

Medicare Rural Hospital Flexibility Program Technical Assistance Webinar Notice of Funding Opportunity HRSA-19-024

January 31, 2019

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Health Resources and Services Administration (HRSA)



Housekeeping

- **Download documents and slides**
- **Access audio recording**
 - Playback Number: 1 402-998-0601
 - Passcode: 5905
- **Access webinar recording**
 - <https://www.ruralcenter.org/content/flex-program-grant-and-cooperative-agreement-guidance>
- **Questions**
 - Chat box during the presentation
 - Unmute lines after the presentation



Agenda

- **Background**
- **Fiscal Year 2019 Flex Program Notice of Funding Opportunity**
 - Eligibility Requirements
 - Purpose
 - Funding Amount
 - HRSA Responsibilities
 - Recipient Responsibilities
 - Program Timeline
 - Application Instructions
- **Questions**



Health Resources and Services Administration

Overview

- **HRSA supports more than 90 programs through grants and cooperative agreements to more than 3,000 awardees**
- **HRSA provides access to health care for people who are:**
 - Geographically isolated
 - Economically or medically challenged
- **HRSA programs serve tens of millions of people every year, including:**
 - Pregnant women, mothers and their families
 - People living with HIV/AIDS
 - People living in rural communities
 - Those otherwise unable to access quality health care



Background: FORHP/ Hospital-State Division

- **Mission:** FORHP collaborates with rural communities and partners to support programs and shape policy that will improve health in rural America

- **Voice for Rural**

- Policy and Research Role
- Review HHS Regulations
- Administer Grant Programs
- Provide Technical Assistance

- **Hospital-State Division**

- **Mission:** Enhance access to quality care by supporting states with resources to strengthen the rural health infrastructure.



Flex Program Notice of Funding Opportunity

- **Cooperative Agreement Dates**
 - September 1, 2019 – August 31, 2024 (5 years)
- **Award Amount: varies by state**
- **Number of Awards: 45 states with CAHs**
- **Type of Award: New**
- **Applications Due: March 29, 2019**
- **Page Limit: 50 pages**
 - The page limit includes the abstract, project and budget narratives, and attachments.
 - Standard OMB-approved forms that are included in the workspace application package do not count in the page limit.
 - Indirect Cost Rate Agreements do not count in the page limit.



Flex Program Eligibility

- States with certified CAHs are eligible for this cooperative agreement program.
- Only states (current Medicare Rural Hospital Flexibility Program award recipients in states with certified critical access hospitals) are eligible to apply for funding under this notice. HRSA will accept only one application from each state. The Governor designates the eligible applicant from each state.



Flex Program Purpose

- **Purpose:** To enable state Flex programs 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 the provision of rural emergency medical services (EMS).
- **Flex Program Areas:**
 1. CAH Quality Improvement (required)
 2. CAH Operational and Financial Improvement (required)
 3. CAH Population Health Improvement (optional)
 4. Rural EMS Improvement (optional)
 5. Innovative Model Development (optional)
 6. CAH Designation (required if assistance is requested by rural hospitals)



State Funding Amount

- Apply for the state-specific funding levels listed in the Appendix, pages 26 – 27 of the NOFO

Appendix: State Funding Levels

Projected annual state funding levels for primary awards under the Medicare Rural Hospital Flexibility Program. This does not include supplemental awards.

State	State Funding Level
AK	\$611,422
AL	\$364,358
AR	\$602,319
AZ	\$551,961
CA	\$542,359
CO	\$655,393
FL	\$511,289
GA	\$651,413
HI	\$446,074



Flex Program – HRSA Responsibilities

- Review work plans
- Monitor implementation through progress reports
- Coordinate with other federal projects
- Identify federal policies and health care changes
- Collaborate with technical assistance providers to develop tools and resources



Flex Program – Recipient Responsibilities

- Implement a state Flex Program based on an approved work plan
- Update work plans annually, or more often if needed
- Collaborate with HRSA to develop program benchmarks and state and national targets
- Identify state Flex Coordinator and necessary program staffing
- Ensure staff training
- Attend annual meetings
- Participate in information sharing, program improvement activities, and national program evaluation



Key changes from the Flex FY 2015 Competing Continuation

- Award type changed from grant to cooperative agreement
- Will be issued as new (not continuation) awards
- Five-year period of performance
- Clearly aligned Quality Improvement activity categories with MBQIP domains
- Added value-based payment projects as an activity category in Operational and Financial Improvement
- Separated Population Health Improvement and EMS Improvement into distinct program areas
- Emphasized testing, evidence development, and reporting for the Innovative Model Development program area



Flex Program Structure

- **Program Area 1: CAH Quality Improvement (MBQIP)**
 - Increase the number of CAHs consistently reporting quality data, and improve the quality of care in CAHs
- **Program Area 2: CAH Operational and Financial Improvement**
 - Maintain and improve the financial viability of CAHs
- **Program Area 3: CAH Population Health Improvement**
 - Build capacity of CAHs to achieve measurable improvements in the health outcomes of their communities
- **Program Area 4: Rural EMS Improvement**
 - Improve the organizational capacity and quality of rural EMS
- **Program Area 5: Innovative Model Development**
 - Increase knowledge and evidence base supporting new models of rural health care delivery
- **Program Area 6: CAH Designation**
 - Assist rural hospitals to seek or maintain appropriate Medicare participation status to meet community needs



Years in the Period of Performance

Grant Year	Fiscal Year	Calendar Dates
Year 1	FY 2019	9/1/2019 – 8/31/2020
Year 2	FY 2020	9/1/2020 – 8/31/2021
Year 3	FY 2021	9/1/2021 – 8/31/2022
Year 4	FY 2022	9/1/2022 – 8/31/2023
Year 5	FY 2023	9/1/2023 – 8/31/2024



Annual Reporting Requirements

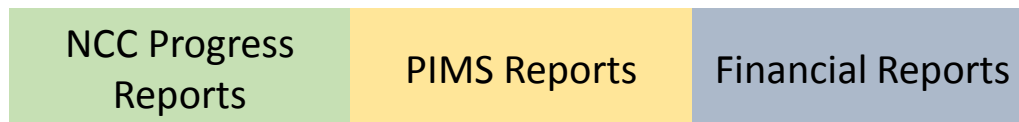
Item	Available	Due
Performance Report (PIMS)	September 1	October 30 (60 days)
Federal Financial Report (FFR)	September 1	January 30 (5 months)
Progress Report (NCC)	March (varies slightly)	May (45+ days)
Federal Cash Transaction Report (PMS)	Quarterly	Quarterly (+30 days)



Timeline for the Period of Performance

2019				2020								2021								2022															
S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A
Project Year 1 (FY19)				Project Year 2 (FY20)								Project Year 3 (FY21)																							
				Y1								Y2								Y3															
Y4								Y1								Y2																			
FFR FY18								FFR FY19								FFR FY20																			

2022				2023								2024								2025															
S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A
Project Year 4 (FY22)				Project Year 5 (FY23)								New Project Year 1 (FY24)																							
				Y4								n/a								Y1															
Y3								Y4								Y5																			
FFR FY21								FFR FY22				New App *								FFR FY23															



Flex Program Technical Assistance

- **Technical Assistance and Services Center (TASC)**
 - tasc@ruralcenter.org
 - The Flex Program Forum:
 - [Cooperative Agreement Tips and Best Practices](#)
 - [Developing your Program's Needs Assessment](#)
 - [Medicare Rural Hospital Flexibility Program Structure for FY 2019 – FY 2023](#)
- **Rural Quality Improvement Technical Assistance (RQITA)**
 - [MBQIP Resources](#)
 - tasc@ruralcenter.org
- **Flex Monitoring Team (FMT)**
 - [Contact page](#)



Application Instructions

- **Project Abstract**
- **Project Narrative**
 - Introduction
 - Needs Assessment
 - Methodology
 - Work Plan (Attachment 1)
 - Resolution of Challenges
 - Evaluation and Technical Support Capacity
 - Organizational Information
- **Budget & Budget Narrative**
- **Attachments**

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

HRSA
Health Resources & Services Administration

SF-424 Application Guide

A guide developed and maintained by HRSA for preparing and submitting applications through Grants.gov to HRSA using the SF-424 Application Package

Use with HRSA notices of funding opportunities (NOFOs) that specify use of the SF-424 Application Package

Updated July 5, 2018



Abstract

- **General information:**

- Project Title
- Applicant Organization Name
- Applicant Organization Address
- Applicant Organization Web Site
- Project Director Name
- State Flex Coordinator Name (if different from Project Director)
- State Flex Coordinator Contact Phone Number
- State Flex Coordinator E-Mail Address

- **A brief description of the project including the needs to be addressed, the proposed services, and the population to be served**

- **Goals and specific measurable objectives of the proposed project**

See page 34 of the [SF-424 Application Guide](#)



Project Narrative

- **Introduction**
- **Needs Assessment**
 - Analyze data to identify needs you will serve
- **Methodology**
 - Describe the project plan in detail
- **Work Plan (Attachment 1, NOT in the narrative)**
 - Identify activities and timelines
- **Resolution of Challenges**
- **Evaluation and Technical Support Capacity**
- **Organizational Information**



Project Narrative – Introduction and Need

- **Introduction**

- Briefly describe the purpose of your proposed project

- **Needs Assessment**

- Describe the collective needs of CAHs, rural EMS agencies, and rural communities
- Use timely and appropriate data, including CAHMPAS and MBQIP
- Clearly identify data sources
- Explain how you analyze data to identify needs
- Address the key questions in the NOFO (page 8-9)



Project Narrative - Methodology

- Describe specific measurable project objectives
- Explain the conceptual framework linking the proposed projects, activities, and interventions to achievement of those objectives
- Describe how the state Flex program will:
 - Address the identified needs of CAHs, rural EMS, and rural communities
 - Drive change and support quality, operational, financial, and population health improvement
 - Target and prioritize Flex resources
 - Conduct CAH site visits
 - Engage stakeholders and collaborate
 - Improve program effectiveness
- Refer to the tabular work plan for implementation details
- Include a logic model if working in Program Area 5



Project Narrative – Challenges

- **Resolution of Challenges**

- You have considered potential challenges and have a plan to resolve them



Project Narrative – Evaluation

- **Evaluation and Technical Support Capacity**
 - How you will assess the effectiveness of projects
 - The data you will collect and analyze to measure outputs and outcomes
 - Your process for monitoring and assessing subrecipients, subawards, and contractors
 - Are planned assessments clear, reasonable, realistic, and appropriate to the projects?



Project Narrative – Organizational Information

- **Organizational Information**

- Your organization's scope and structure
- The state Flex program structure and key relationships
- Staffing
- Financial management capabilities
- Refer to Attachment 2, Staffing Plan, and Attachment 4, Organizational Chart



Budget and Budget Narrative

- **Budget documents consist of two major parts**
- **SF-424A budget form**
 - Years 1 – 4 on one copy
 - Year 5 on second copy (Attachment 6)
- **Budget Narrative**



Application Budget (SF-424A)

- See [HRSA SF-424 Application Guide](#) section 4.1.iv (page 20) and NOFO section IV.2.iii (page 13) for instructions on preparing the budget and budget justification narrative.
- Please complete the SF-424A Budget form included with the application package.
- Complete Sections A – F of the SF-424A Budget Information – Non-Construction Programs form included with the application package for each year of the period of performance.



Example SF-424A, Section B

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
	Flex grant year 1	Flex grant year 2	Flex grant year 3	Flex grant year 4	
a. Personnel	\$ 120,000.00	\$ 125,000.00	\$ 130,000.00	\$ 130,000.00	\$ 505,000.00
b. Fringe Benefits	36,000.00	37,500.00	39,000.00	39,000.00	151,500.00
c. Travel	20,000.00	25,000.00	18,000.00	20,000.00	83,000.00
d. Equipment	0.00	0.00	0.00	0.00	0.00
e. Supplies	10,000.00	10,000.00	10,000.00	10,000.00	40,000.00
f. Contractual	244,400.00	236,250.00	231,000.00	231,000.00	942,650.00
g. Construction	0.00	0.00	0.00	0.00	0.00
h. Other	30,000.00	25,000.00	29,100.00	27,100.00	111,200.00
i. Total Direct Charges (sum of 6a-6h)	460,400.00	458,750.00	457,100.00	457,100.00	\$ 1,833,350.00
j. Indirect Charges	39,600.00	41,250.00	42,900.00	42,900.00	\$ 166,650.00
k. TOTALS (sum of 6i and 6j)	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 2,000,000.00

Required Budget Information

- In addition to requirements included in the NOFO, include the following in the Budget Narrative:
 - Personnel and Fringe
 - Travel
 - Equipment
 - Supplies
 - Contractual
 - Other
 - Indirect Costs
- Remember to refer to the [HRSA SF-424 Application Guide](#) as directed throughout the NOFO



Budget Narrative

- Provide a budget narrative that explains amounts requested for each line (object class category) of the budget in Sections A-F.
- Describe each cost element and explain how each cost contributes to meeting the project's objectives/goals. Be very careful about showing how each item in the "other" category is justified.
- For subsequent budget years, highlight any changes from year one or clearly indicate that there are no substantive budget changes during the project period.
- **MUST** be concise. Do NOT use the budget narrative to expand the project narrative.
- See [HRSA SF-424 Application Guide](#) section 4.1.v (page 28).



Budget Narrative – Travel

- List travel costs according to local and long distance travel.
- For local travel, outline the mileage rate, number of miles, reason for travel and staff member/consumers completing the travel.
- For long distance travel, outline expenses (e.g., airfare, lodging, parking, per diem, etc.) for each person and trip associated with participating in meetings and other proposed trainings or workshops.



Budget Narrative – Contractual/Subawards

- Provide a clear explanation as to the purpose of each contract/subaward, how the costs were estimated, and the specific contract/subaward deliverables.
- Notify potential subrecipients that entities receiving subawards must be registered in SAM and provide the recipient with their DUNS number (see [2 CFR part 25](#)).
- 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.



Programmatic Budget Requirements

- **Staffing of at least 1.0 full time equivalent implementing the program**
- **Travel for annual attendance at national Flex Program meeting and one other regional or national meeting**
- **Travel for new staff to Flex Workshop**
- **You cannot use funds under this notice for the following purposes:**
 - For direct patient care (including health care services, equipment, and supplies);
 - To purchase ambulances and any other vehicles or major communications equipment;
 - To purchase or improve real property; and/or
 - For any purpose which is inconsistent with the language of this NOFO or Section 1820(g)(1, 2) of the Social Security Act (42 U.S.C. 1395i-4(g)(1) and (2)).



Indirect Cost Limit

- **Limited to 15 percent of total direct costs, approximately 13 percent of Total Project Costs**

Authorizing legislation (Title XVIII, §1820(g)(4) of the Social Security Act (42 U.S.C. 1395i-4(g)(4)), as amended) limits indirect costs under the Flex program. Indirect costs will be budgeted and reimbursed at the lesser of 15 percent of total direct costs or the applicant's negotiated Indirect Cost Rate Agreement (ICRA). The 15 percent limit comes to approximately 13.04 percent of the Total Project Costs, inclusive of direct and indirect costs. This limitation on indirect cost rates is a requirement of this federal award and, as required in [45 CFR § 75.351-353](#), the limitation includes subrecipients.



Salary Limit

- The Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (P.L. 115-245) **limits the salary amount** that may be awarded and charged to HRSA grants and cooperative agreements to the Federal Executive Pay Scale Level II rate set at **\$189,600, effective January, 2018**.
- This amount reflects an individual's base salary exclusive of fringe benefits. An individual's institutional base salary is the annual compensation that the recipient organization pays an individual and excludes any income an individual may be permitted to earn outside the applicant organization duties. HRSA funds may not be used to pay a salary in excess of this rate. **This salary limitation also applies to subrecipients under a HRSA grant or cooperative agreement.** The salary limitation does not apply to payments made to consultants under this award although, as with all costs, those payments must meet the test of reasonableness and be consistent with recipient's institutional policy. None of the awarded funds may be used to pay an individual's salary at a rate in excess of the salary limitation. Note: an individual's base salary, per se, is NOT constrained by the legislative provision for a limitation of salary. The rate limitation simply limits the amount that may be awarded and charged to HRSA grants and cooperative agreements.
- [Grants Policy Bulletin 2019-02: Legislative Mandates for FY 2019](#)



Required Cost Information

- Budget line items must be logically linked to activities outlined in the project narrative.
- Are the costs:
 - Allowable? (Conforming to policies and limitations)
 - Allocable? (Assigned to specific objective/activity)
 - Reasonable? (Justified)
- See the HRSA [FAQs for Award Recipients](#)



Attachments

1. **Work Plan**
2. **Staffing Plan**
3. **Biographical Sketches of Key Personnel**
4. **Project Organizational Chart**
5. **Indirect Cost Rate Agreement (NOT counted in page limit)**
6. **For Multi-Year Budgets--5th Year Budget (NOT counted in page limit)**

Tip: Convert all files to PDF before uploading to Grants.gov



Attachment 1 – Work Plan

- **Five-year section (period of performance)**
 - Goal statement(s) for each program area
 - One to three clearly defined outcome measures for each program area with a clear, time-based target for each outcome measure
 - A five-year timeline indicating project timespan at a high level
- **Annual section**
 - Activities planned in each activity category
 - Expected outputs (process measures) for each activity category
 - Timeline for activities with key milestones to track progress
 - Responsible individuals including program staff and contractors
 - Budget of funds allocated to each activity category



Work Plan Template

- Developed by TASC in collaboration with FORHP
- Tabular template is formatted for printing to PDF and meets the NOFO requirements
- Download the template from the [Flex Guidance webpage](#)
- Working webinar to review the template [February 11, 2019, at 2 p.m. Eastern Time](#)

Grant Number: XXXXXXXXXX		Performance Year Work Plan for FY 2019		
Funding Opportunity Number: HRSA-19-024		9/1/2019 - 8/31/2020		
Project Title: Medicare Rural Hospital Flexibility Program		State: XX		
<u>Activities Description (by category)</u>	<u>Expected Outputs</u>	<u>Actual Outputs (complete for progress reporting only)</u>	<u>Timeline and Key Milestones</u>	<u>Staffing</u>
Program Area 1: Critical Access Hospital (CAH) Quality Improvement (required)			Total budget for program area:	
1.1 Report and improve Core Patient Safety/Inpatient Measures (required annually)			Total budget for category:	
1.2 Report and improve Core Patient Engagement Measures (required annually)			Total budget for category:	
1.3 Report and improve Core Care Transitions Measures (required annually)			Total budget for category:	
1.4 Report and improve Core Outpatient Measures (required annually)			Total budget for category:	



Example of a complete application (41 pages)

Number of Pages	Section
1	Abstract
20	Project Narrative
n/a	Budget Form SF-424A
6	Budget Narrative
8	Attachment 1 – Work Plan
1	Attachment 2 – Staffing Plan
3	Attachment 3 – Biographical Sketches of Key Personnel
1	Attachment 4 – Project Organizational Chart
n/a	Attachment 5 – Indirect Cost Rate Agreement
n/a	Attachment 6 – 5th Year Budget on SF-424A
1	Attachment 7 – Logic Model for Innovative Project



Peer Review Process

- **HRSA's Division of Independent Review will:**
 - Convene panels of expert reviewers
 - Ensure that a fair and ethical review is conducted for each application
 - Provide a summary of the panel's comments regarding application strengths and weaknesses



Helpful Tips

- **Application Planning**

- Have I read the entire funding opportunity and HRSA SF-424 application guide?
- Does my organization have the technical expertise, the personnel, and the financial capacity?
- Are all stakeholders in my organization supportive?
- Is my organization prepared to do what it takes?

- **Paint a comprehensive picture**

- **Review criteria (pages 18 - 21 of the NOFO)**

- All eligible applicants will be reviewed by an Objective Review Committee to assess the technical merit of the application

- **Submit your application early**



REMEMBER!

- Read NOFO **and** [SF-424 Application Guide](#) for all the details
- Review the [Medicare Rural Hospital Flexibility Program Structure for FY 2019 – FY 2023](#)
- Register in **DUNS**, **SAM**, and **Grants.gov** as soon as possible (or make sure organizational information is current)
- Submit application in Grants.gov by **March 29, 2019**



Questions received before the webinar

- **Q: If our CAHs consistently perform well in certain MBQIP core measures can we focus our improvement projects on other measures or domains?**
 - A: Yes. The NOFO requires that all applications address the required quality improvement activity categories. However you can adjust the level of effort that you put into different measures and domains as appropriate to the conditions in your state and the interests of your CAHs. You may monitor high-performing measures and focus improvement work on low-performing measures.
- **Q: What activity category do I use for additional MBQIP measures?**
 - A: There is one category for the core measures in each MBQIP domain and one category for the additional measures in each MBQIP domain. Organize additional measures in the optional category for that domain (e.g. CAUTI in Activity Category 1.5).



Questions received before the webinar

- **Q: Can I include projects such as Quality Director training, risk management training, or consultant-led quality assessments of overall practices? These don't target a specific quality measure.**
 - A: Yes your quality improvement work in Program Area 1 can include projects such as quality director training that work on quality improvement practices as a whole. Such interventions have the potential to impact multiple MBQIP core measures (and additional measures) and can be part of your strategy to improve on multiple quality measures. Use the narrative to explain how these projects will lead to improvement in multiple MBQIP measures.



Questions while working in Grants.gov

- **Q: How do I complete page 1 of the 424 Workspace form?**
 - Select new in Box 2.
 - HHS requires a 9-digit zip code for street addresses. Use the [USPS Look Up a Zip Code](#) tool.
 - Enter the name of the Project Director in 8.f.

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: <input type="text" value="completed by Grants.gov"/>	4. Applicant Identifier: <input type="text"/>	
5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text"/>	



Questions while working in Grants.gov

- **Q: What do I put on lines 17 and 18 of the 424 Workspace form?**
 - List the entire project period on line 17 (9/1/2019 – 8/31/2024)
 - List **only** year 1 funding on line 18.

17. Proposed Project:	
* a. Start Date: 09/01/2019	* b. End Date: 08/31/2024
18. Estimated Funding (\$):	
* a. Federal	500,000.00
* b. Applicant	0.00
* c. State	0.00
* d. Local	0.00
* e. Other	0.00
* f. Program Income	0.00
* g. TOTAL	500,000.00



More Questions ???



Contact Information

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Health Resources and Services Administration (HRSA)

Web: www.hrsa.gov/ruralhealth/





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