

PROGRAM AREAS OF THE FLEX PROGRAM

In fiscal year (FY) 2019 (September 1, 2019 – August 31, 2020), the Flex Program began a new project period focused on providing 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 is available in rural communities and aligned with community needs.

The Flex Program, as a five-year project period, is designed to allow state Flex grantees to develop, implement, and measure impact and improvement within the key program areas of the cooperative agreement.

State Flex funding for this project period will act as a resource and focal point for strategic planning in the following six program areas with an emphasis on quality, operational, and financial improvement in critical access hospitals (CAHs):

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)

The first two program areas, Quality Improvement and Operational and Financial Improvement, are required to be addressed by all state Flex Programs and have both required and optional activity categories to support these program areas. Other program areas are optional with optional activity categories. Supporting CAH designation is a required program area only if hospitals in the applicant's state seek help in conversion to CAH status. The fifth program area, Integration of Innovative Health Care Models, is the newest element of the Flex Program designed to allow states to think creatively about transforming rural care across their state given gaps identified through the application development process, initial needs assessment collection, and other relevant data.

The overall goal of the Flex Program is to ensure that high quality health care is available in rural communities and aligned with community needs. The goals of the six program areas are as follows:

- Increase the number of CAHs consistently reporting quality data

- Improve the quality of care in CAHs
- Maintain and improve the financial viability of CAHs
- Build capacity of CAHs to achieve measurable improvements in the health outcomes of their communities
- Improve the organizational capacity of rural EMS
- Improve the quality of rural EMS
- Increase knowledge and evidence base supporting new models of rural health care delivery
- Assist rural hospitals to seek or maintain appropriate Medicare participation status to meet community needs

I. CAH Quality Improvement

This program area, referred to as the Medicare Beneficiary Quality Improvement Project (MBQIP), focuses on work to improve the quality of health care provided by CAHs and other rural health care providers. Other types of health care providers can and should benefit from this work, but the majority of activities must target CAHs.

MBQIP activities are grouped in four quality domains: Patient Safety/Inpatient, Patient Engagement, Care Transitions, and Outpatient. FORHP expects all grantees to select Activity Categories 1.1- 1.4 (required) which covers the four quality domains of MBQIP.

Building and maintaining the participation of all CAHs in MBQIP through these sets of quality measurement and reporting activities are required. In year one of the cooperative agreement cycle, it is acceptable to work towards building the capacity for CAHs to participate in these activities and report data if they are not already doing so. For CAHs already engaged in quality reporting, the focus should be quality improvement. To be eligible to benefit from Flex grant funds in FY 2019 (September 1, 2019 – August 31, 2020), CAHs had to have a signed MBQIP Memorandum of Understanding (MOU) on file with FORHP and have met the minimum requirements for reporting as described in the [Flex Eligibility Criteria for MBQIP Participation and Waiver Templates](#) page or have completed the necessary MBQIP waiver.

Every year, FORHP evaluates the MBQIP participation requirements for CAHs to be eligible to participate in the Flex Program and Flex-related activities. FORHP understands that certain circumstances hinder CAHs from reporting. Therefore, Flex Programs have the opportunity to request waivers for MBQIP participation requirements for the current fiscal year on behalf of CAHs initially deemed ineligible due to non-participation. The Flex Program must

submit a waiver as part of their non-competing continuation (NCC) progress report as an attachment. Detailed participation criteria are currently available from FORHP concerning participation through FY 2019.

Along with the required set of quality improvement activities, there are additional activity categories that grantees are encouraged to select based on the needs of the CAHs in their state (Activity Categories 1.5 – 1.8). These activity categories do not require participation by all CAHs, but instead should include a cohort(s) of CAHs in the state prepared to focus quality improvement efforts on the identified area. It is acceptable to work with an individual hospital, but the need must be clearly justified. While some of the additional activity categories do have existing measures, some do not have a standardized measure set or reporting mechanism. These activity categories were included to give states an option to work on these national quality priority areas.

Potential resources related to quality improvement include:

- [MBQIP website](#)
- [Flex Monitoring Team \(FMT\)](#)
- [Emergency Department Transfer Communication](#)

For specific information on the Program Area 1: CAH Quality Improvement goals, activity categories, requirement, and suggested output and outcome measures, please see the [Medicare Rural Hospital Flexibility Program Structure for FY 2019 – FY2023](#).

II. CAH Operational and Financial Improvement

FORHP requires all grantees to annually select Activity Category 2.1. Activity Categories 2.2 – 2.5 are not individually required, but FORHP requires state Flex Programs to support one or more improvement projects in this program area as determined by the state's needs assessment (Activity Category 2.1) and program capacity. FORHP encourages states to identify new or existing successful financial and operational improvement programs and leverage those to meet the collective needs of CAHs in your state in order to maximize the impact of limited Flex funds. States should minimize consultant expenditures toward individual CAHs for improvement activities and should instead focus on cohorts, unless adequately justified. Work within this program area must focus on CAHs, however state Flex Program may assist CAHs that operate provider-based rural health clinics (RHCs) or other off-campus health care sites.

For specific information on the Program Area 2: CAH Operational and Financial Improvement goal, activity categories, requirement, and suggested output and outcome measures, please see the [Medicare Rural Hospital Flexibility Program Structure for FY 2019 – FY2023](#).

III. CAH Population Health Improvement

This optional program area focuses on helping to build capacity of CAHs to achieve measurable improvements in the health outcomes of their communities. There are a variety of activity categories in this program area. They are focused on understanding health improvement needs, developing strategies, and engaging with community stakeholders to address specific health needs. As in previous years, Flex funds cannot be used to pay for the completion of community health needs assessments (CHNAs).

For specific information on the Program Area 3: CAH Population Health Improvement goal, activity categories, requirement, and suggested output and outcome measures, please see the [Medicare Rural Hospital Flexibility Program Structure for FY 2019 – FY2023](#).

IV. Rural EMS Improvement

This optional program area focuses on work to improve rural EMS as it is a vital link to emergency health care for rural residents. The Flex Program supports establishing and expanding programs that support the provision of rural EMS. Goals of this program area include improving organizational capacity of EMS and improving the quality of rural EMS. Projects within this program area are to focus primarily on out-of-hospital emergency medical services. Projects including both EMS and CAH emergency departments (ED) are encouraged, but projects that focus solely on the CAH ED should be part of Program Area 2: Operational and Financial Improvement. Completion of a statewide rural EMS Needs Assessment and Action Plan (Activity Category 4.1) and/or completion of a community-level rural EMS system assessment and action planning are required work in this program area if a state Flex Program chooses to address rural EMS improvement. It is expected that states working in this program area will complete at least one of these two types of assessments during the five-year program cycle.

For specific information on the Program Area 4: Rural EMS Improvement goal, activity categories, requirements, and suggested output and outcome measures, please see the [Medicare Rural Hospital Flexibility Program Structure for FY 2019 – FY2023](#).

Fiscal Year 2019 Flex Program EMS Supplement

With declining numbers of volunteers to staff ambulances, declining financial support from local governments, and increased educational standards for emergency medical technicians and paramedics, access to emergency care is at risk in many rural communities. Flex Program stakeholders have identified addressing the needs of struggling ambulance agencies as a key issue to maintaining access to emergency care in rural communities. Stakeholders have also identified EMS quality improvement as a key challenge for both EMS sustainability and EMS participation in value-based care.

The Flex Program provides a platform and resources for states to strengthen rural health care by supporting improvement initiatives with critical access hospitals and rural EMS agencies. State Flex programs have supported EMS improvement activities in the past but have faced challenges with limited capacity to address EMS needs given other rural health care priorities. In the Fiscal Year 2019 (FY 2019) Flex Program funding cycle, the Federal Office of Rural Health Policy (FORHP) issued a Notice of Funding Opportunity (NOFO) for supplemental EMS projects. The goal of the supplemental funding is to improve access to quality emergency care in rural communities. The projects will develop an evidence base for Flex Program EMS activities, by funding four multi-year projects in each of the following two focus areas:

- Focus Area 1: To implement demonstration projects on sustainable models of rural EMS care. Projects will facilitate the development and implementation of promising solutions for the problems faced by vulnerable EMS agencies and contribute to an evidence base for appropriate interventions.
- Focus Area 2: To implement demonstration projects on data collection and reporting for a set of rural-relevant EMS quality measures. Projects will facilitate the development of a core set of validated, rural-relevant EMS quality measures.

The period of performance for the Flex EMS Supplement is September 1, 2019, through August 31, 2022 (three years). Funding beyond the first year is subject to the availability of appropriated funds for the Flex Program in subsequent fiscal years, satisfactory recipient performance, and a decision that continued funding is in the best interest of the Federal Government. The full Flex EMS Supplement NOFO can be viewed here:

<https://www.ruralcenter.org/content/flex-program-grant-and-cooperative-agreement-guidance>

State Flex Programs awarded the Flex EMS Supplement funding up to \$250,000 per year for three years are:

- Sustainable models of rural EMS care:
 - Arizona
 - Ohio
 - South Carolina
 - Washington
- Data collection and reporting:
 - Florida
 - Kentucky
 - New Mexico
 - North Dakota

The Technical Assistance and Services Center (TASC) was awarded supplemental funding to provide technical assistance to the eight Flex EMS Supplement projects.

V. Innovative Model Development

If a state Flex Program is interested in developing innovative rural health care models to improve quality, finances, operations, population health, and/or system delivery, they may choose to do work in this program area. The goal of this program area is to increase knowledge and the evidence base supporting new models of rural health care delivery. Projects in this program area can be for one to five years. Evidence must be provided by the state Flex Program that they can meet the majority of Program Area 1 and Program Area 2 needs in the state before opting to do work in Program Area 5. They also must demonstrate organizational capacity to manage projects in this program area. State Flex Programs also were required to submit a logic model with their application to do work in this program area.

For specific information on the Program Area 5: Innovative Model Development goal, activity categories, requirements, and suggested output and outcome measures, please see the [Medicare Rural Hospital Flexibility Program Structure for FY 2019 – FY2023](#).

VI. CAH Designation

In accordance with program authorizing authority, state Flex Programs must facilitate when requested appropriate conversion of small rural hospitals to CAH status. Flex Programs must assist hospitals in evaluating the effects of conversion to CAH status.

This may include assisting with financial feasibility studies for hospitals considering conversion to CAH status, as well as feasibility studies for reopening closed rural hospitals or converting CAHs to other types of facilities.

For specific information on the Program Area 6: CAH Designation goal, activity categories, requirements, and suggested output and outcome measures, please see the [Medicare Rural Hospital Flexibility Program Structure for FY 2019 – FY2023](#).