



2026-2027 SHIP Application Webinar

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- SHIP Grant Overview
- Current SHIP Program Year
- 2026-2027 SHIP Program Year
- Application Instructions
- SHIP Funding Requirements
- Reminders
- Resources

SHIP Purpose

- SHIP, the Small Rural Hospital Improvement Program, is supported by the Health Resources and Services Administration's (HRSA) Federal Office of Rural Health Policy (FORHP). Through SHIP, small rural hospitals that meet certain eligibility requirements are able to apply for funding to assist in the implementation of activities related to:
 - Value Based Purchasing (VBP)
 - Accountable Care Organizations (ACO)
 - Payment Bundling (PB)/Prospective Payment System (PPS)
- Program assists hospitals in improving health care quality and value through investments in hardware, software, and training

2023-2028 SHIP Grant Overview

- 5 year grant period: July 1, 2023 - May 31, 2028. Each year of the grant agreement is an individual project/budget year
- Award amounts will be determined and announced annually with an award letter
- Expenditures must be submitted annually and cannot cross project years
- SHIP funding priorities:
 - MBQIP reporting (for Critical Access Hospitals only)

Year	Start	End
1	July 1, 2023	May 31, 2024
2	June 1, 2024	May 31, 2025
3	July 1, 2025	May 31, 2026
4	June 1, 2026	May 31, 2027
5	June 1, 2027	May 31, 2028

2025 SHIP Program Year

- 2025 annual project year: July 1, 2025 – May 31, 2026
- 2025 Award: \$9,929 per hospital
- Year 3 Report due dates:
 - Progress Report- January 9, 2026
 - Financial Report- June 20, 2026
 - Final Report- June 20, 2026

Progress Report- Current SHIP Grantees

Current grantees need to fill out the “Year 3: 2025-2026 Progress Report” in the grant portal

- Indicate activities and progress levels for current SHIP Year
 - Note any previous activities listed in Year 3 Application
 - If no longer completing activity, list it under the description and mark “abandoned”
 - List any new activities and mark progress level
 - List any outcomes/impacts/lessons learned if the activity is completed
 - Indicate if you plan to fully spend down your award
- CAHs to demonstrate MBQIP participation

Value Based Purchasing (VBP)

Please report on progress of the activities selected in the application under the Value Based Purchasing (VBP) on the webpage for [Value-Based Purchasing \(VBP\)](#).

Please report on progress per the definitions below:

- **Not Started** – Not yet working on the activity but have good faith plans to complete by 5/31.
- **Started/In progress** – Currently and actively working on the activity in good faith to complete by 5/31.
- **Completed** – The activity has been fully implemented and impact/outcome can be determined.
- **Abandoned** – The activity has been abandoned.

Table 1. Value-Based Purchasing (VBP) Investment Activities

Select the current VBP SHIP activities from the choices below. In the following sections, you will be asked to provide.

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

> Accountable Care Organizations, Shared Savings Investments

Financial and Final Report- Current SHIP Grantees

Final Report:

- Due June 20, 2026
- Indicate activities for current SHIP Year
 - Note any previous activities listed in Year 3 Application and Year 3 Progress Report
 - If no longer completing activity, list it under the description and mark “abandoned”
 - List any new activities and mark progress level
 - List any outcomes/impacts/lessons learned
 - CAHs to demonstrate MBQIP participation

Financial Report:

- Due June 20, 2026
- No expenditure report
- Include invoices, contracts, or other proof of expense documentation
- Proof of payment documentation needed for financial reconciliation
- Required for expenses reimbursement with award

2026 SHIP Program Year

- 2026 annual project year: June 1, 2026 – May 31, 2027
- Estimated maximum award amount: \$13,528
- Year 4 Report due dates
 - Year 4 Application report- January 9, 2026
 - Progress report- January 2027 (estimated)
 - Financial Report- June 20, 2027
 - Final Report- June 20, 2027

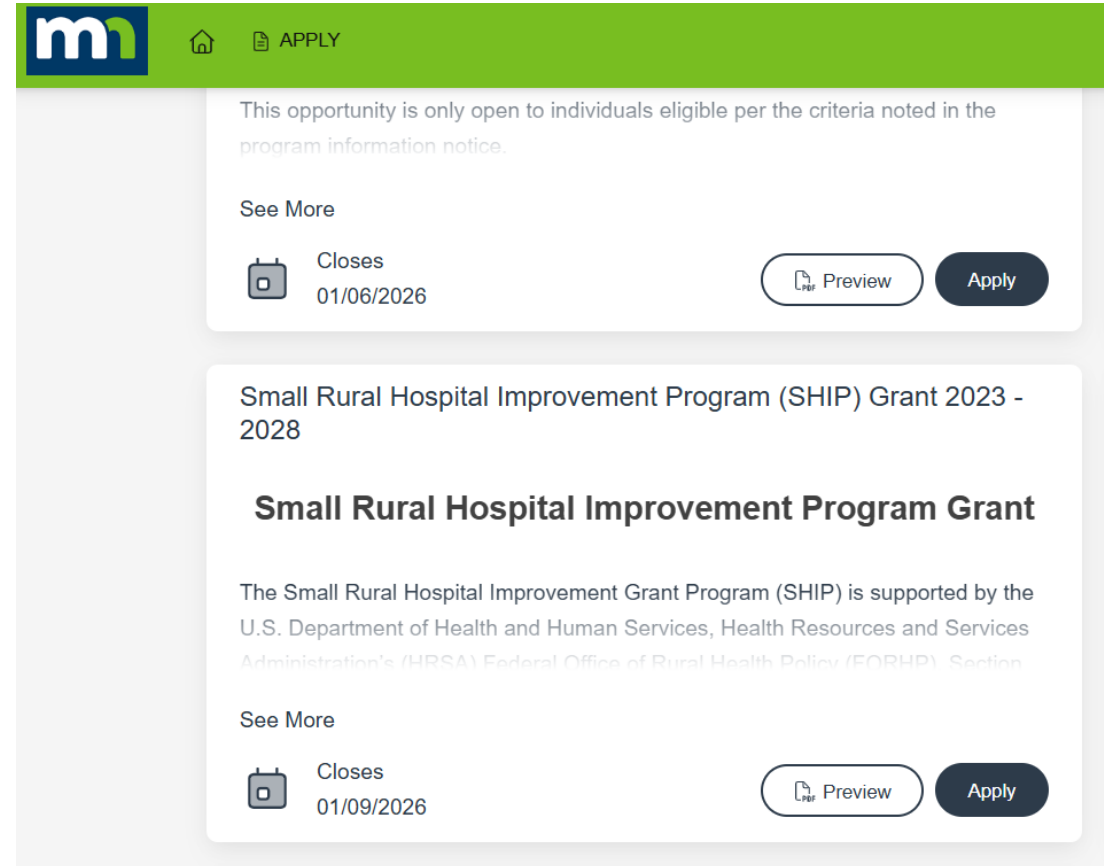
Application- Current SHIP Grantees

- Current grantees need to fill out the “Year 4: 2026-2027 Application Report” in the grant portal
 - Assigned to original applicant
 - Note any changes to organization
 - Indicate SHIP activities and budget for 2026-2027 program year
- Failure to complete the application report will result in no SHIP award for 2026-2027

> General Information Review
> Hospital Information
> Purchasing Menu Instructions
> Value Based Purchasing Menu
> ACO or Shared Savings Investment Activities Purchasing Menu
> Payment Bundling or Prospective Payment System Investment...
> Budget
> Optional Attachments
> Signature

Application- New SHIP Grantees

- Hospitals who do not currently have a SHIP grant need to fill out a new application in the grant portal
 - Existing Users: log in or use the forgot password button
 - New Users: verify your organization has or doesn't have a profile & create profile(s)
 - If you are unsure of organization's status, reach out to MDH
- On the home page of the portal, find the SHIP Application
- Click Apply



The screenshot shows the user interface of the SHIP Grant Application Portal. At the top, there is a green navigation bar with the 'm' logo, a home icon, and an 'APPLY' button. Below the navigation bar, a white card displays a notice: 'This opportunity is only open to individuals eligible per the criteria noted in the program information notice.' Below this notice is a 'See More' link. To the right, there is a 'Closes' section with a calendar icon and the date '01/06/2026'. Further right are two buttons: 'Preview' and 'Apply'. Below this card, another white card displays the title 'Small Rural Hospital Improvement Program (SHIP) Grant 2023 - 2028'. Underneath the title is the heading 'Small Rural Hospital Improvement Program Grant'. The main text describes the program as being supported by the U.S. Department of Health and Human Services, Health Resources and Services Administration's (HRSA) Federal Office of Rural Health Policy (FORHP). Below the text is another 'See More' link. At the bottom of this card, there is a 'Closes' section with a calendar icon and the date '01/09/2026', and two buttons: 'Preview' and 'Apply'.

SHIP Funding Requirements

- Medicare Beneficiary Quality Improvement Project (MBQIP) participation
 - For Critical Access Hospitals (CAHs) only
 - CAHs must list how they are meeting MBQIP participation requirements in order to improve hospital quality outcomes
 - If funds remain, CAHs that have implemented MBQIP activities may select an additional activity listed on the [SHIP Allowable Investments page](#)
- Given the current progress of ICD-11 adoption in the U.S., the ICD-11 readiness priority requirement is waived in FY 2025 and FY 2026 and until further notice

Monitoring Visits and Financial Reconciliation

- The award total for the 5 year grant agreement will reach the threshold that requires a monitoring visit and financial reconciliation
- Required for awards over \$50,000
- Financial reconciliation requires proof of expense AND proof of payment supporting documents
- Monitoring visits will be conducted in-person or virtually

SHIP Reporting: Best Practices

- Brief and specific activity details
 - Include vendor name
 - Clearly defines what the expense is
 - How the activity relates to SHIP goals
- “Quality reporting software platform fees with [vendor name]”
 - “Cybersecurity software subscription fees with [vendor name]”
 - “Training expenses with [vendor] to improve MBQIP patient engagement data collection”
 - “2 monitors and cameras for telehealth application”
 - “Press Ganey software for inpatient experiences”
 - “Rental fees for tele-pharmacy medication dispensing machine”
 - “Subscription fees for [vendor] EHR software”

SHIP Unallowable Expenses

- Surveys and assessments (excluding HCAHPS)
- Leadership training (mid-level management is allowable)
- Alterations and Renovations
- Contractors, Consulting, and Reviews (excluding HCAHPS and Chargemaster Review)
- Medical Equipment and Supplies
- Medical Training (training for direct patient care, treatment, or response)
- Membership(s) (including EMS)
- Patient safety equipment and security
- Provider fees
- Staff salaries and payroll

SHIP Year 2: Recurrent Expenses

- VBP B. MBQIP data collection process/related training
 - HCAHPS data collection
 - Patient satisfaction survey data training
- VBP A. Quality reporting data collection/related training software
 - Safety/incident report tracking software
 - Quality reporting training
- ACO B. Pharmacy services training, hardware/software, machines
 - Interface software for 340B requirements
 - Telepharmacy machine rental fees
- ACO I. Health Information Technology (HIT) training for value and ACOs including training, software, and risk assessments associated with cybersecurity
 - Cybersecurity risk assessments
 - Cybersecurity software
 - Cybersecurity training
- PB/PPS C. Efficiency or quality improvement training in support of PB or PPS related initiatives/E. Price Transparency Training
 - Revenue cycle management training
 - Voice Dictation Software/Hardware

- Contact SHIP (health.ruralSHIP@state.mn.us) with organization updates
 - Hospital SHIP project contact
 - Authorized organization representative
 - SWIFT changes
- Note your contract execution and award letter dates
- Reach out if you are looking for ideas for SHIP expenses
- HCAHPS expenses
 - Inpatient vendor fees only, not EDCAHPS, outpatient, or ambulatory
 - Assure you have the correct supporting documentation prior to invoicing
- Conference fees require prior approval from HRSA
 - Include link to conference agenda with request

- National Rural Health Resource Center
 - [Allowable Investments Search Tool | National Rural Health Resource Center \(ruralcenter.org\)](#)
 - [FY 2026 Allowable Investments](#)
- ORHPC Website
 - Reporting guidance, webinar resources: [ORHPC Grants and Funding - MN Dept. of Health \(state.mn.us\)](#)
- Minnesota SHIP Program Contact Information
 - Health.RuralShipGrant@state.mn.us

Questions?

Thank You!

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