reporting CAHs in MBQIP. Discuss any significant collaborative activities between the State Flex Program and other organizations—note that work completed under a contract or subaward paid with funds under this notice is not a collaborative activity, instead it is a Flex-funded activity.
    - Discuss initiatives planned to improve the effectiveness of the State Flex Program and how you have incorporated the Core Competencies for State Flex Program Excellence, as applicable. Please do *not* report

scores from the Core Competencies Self-Assessment because that is a tool designed for internal organizational self-improvement.

- *Work Plan -- Corresponds to Section V's Review Criteria #2: Response and #4: Impact*
    - Include the work plan as **Attachment 1**. Refer to the Flex Program Funding Guidance section of the Technical Assistance & Services Center website (TASC) for more information on the structure of the work plan.
    - Describe how you'll achieve each of the program goals during the period of performance. You find these in the Approach section.
    - Organize the work plan by the program areas listed in the introduction. Only list the program areas that will be part of your State Flex Program for this period of performance.
    - Include a minimum of one clearly defined outcome in each program area with a clear, time-based target.
    - Some projects may span all five years of the program while others may not.
        - State Flex Programs are encouraged to implement strategic projects that can build over the course of the five-year period of performance.
        - For the first year of the period of performance, the work plan should include concise descriptions of activities and projects planned in each program area, expected outputs (process measures) for each, a timeline with key milestones to track progress, and who is responsible for completing each project. Identify multi-year projects as appropriate.
- *Resolution of Challenges -- Corresponds to Section V's Review Criterion #2: Response*

  Discuss challenges that you are likely to encounter in designing and carrying out the activities in the work plan. Explain approaches that you'll use to resolve them.
- *Evaluation and Technical Support Capacity -- Corresponds to Section V's Review Criteria #3: Evaluative Measures and #5: Resources/Capabilities*
    - Describe the systems and processes that you'll use to track performance outcomes. Describe how you'll collect and manage data (for example, assigned skilled staff, data management software) in a way that allows for accurate and timely reporting of those outcomes.

- Describe your plan to evaluate how the program performs overall and how that will contribute to continuous quality improvement. Identify the data you will collect and analyze to assess your progress toward achieving your outcomes. The evaluation should monitor ongoing processes and the progress towards the project's goals and objectives. Describe barriers and your plan to address them.

iii. *Budget*

The *Application Guide* directions may differ from those on Grants.gov.

Follow the instructions in Section 4.1.iv Budget of the *Application Guide* and any specific instructions listed in this section. Your budget should show a well-organized plan.

Reminder: The total project or program costs are all allowable (direct and indirect) costs used for the HRSA activity or project. This includes costs charged to the award and non-federal funds used to satisfy a matching or cost-sharing requirement (which may include MOE, if applicable).

Program Income

You must use any program income you generate from awarded funds for approved project-related activities. Use program income under the addition alternative (45 CFR § 75.307(e)(2)). Find post-award requirements for program income at 45 CFR § 75.307.

Specific Instructions

The Flex Program requires the following:

- Please review the multi-year award information and include the 5th year budget as **Attachment 5.**

- If indirect costs are included in the budget, attach a copy of the indirect cost rate agreement as **Attachment 6**.

- As noted in Section 4.1.iv of HRSA's *SF-424 Application Guide* the costs of advisory councils are unallowable unless authorized by the HHS awarding agency. For State Flex Programs, HRSA will authorize reasonable costs, e.g., travel and meeting expenses, for stakeholder groups convened to provide input to the State Flex Program on improving program operations and meeting state needs. These groups may be called Flex advisory councils, committees, or other names.

As required by the Consolidated Appropriations Act, 2023 (P.L. 117-328), Division H, § 202, "None of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II." Effective January 2024, the salary rate limitation is $221,900. As required by law, salary rate limitations may apply in future years and will be updated.

iv. *Budget Narrative*

See Section 4.1.v. of the *Application Guide.*

In addition, the Flex Program requires the following:

- As noted in Section 4.1.v of HRSA's SF-424 Application Guide, for any contractual costs or subawards, include a clear explanation as to the purpose of each contract/subaward, how the costs were estimated, and the specific deliverables.
- Do not provide line-item details on proposed contracts, rather you should provide the basis for your cost estimate for the contract.
- You are responsible for ensuring that your organization or institution has in place an established and adequate procurement system with fully developed written procedures for awarding and monitoring all contracts/subawards.
- Recipients must notify potential subrecipients that entities receiving subawards must be registered in SAM and provide the recipient with their UEI number (see 2 CFR part 25).
- For consultant services, list the total costs for all consultant services. In the budget narrative, identify each consultant, the services he/she will perform, total number of days, travel costs, and total estimated costs.
- For subawards to entities that will help carry out the work of the award, describe how you will monitor their work to ensure the funds are being properly used.

v. *Attachments*

Provide the following attachments in the order we list them.

Most attachments count toward the application page limit. Indirect cost rate agreement and proof of non-profit status (if it applies) are the only exceptions. They will not count toward the page limit.

Clearly label each attachment. Upload attachments into the application. Reviewers will not open any attachments you link to.

Attachment 1: Work Plan

Attach the project's work plan. Make sure it includes everything that Section IV.2.ii. Project Narrative details in a concise, tabular format. Include process and outcome measures for your program areas that are part of the state Flex Program.

Attachment 2: Staffing Plan and Job Descriptions for Key Personnel *(see Section 4.1. of the Application Guide)*

Attach a staffing plan that includes a rationale for each award-funded position. Include position descriptions and keep each description to one page as much as possible.

Include the role, responsibilities, and qualifications of proposed project staff. Describe your organization's timekeeping process. This ensures that you'll comply with federal standards related to recording personnel costs.

Attachment 3: Biographical Sketches of Key Personnel (Does not count towards the page limit)

Include biographical sketches for people who will hold the key positions you describe in *Attachment 2*. Keep it to two pages or less per person. Do **not** include addresses or SSNs. If you include someone you have not hired yet, include a letter of commitment from that person with the biographical sketch. Key personnel for the state Flex Program are Project Director, state Flex Coordinator, and other individuals who contribute to the execution of the program in a substantive, measurable way, whether or not they receive salaries or compensation under the award.

Attachment 4: Letters of Agreement, Memoranda of Understanding (as required to document eligibility)

Provide any documents that describe working relationships between your organization and other entities and programs you cite in the proposal. Documents that confirm actual or pending contracts or agreements should clearly describe the roles of the contractors and any deliverable. Make sure you sign and date any letters of agreement.

Attachment 5: For Multi-Year Budgets—5th Year Budget

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

Attachment 6: Indirect Cost Rate Agreement (Does not count towards the page limit)

Provide the current federally negotiated indirect cost rate agreement used to substantiate indirect costs in the proposed budget.

Attachment 7: Project Organizational Chart

Provide a one-page figure that shows the program's organizational structure. Include subrecipients and contractors that are integral to the success of the program.

Attachment 8: State Rural Health Care Plan (NEW APPLICANTS ONLY)

Describe your consultation process with your state hospital association, rural hospitals located in your state, and the State Office of Rural Health. If your state rural health care plan is not completed at the time of submitting this application, describe your plans to complete the plan by the date of award. (**NOTE**: this does NOT apply to current Flex Program recipients).

Attachments 9–15: Other Relevant Documents (no more than 15)

Include any other documents that are relevant to the application. This may include tables or charts that give more details about the proposal (for example, Gantt or PERT charts, or flow charts.), or letters of support, which are not required for eligibility but you may have already developed for your program. Letters must show a commitment to the project/program (in-kind services, dollars, staff, space, equipment, etc.). These documents do count toward the page limit.

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

A UEI is required to apply for this funding. You must register in the SAM.gov to receive your UEI.

You cannot use a DUNS number to apply. For more details, visit the following webpage: General Service Administration's UEI Update.

After you register with SAM, maintain it. Keep your information updated when you have: an active federal award, application, or plan that an agency is considering.[5]

When you register, you must submit a notarized letter naming the authorized Entity Administrator.

We will not make an award until you comply with all relevant SAM requirements. If you have not met the requirements by the time we're ready to make an award, we will deem you unqualified and award another applicant.

If you already registered on Grants.gov, confirm that the registration is active and that the Authorized Organization Representative (AOR) has been approved.

To register in Grants.gov, submit information in two systems:

- System for Award Management (SAM) (SAM Knowledge Base)
- Grants.gov

Effective March 3, 2023, individuals assigned a SAM.gov Entity Administrator role must be an employee, officer, or board member, and cannot be a non-employee. This change is to ensure entities are in control of who has permission to control roles within their entity.

Here's what this means:

- Entity Administrators assigning roles to non-employees will only be able to assign a Data Entry role or lower.

[5] Unless 2 CFR § 25.110(b) or (c) exempts you from those requirements or the agency approved an exemption for you under 2 CFR § 25.110(d)).

- Any entities assigning Entity Administrator roles using an Entity Administrator Role Request Letter (formerly called "notarized letter") will no longer be able to assign the Entity Administrator role to a non-employee.
- Entity Administrator roles assigned to non-employees will be converted to Data Entry roles. With a Data Entry role, non-employees can still create and manage entity registration data entry but cannot manage roles.

If you are an entity using a non-employee or if you are a non-employee working with an entity to manage registrations, please read (and share) more about this change on the BUY.GSA.gov blog to know what to expect.

For more details, see Section 3.1 of the *Application Guide.*

*Note***:** Allow enough time to register with SAM and Grants.gov. We do not grant application extensions or waivers if you fail to register in time.

4. Submission Dates and Times

Application Due Date

Your application is due on ***April 16, 2024 at 11:59 p.m. ET***. We suggest you submit your application to Grants.gov at least **3 calendar days before the deadline** to allow for any unexpected events. See the *Application Guide's* Section 8.2.5 – Summary of emails from Grants.gov.

5. Intergovernmental Review

The Medicare Rural Hospital Flexibility Program does not need to follow the terms of Executive Order 12372 in 45 CFR part 100.

See Section 4.1 ii of the *Application Guide* for more information.

6. Funding Restrictions

The General Provisions in Division H of the Consolidated Appropriations Act, 2023 (P.L. 117-328) apply to this program. See Section 4.1 of the *Application Guide* for information. Note that these and other restrictions will apply in fiscal years that follow, as the law requires.

Program-specific Restrictions

You cannot use funds under this notice for the following:

- For direct patient care (including health care services, equipment, and supplies);
- To purchase ambulances and any other vehicles or major equipment (including software that costs more than $5000/unit);
- To conduct Community Health Needs Assessments for non-profit 501(c)3 CAHs, as required by the IRS;

- To purchase or improve real property;
- Authorizing legislation at 42 U.S.C. 1395i-4(g)(4)(B) (§1820(g)(4)(B) of the Social Security Act) limits the use of funds for administrative expenses under the Flex Program. You may not expend more than the lesser of: 15 percent of the amount of the cooperative agreement for administrative expenses; or your state's federally negotiated indirect cost rate for administering the cooperative agreement (i.e., Indirect Cost Rate Agreement (ICRA)). This limitation is a requirement of this federal award and, as required in 45 CFR § 75.351-353, the limitation includes subrecipients; and
- For any purpose which is inconsistent with the language of this NOFO or 42 U.S.C. 1395i-4(g)(1)-(2) (§1820(g)(1)-(2) of the Social Security Act).

You must have policies, procedures, and financial controls in place. Anyone who receives federal funding must comply with legal requirements and restrictions, including those that limit specific uses of funding.

- Follow the list of statutory restrictions on the use of funds in Section 4.1 (**Funding Restrictions**) of the *Application Guide*. We may audit the effectiveness of these policies, procedures, and controls.
- 2 CFR § 200.216 prohibits certain telecommunications and video surveillance services or equipment. For details, see the HRSA Grants Policy Bulletin Number: 2021-01E.

V. Application Review Information

1. Review Criteria

We review your application on its technical merit. We have measures for each review criterion to help you present information and to help reviewers evaluate the applications.

We use six review criteria to review and rank Flex Program applications. Here are descriptions of the review criteria and their scoring points.

Criterion	Number of Points
1. Need	10
2. Response	45
3. Evaluative Measures	15
4. Impact	10
5. Resources/Capabilities	15
6. Support Requested	5
Total Points	100

Criterion 1: NEED (10 points) – Corresponds to Section IV's Introduction and Needs Assessment

- How clearly the application describes the focus and vision of the state Flex Program and identifies which program areas will be addressed.
- How well the needs of CAHs, rural EMS agencies, and rural communities in the state are identified and challenges are discussed that limit the ability of CAHs to provide high quality care to their communities or to remain financially stable as well as factors contributing to these needs; partners who can help address these needs; and potential partners not yet engaged.
- How well the application uses data sources which support the discussion of needs in the state and explains why the selected data sources are used, including FMT and state-specific data sources, as applicable. Uses MBQIP data to assess quality improvement needs for CAHs and uses CAHMPAS or relevant state-specific data sources to identify financial improvement needs for CAHs.
- How the application identifies and explains current information gaps related to the state Flex Program.
- How well the application justifies inclusion of any optional program areas (population health and rural EMS) based on identified needs and data.
- The extent to which the application describes the assessment techniques used to determine and prioritize the collective needs of CAHs to be addressed with Flex funds.

Criterion 2: RESPONSE (45 points) – Corresponds to Section IV's Approach, Work Plan (Attachment 1) and Resolution of Challenges

Approach: (20 points)

- The extent to which the application proposes projects and interventions to address the identified needs, defines the intended outcomes of the listed projects, how well the projects will meet these goals, and how the application will engage non-reporting CAHs in MBQIP.
- How well the application describes the evidence base supporting proposed projects and interventions, why the proposed projects were chosen, and the conceptual framework describing how the projects will lead to the desired outcomes.
- How well the application proposes an appropriate process for prioritizing CAHs and other rural health organizations (as applicable) for training, technical assistance, and support.

- How the application proposes to engage key stakeholders, conduct CAH site visits, engage non-reporting CAHs in MBQIP, and collaborate with other relevant organizations (as applicable).
- The strength of the proposed process for conducting a self-assessment and continuing improvement of state Flex Program products, projects, and services.

Work Plan: (15 points)

- How well the work plan submitted as Attachment 1 presents a concise picture of the complete proposed project in a tabular format with reference to the Narrative for explanation, that is organized by the program areas listed in the Introduction.
- How well the work plan presents a clear timeline for the first year of the award and identifies projects extending into future years.
- The extent to which the work plan includes appropriate process measures for chosen program areas, a timeline with key milestones to track progress, and who is responsible for completing each project.
- The extent to which the work plan includes a minimum of one appropriate outcome measure for chosen program areas that includes baseline data demonstrating the current state and defined targets for the end of the five-year period of performance.

Resolution of Challenges: (10 points)

- The extent to which the application discusses current and potential challenges that may be barriers to implementing the planned program and approaches to overcome these challenges.

Criterion 3: EVALUATIVE MEASURES (15 points) – Corresponds to Section IV's Evaluation and Technical Support Capacity

- How well the application describes the processes that will be used to ensure the project aligns with proposed goals and how these processes will allow timely reporting of outcomes.
- How well the application proposes effective assessment processes for subrecipients, subawards, and contractors, if applicable.
- The extent to which the application clearly identifies data to be used to monitor progress, how those data will be collected and analyzed, and describes barriers and the plan to address them.
- The extent to which the application describes a plan to evaluate how the program performs overall and how that will contribute to continuous quality improvement.

Criterion 4: IMPACT (10 points) – Corresponds to Section IV's Approach and Work Plan

- The extent to which the application and work plan describe how projects are organized to use federal funds as effectively and efficiently as possible, including opportunities to work with cohorts of CAHs with similar needs.
- How well the application and work plan demonstrate a strong link between the proposed activities and the expected outcomes for CAHs, rural EMS agencies, rural communities, and other stakeholders.

Criterion 5: RESOURCES/CAPABILITIES (15 points) – Corresponds to Section IV's Organizational Information and Organizational Chart (attachment 7), Staffing Plan (attachment 2), Evaluation and Technical Support Capacity

- Assesses whether the applicant organization and project staff have the capabilities to fulfill the needs of the proposed project and track performance outcomes through data collection and reporting.
- The extent to which the applicant demonstrates the capacity and planning for effective program management, including management of and coordination between contractors and subrecipients.
- Assesses whether the application's Staffing Plan (attachment 2) provides sufficient detail about the role and responsibilities of each award-supported staff position.
- Assesses whether the staffing plan identifies all key personnel conducting activities central to this program, including a project director with adequate time to oversee the program's administrative, fiscal, and business operations for the entirety of the project.
- FOR NEW APPLICANTS ONLY: the extent to which the application's Rural Health Care Plan (Attachment 8) provides sufficient detail that a state rural health care plan has been developed or is in the process of being developed.

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

- Assesses how reasonable the proposed budget is for each year of the period of performance and whether costs, as outlined in the budget and required resources sections, are reasonable and align with the scope of work.
- Assesses whether key staff have adequate time devoted to the project to achieve project objectives.
- The extent to which the budget justification provides a detailed explanation of the purpose of each contract or subcontract, how the costs were determined or estimated, and the specific contract deliverables.

2. Review and Selection Process

Subject matter experts provide an impartial evaluation of your application. Then, they pass along the evaluations to us, and we decide who receives awards. See Section 5.3 of the *Application Guide* for details. When we make award decisions, we consider the following when selecting applications for award:

- How high your application ranks
- Funding availability
- Risk assessments
- Other pre-award activities, as described in Section V.3 of this NOFO

3. Assessment of Risk

If you have management or financial instability that directly relates to your ability to carry out statutory, regulatory, or other requirements, we may decide not to fund your high-risk application (45 CFR § 75.205).

First, your application must get a favorable merit review. Then we:

- Review past performance (if it applies)
- Review audit reports and findings
- Analyze the cost of the project/program budget
- Assess your management systems
- Ensure you continue to be eligible
- Make sure you comply with any public policies.

We may ask you to submit additional information (for example, an updated budget) or to begin activities (for example, negotiating an indirect cost rate) as you prepare for an award.

However, even at this point, we do not guarantee that you'll receive an award. After a full review we'll decide whether to make an award, and if so, if special conditions are required, and what level of funding is appropriate.

Award decisions are discretionary and final. You cannot appeal them to any HRSA or HHS official or board.

As part of this review, we use SAM.gov Entity Information Responsibility / Qualification (formerly named FAPIIS) to check your history for all awards likely to be over $250,000. You can comment on your organization's information in SAM.gov. We'll consider your comments before making a decision about your level of risk.

VI. Award Administration Information

1. Award Notices

The Notice of Award (NOA) is issued on or around the start date listed in the NOFO. See Section 5.4 of the *Application Guide* for more information.

2. Administrative and National Policy Requirements

See Section 2.1 of the *Application Guide*.

If you receive an NOA and accept the award, you agree to conduct the award activities in compliance/accordance with:

- All provisions of 45 CFR part 75, currently in effect.
- The termination provisions in 45 CFR 75.372. No other specific termination provisions apply.
- Other federal regulations and HHS policies in effect at the time of the award. In particular, the following provision of 2 CFR part 200, which became effective on or after August 13, 2020, is incorporated into this NOFO: 2 CFR § 200.301 Performance measurement.
- Any statutory provisions that apply.
- The Assurances (standard certification and representations) included in the annual SAM registration.

Accessibility Provisions and Non-Discrimination Requirements

If you receive an award, you must follow all applicable nondiscrimination laws. You agree to this when you register in SAM.gov. You must also submit an Assurance of Compliance (HHS-690). To learn more, see the HHS Office for Civil Rights website.

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

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

Executive Order on Worker Organizing and Empowerment

Executive Order on Worker Organizing and Empowerment (E.O. 14025) encourages you to support worker organizing and collective bargaining. Bargaining power should be equal between employers and employees.

This may include developing policies and practices that you could use to promote worker power. Describe your plans and activities to promote this in the application narrative.

Subaward Requirements

If you receive an award, you must follow the terms and conditions in the NOA. You'll also be responsible for how the project, program, or activity performs; how you and others spend award funds; and all other duties.

In general, subrecipients must comply with the award requirements (including public policy requirements) that apply to you. You must make sure your subrecipients comply with these requirements. 45 CFR § 75.101 Applicability gives details.

3. Reporting

Award recipients must comply with Section 6 of the *Application Guide* **and** the following reporting and review activities:

1) **Federal Financial Report**. The Federal Financial Report (SF-425) is required. The report is an accounting of expenditures under the project that year. Financial reports must be submitted electronically. Visit Reporting Requirements | HRSA. More specific information will be included in the NOA.

2) **Progress Report**(s). The recipient must submit a progress report to us annually The NOA will provide details.

3) **Performance Improvement Report(s):** You will submit an annual performance report to HRSA that will be due 60 days after the end of each budget year. OMB Control Number: 0915-0363, Expiration Date 10/31/2025.

4) **Integrity and Performance Reporting.** The NOA will contain a provision for integrity and performance reporting in SAM.gov Entity Information Responsibility / Qualification (formerly named FAPIIS), as 45 CFR part 75 Appendix I, F.3. and 45 CFR part 75 Appendix XII require.

VII. Agency Contacts

Business, administrative, or fiscal issues:

Bria Haley
Grants Management Specialist
Division of Grants Management Operations, OFAM
Health Resources and Services Administration
Call: 301-443-3778
Email: bhaley@hrsa.gov

Program issues or technical assistance:

Laura Seifert
Public Health Analyst, Hospital State Division
Attn: Medicare Rural Hospital Flexibility Program
Federal Office of Rural Health Policy
Health Resources and Services Administration
Call: 301-443-3343
Email: lseifert@hrsa.gov

You may need help applying through Grants.gov. Always get a case number when you call.

Grants.gov Contact Center (24 hours a day, 7 days a week, excluding federal holidays)
Call: 1-800-518-4726 (International callers: 606-545-5035)
Email: support@grants.gov
Search the Grants.gov Knowledge Base

Once you apply or become an award recipient, you may need help submitting information and reports through HRSA's Electronic Handbooks (EHBs). Always get a case number when you call.

HRSA Contact Center (Monday – Friday, 7 a.m. – 8 p.m. ET, excluding federal holidays)
Call: 877-464-4772 / 877-Go4-HRSA
TTY: 877-897-9910
Electronic Handbooks Contact Center

The EHBs login process changed on May 26, 2023, for applicants, recipients, service providers, consultants, and technical analysts. To enhance EHBs' security, the EHBs now uses **Login.gov** and **two-factor authentication**. Applicants, recipients, service providers, consultants, and technical analysts must have a Login.gov account for the new login process. For step-by-step instructions on creating a Login.gov account refer to the EHBs Wiki Help page.

VIII. Other Information

Technical Assistance

See TA details in Summary.

Tips for Writing a Strong Application

See Section 4.7 of the *Application Guide*.

Appendix A: Projected FY24 State Flex Program Funding Levels

Projected annual state funding levels for awards under the Medicare Rural Hospital Flexibility Program NOFO (HRSA-24-002). Projected funding levels are calculated based on the number of CAHs in a state, geographic remoteness of CAHs, and the risk of financial distress. This does not include supplemental awards.

New applicants to the Flex Program should propose a level of funding sufficient to support the state program's operations and activities appropriate to the number of CAHs in the state.

State	Award Amount
AK	$703,943.00
AL	$419,493.00
AR	$693,463.00
AZ	$635,484.00
CA	$624,429.00
CO	$754,567.00
FL	$588,658.00
GA	$749,985.00
HI	$513,575.00
IA	$871,770.00
ID	$738,400.00
IL	$949,120.00
IN	$756,210.00
KS	$1,115,417.00
KY	$693,629.00
LA	$649,128.00
MA	$364,663.00
ME	$504,176.00
MI	$797,231.00
MN	$1,049,465.00
MO	$587,662.00
MS	$562,068.00
MT	$928,510.00
NC	$720,993.00
ND	$939,181.00
NE	$1,016,212.00
NH	$496,871.00
NM	$365,754.00
NV	$570,028.00
NY	$454,693.00
OH	$792,447.00
OK	$775,410.00
OR	$803,488.00

PA	$511,780.00
SC	$454,147.00
SD	$775,690.00
TN	$573,873.00
TX	$1,037,942.00
UT	$450,611.00
VA	$410,691.00
VT	$368,660.00
WA	$790,530.00
WI	$926,665.00
WV	$634,631.00
WY	$572,666.00
Total	**$30,694,009**

Appendix B: Glossary of Common Evaluation Terms

Activity: A specific action taken to produce a result, but that may not always be able to measure an outcome, such as networking meetings, information sharing, or one-time webinars.

- Example: Sharing MBQIP reports to all CAHs in your state.

Baseline: A starting point to be used to see how far you have come in your project.

Benchmark: A point of reference that serves as a basis for evaluation or from which a measurement may be made. Benchmarks may be set as a reference to try to achieve, through MBQIP benchmarks (e.g., MBQIP benchmark for Antibiotic Stewardship is that 100% of CAHs will meet all of the measure elements) and/or CAHMPAS financial indicator benchmarks (e.g., the benchmark, a high but attainable goal, for a hospital's cash flow margin is 5%)

Benchmarking: a process by which performance can be compared to an external reference (e.g., the performance of a similar organization or of a high performing peer group) in order to evaluate or improve one's own performance. For example, a State Flex Program may look at their state's performance on a quality or financial indicator and use that as a benchmark for statewide performance improvement goal-setting.

Evaluation: a continuous process that begins with identifying needs, challenges, and gaps, and continues through implementing a project. Evaluation is used to determine impact by measuring where you are, where you have been, and where you want to go. It is important to evaluate all pieces of your program—your activities, your projects, and your program as a whole.

Framework: A set of standard processes and tools that can be used to initiate, plan, execute, control, and close a project.

- Example: PDSA Cycle
    - Plan: Write a concise statement of what you plan to do.
    - Do: Execute the plan
    - Study: Evaluate the results. What did you learn? Did you meet your goal?
    - Act: Determine what you came away with. If it did not work, what can you change? If it did work, can you implement this elsewhere?

Goal: What you are trying to achieve through a project; an achievable outcome that is generally broad and long-term.

Improvement: A change in the outcome that was the target of a project in the positive direction. Improvement is not measured by an increase in participation but rather if your current project is performing well, if you are seeing positive changes, or if you have reached your goal.

Impact: The result or effect that is attributed to a project or program. Impact is often used to refer to higher level effects of a program that occur in the medium or long term and can be intended or unintended, positive or negative.

- Example: Improved financial stability of CAHs, reducing risk of closing or losing service lines.

Inputs: Resources that go into a program.

- Example: staff time, materials, money, equipment, facilities, volunteer time.

Logic model: A road map showing how a planned program connects with the desired outcomes and results.

Needs assessment: The process of determining the needs of a group in a specific area. Can be used in all areas of Flex: quality improvement, financial improvement, population health, or EMS.

Objectives: The small, measurable steps you take toward a goal. They should be specific, easy to measure, achievable, realistic, and time-bound. Objectives should always support goals, so it is important to set goals first. You should be able to see objectives play out daily and easily translated into actions.

Outcome: Measurable change resulting from an activity or series of activities. Outcomes can be short-term, intermediate, and long-term.

- Example: Revenue Cycle Management project
    - **Short-term Outcome:** Effects occurring more immediately, typically within the first year.
        - Reduced registration errors as a percent of total registrations
        - Increased percentage of point-of-sale collections
    - **Intermediate Outcome:** Effects that occur in the first 1-2 years.
        - Reduced percentage of claims denied
        - Increased percentage of denied claims re-billed
        - Improved clean claims rate
    - **Long-term Outcome:** Effects that occur after 3 years.
        - Improved days' net revenue in accounts receivable (CAHMPAS)
        - Greater days cash on hand (CAHMPAS)
        - Improved current ratio (CAHMPAS)

Outcome Evaluation: Assessing the short- and long-term results of a project to measure the changes that occurred. Projects often produce outcomes that may be unexpected and efforts at prevention, particularly in community-based initiatives, can be difficult to measure. Flexibility is key.

Output: Measures that an activity occurred, stepping stones used to move forward.

- Example: number of meetings, education programs, webinars provided.

Process Improvement: Assessing, analyzing, and improving the processes within a project to make improvements.

Process Measure: Measure that determines if the steps in the project are proceeding as planned.

- Example: Developing a survey instrument, completing a training.

Program: A set of projects that are typically implemented by several participants during a specified time and may cut across program areas, themes, and/or geographic areas. A set of projects make up a program.

- Example: A state Flex Program incorporating financial and operational improvement, quality improvement and population health Flex program areas to improve health outcomes in CAHs.

Program Management: The coordination of various projects and other strategic initiatives all mapped to overall program improvement objectives.

Project: A series of activities that lead to one or more outcomes.

- Example: A cohort of CAHs participating in a learning collaborative to improve HCAHPS scores. They meet monthly, receive resources, analyze current reporting scores, and implement best practices shared by their peers.

Qualitative data: Observations that are not numerical, and often involve knowledge, attitudes, perceptions, and intentions.

- Example: A CAH CEO feels more knowledgeable about the process for participating in an ACO.

Quantitative data: Numerical observations; something you can count.

- Example: A CAH reduced the number of denied claims by 10 percent.

Strategic Plan: Presents the long-term goals you hope to accomplish, what actions you will take to realize them, and how you will deal with barriers to achieving the desired result. A Strategic Plan should provide the context for decisions about performance goals, priorities, and budget planning, and should provide the framework for the detail provided in agency annual plans and reports.

- Example: GOSAR Framework:
    - **Goals** – Broad, long-term outcomes you are trying to achieve
    - **Objectives** – The measurable steps you take to achieve your larger goal
    - **Strategies** – Choices about how to best accomplish objectives
    - **Action Steps** – Specific activities that will be done to implement your strategies
    - **Reports** – Reports on progress, successes, and challenges

Theory of Change: Articulates the assumptions about the process through which change will occur and how the outcomes will be achieved and documented. You must understand what problems you want to solve, or conditions you want to change, and what you want to achieve.

Flex Program Areas

CAH Quality Improvement: Work to improve the quality of care delivered by CAHs through the Medicare Beneficiary Quality Improvement Project (MBQIP). The purpose of MBQIP is to increase quality data reporting by CAHs and then drive quality improvement based on the data. Quality improvement seeks to achieve predictable results and improve outcomes for patients, healthcare systems, and organizations.

CAH Financial & Operational Improvement: Work to improve CAH efficiency, operations, and financial stability. State Flex Programs should assess the financial status of CAHs in the state, identify CAHs with greater needs, and plan interventions to address those needs. This category includes projects to improve CAH financial stability and revenue cycle management processes, as well as projects to improve CAH operations, efficiency, lower costs, or increase patients served.

CAH Population Health Improvement: Work to build capacity of CAHs to improve the health outcomes of their communities. Flex funds can support community-based interventions to improve health and address the social and community factors that influence health status. FORHP recognizes that the scope of population health work for each state and each CAH is different.

Rural Emergency Medical Services (EMS) Improvement: Work to improve the organizational capacity of rural EMS services to address financial and operational problems to maintain and improve the availability of EMS services to every rural resident and to improving the quality of rural EMS services to improve the management of time-sensitive diagnoses as well as providing technical assistance for data reporting.

CAH Designation: Work to assist rural hospitals that are interested in converting to a CAH or to assist CAHs transitioning to other hospital designations, if applicable. This category includes helping the hospital with any state-level licensing requirements, financial feasibility assessments, or community engagement.

Appendix C: Helpful Resources

The resources below offer information that may help you in preparing your application. HRSA is not endorsing any non-federal resources included below, and the views and opinions expressed in such resources may not reflect those of HRSA.

Grant Writing

- HRSA How to Prepare Your Application

Overall Data Resources

- CAHMPAS tutorials
- CAHMPAS Website
- TASC Data Collection, Management, and Analysis Resources
- Flex Monitoring Team Data Reports for Each State
- RHIHub Data Sources and Tools Relevant to Rural Health

Outcomes

- Engaging Subcontractors and Partners in Demonstrating Outcomes
- Outcome Measures for State Flex Program Financial and Operational Improvement Interventions
- Population Health and Emergency Medical Services (EMS) Outcomes Examples Tables
- Quality and Financial Outcomes Examples Tables

Program Management and Evaluation

- Core Competencies for State Flex Program Excellence
- Creating Program Logic Models: A Toolkit for State Flex Programs
- Flex Performance Management Evaluation Guide
- Flex Program Fundamentals Guide
- Flex Program Logic Models (written by FORHP)

- Flex Programs and Rural Health Networks
- Four Performance Management Tools: An Overview of Balanced Scorecard, Baldridge, Lean, and Studer
- PDSA Cycle Template

Quality Improvement:

- Evaluation of the Use of CAH Cohorts for Quality Improvement Activities
- MBQIP Data Reporting & Use
- MBQIP Fundamentals Guide for State Flex Programs
- MBQIP General QI Resources
- MBQIP Quality Measures National Annual Report – 2021
- MBQIP Website
- State Flex Program Key MBQIP Resources (including FAQs and timeline for new MBQIP measures)

Financial and Operational Improvement:

- 2021 CAH Financial Indicators Report: Summary of Indicator Medians by State
- Best Practices from 14 CAH Executives Operating in Challenging Environments
- CAH Financial Indicators Primer and Calculator Resources
- CAH Participation in Flex Financial and Operational Improvement Activities, 2015-2018
- Impact of CAH Participation in Flex Financial and Operations Improvement Activities on Hospital Financial Indicators
- Monitoring State Flex Program Financial and Operational Improvement Activities
- Small Rural Hospital and Clinic Finance 101 Guide
- Small Rural Hospital Blueprint for Performance Excellence and Value
- Understanding Value-Based Models Resources

Population Health:

- ACHI Community Health Assessment Toolkit

- CAHs' Community Health Needs Assessments and Implementation Plans: How Do They Align?
- Collaborative Community Health Needs Assessments: Approaches and Benefits for Critical Access Hospitals
- Critical Access Hospital-Relevant Measures for Health System Development and Population Health
- Evaluating State Flex Program Population Health Activities
- Improving Population Health: A Guide for CAHs
- National Partnership for Action to End Health Disparities: Toolkit for Community Action
- NORC Rural Health Mapping Tool
- TASC Population Health Toolkit
- RHIHub Health Equity Toolkit for Rural and Remote Communities
- Rural Population Health Information Initiatives
- The Community Toolbox: Creating and Maintaining Coalitions and Partnerships

EMS:

- Implementation of Flex EMS Supplemental Funding Projects: Year One Activities
- Developing Program Performance Measures for Rural Emergency Medical Services
- Exploring State Data Sources to Monitor Rural Emergency Medical Services Performance Improvement
- National Association of State EMS Officials (NASEMSO)
- National Highway Traffic Safety Administration (NHTSA) Emergency Medical Services
- NEMSIS database
- NEMSQA measures
- Rural Emergency Medical Services Integration Guide
- State Flex Program Rural EMS Assessment Strategies
- Year Two Evaluation of the Flex EMS Supplemental Funding Projects: Building an Evidence Base through Outcome Measurement

Appendix D: Page Limit Worksheet

The purpose of this worksheet is to give you a tool to ensure the number of pages uploaded into your application is within the specified page limit. (Do not submit this worksheet as part of your application.)

The Standard Forms listed in column 1 do not count against the page limit; however, attachments to the Standard Forms listed in column 2 do count toward the page limit. For example, the Budget Narrative Attachment Form does not count, however the attachment uploaded in that form does count against the page limit.

Standard Form Name ***(Forms themselves do not count against the page limit)***	**Attachment File Name** ***(Unless otherwise noted, attachments count against the page limit)***	**# of Pages** *Applicant Instruction – enter the number of pages of the attachment to the Standard Form*
Application for Federal Assistance (SF-424 - Box 14)	Areas Affected by Project (Cities, Counties, States, etc.)	*My attachment = ___ pages*
Application for Federal Assistance (SF-424 - Box 16)	Additional Congressional District	*My attachment = ___ pages*
Application for Federal Assistance (SF-424 - Box 20)	Is the Applicant Delinquent On Any Federal Debt?	*My attachment = ___ pages*
Attachments Form	Attachment 1: Work Plan	*My attachment = ___ pages*
Attachments Form	Attachment 2: Staffing Plan and Job Descriptions for Key Personnel	*My attachment = ___ pages*
Attachments Form	Attachment 3: Biographical Sketches of Key Personnel	*(Does not count against the page limit)*
Attachments Form	Attachment 4: Letters of Agreement, Memoranda of Understanding, and/or contracts	*My attachment = ___ pages*
Attachments Form	Attachment 5: For Multi-Year Budgets—5th Year Budget	*My attachment = ___ pages*
Attachments Form	Attachment 6: Indirect Cost Rate Agreement	*(Does not count against the page limit)*

Standard Form Name ***(Forms themselves do not count against the page limit)***	**Attachment File Name** ***(Unless otherwise noted, attachments count against the page limit)***	**# of Pages** *Applicant Instruction – enter the number of pages of the attachment to the Standard Form*
Attachments Form	Attachment 7: Project Organizational Chart	*My attachment* = ___ *pages*
Attachments Form	Attachment 8: State Rural Health Care Plan (NEW APPLICANTS ONLY)	*My attachment* = ___ *pages*
Attachments Form	Attachment 9: Other Relevant Documents	*My attachment* = ___ *pages*
Attachments Form	Attachment 10: Other Relevant Documents	*My attachment* = ___ *pages*
Attachments Form	Attachment 11: Other Relevant Documents	*My attachment* = ___ *pages*
Attachments Form	Attachment 12: Other Relevant Documents	*My attachment* = ___ *pages*
Attachments Form	Attachment 13: Other Relevant Documents	*My attachment* = ___ *pages*
Attachments Form	Attachment 14: Other Relevant Documents	*My attachment* = ___ *pages*
Attachments Form	Attachment 15: Other Relevant Documents	*My attachment* = ___ *pages*
Project/Performance Site Location Form	Additional Performance Site Location(s)	*My attachment* = ___ *pages*
Project Narrative Attachment Form	Project Narrative	*My attachment* = ___ *pages*
Budget Narrative Attachment Form	Budget Narrative	*My attachment* = ___ *pages*
# of Pages Attached to Standard Forms		Applicant Instruction: Total the number of pages in the boxes above.
Page Limit for HRSA-24-002 is 50 pages		**My total = ____ pages**