

FY 2025 SHIP PERFORMANCE NARRATIVE

I. FY 2024 SORH Progress on Activities

The Pennsylvania Office of Rural Health (PORH) has administered the State's Small Rural Improvement Program (SHIP) since its inception and continues to implement the program at participating hospitals. For FY 2024, 24 of 24 SHIP-eligible hospitals in Pennsylvania chose to participate in the program and selected activities from at least one of the three approved investment categories.

In FY 2023, one hospital in the State was converted to a State classification of an Outpatient Emergency Hospital, and as a result, was no longer eligible to receive SHIP funding. HRSA directed that this funding be returned by reporting funds as an unobligated balance on the FFR for FY 2024. All 24 hospitals have participated in ICD-11 training, the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) and continue to complete quarterly CMS reporting requirements.

For the FY 2024 period of performance, 21 hospitals selected activities in **Value-Based Purchasing (VBP)**, 10 hospitals selected activities in **ACO or Shared Savings**, and 24 hospitals selected activities in **Payment Bundling and Prospective Payment System (PB/PPS)**. The majority of hospitals chose investment activities related to HCAHPS data collection and quality improvement (QI) training. A significant number of hospitals also chose to invest in telehealth hardware, software, and training. All of the hospitals selected continued training in ICD-11 and ICD-11 software.

PORH's program monitoring strategy includes regular communication with participating hospitals throughout the period of performance and FY 2024 is no exception. Pennsylvania's SHIP hospitals have a strong history of project completion and timely expenditure of funds. All funds will be expended by the end of the period of performance, May 31, 2025. FY 2024 impacts from ongoing hospital-selected SHIP activities include improvements in HCAHPS scores and patient satisfaction, price transparency requirement implementation and training, enhanced patient safety and outcomes, and ICD-11 readiness training.

II. FY 2024 Noteworthy Accomplishment

Pennsylvania's achievements during the FY 2024 performance period highlight the State's ongoing commitment to improving rural health care, particularly for Medicare beneficiaries. Notably, the Pennsylvania Medicare Rural Hospital Flexibility Program was awarded the 2024 Medicare Beneficiary Quality Improvement Project (MBQIP) Certificate of Excellence Award. This recognition, ranking Pennsylvania's program #1 nationally, underscores the successful reporting and performance across 16 critical access hospitals in rural counties, each serving diverse populations including Medicare patients, low-income individuals, and the uninsured.

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Another significant accomplishment was the receipt of the 2024 Calico Quality Leadership Award by PORH’s Director. Both awards were presented during the annual Flex Program Reverse Site Visit in Washington, DC

Despite challenges such as turnover and staffing shortages, SHIP hospitals continue to provide high-quality care. The resilience and dedication of the leadership and staff at these hospitals ensures that they meet patient care needs while managing other critical responsibilities.

PORH took proactive steps in supporting the State's compliance with ICD-11 readiness requirements. The Quality Improvement (QI) Coordinator, serving as the ICD-11 resource for PORH, participated in key training events and webinars. One of these was the “ICD-11 Coding Readiness & Implementation Training Webinar” held by the National Organization of State Offices of Rural Health (NOSORH) in June 2024, where the QI Coordinator gained insights from an ICD-11 expert. The 2024 Pennsylvania Rural Health Care Transformation Summit featured a session on transitioning to ICD-11, ensuring that attendees were well-prepared for the upcoming implementation. SHIP hospitals unable to attend the summit received hard copies of the ICD-11 Implementation Guide, reinforcing Pennsylvania’s comprehensive approach to supporting rural health.

III. FY 2024 Health Equity Activities

PORH is committed to improving health equity, particularly through its efforts to reduce disparities between rural and urban communities. In FY 2024, the QI Coordinator and the Director upheld their roles as health equity leaders, with the Director serving as a member of the Pennsylvania Department of Health's Office of Health Equity Advisory Committee since 2007. The Director is also a frequent presenter on rural health disparities at the state and national levels. As a testament to PORH’s continued dedication to health equity, the office was awarded the 2024 Health Equity Champion Award from the Pennsylvania Office of Health Equity.

In FY 2024, PORH also focused on enhancing health equity in rural Pennsylvania by strengthening existing partnerships and forming new collaborations. PORH’s QI Coordinator was invited to serve as a co-author of “[Diagnostic Excellence in U.S. Rural Healthcare: A Call to Action](#),” Issue Brief 24, published in September 2024 by the Agency for Healthcare Research and Quality (AHRQ). The QI Coordinator contributed a section on Social Determinants of Health.

The QI Coordinator maintains a comprehensive [QI page](#) on PORH's [website](#), which includes evidence-based toolkits designed to support health equity across Pennsylvania. Examples of resources available on the page include:

- **Promising Practices for Rural Health Equity:** [Rural Health Equity Toolkit](#)
- **Health Equity Resources from PORH:** [Health Equity Page on PORH's Website](#)
- **Healthy People 2030 Health Equity Priority Areas:** [Health Equity - Healthy People 2030](#)

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Through these efforts, PORH continues to advance health equity promotion, address social drivers of health, and improve health literacy across rural Pennsylvania. PORH remains a vital bridge in advancing these goals and ensuring equitable health outcomes for all residents of the state.

IV. FY 2024 Significant Changes

During the FY 2024 reporting period, no significant changes occurred that required the submission of a prior approval request, including changes to the scope or key personnel. However, significant revisions were made to the contract process.

Recent required adjustments to the SHIP contract process at Penn State, PORH’s home institution, have led to shifts in how funding is distributed. The university has moved the management of contracts from PORH to the College of Health and Human Development’s (CHHD) Grants and Contracts office, and Penn State’s Office of Sponsored Programs (OSP). This transition aims to streamline the process, align it more closely with university resources, and ensure that grant partners meet all necessary federal reporting requirements.

This change required a thorough review of the SHIP contract process by CHHD and OSP, resulting in significant delays in the distribution of SHIP funding to hospitals. While the long-term goal of these changes is to improve efficiency and oversight, the immediate effect has been a temporary disruption in the timely flow of funds to hospitals that rely on this support. Once hospitals have set up the initial process, the new system is expected to enable a smoother transition of funds going forward.

V. Plans for Upcoming FY 2025 Budget Year

For FY 2025, 24 Pennsylvania hospitals are eligible for SHIP funding and all hospitals chose to participate. All 17 Critical Access Hospitals participate in MBQIP activities. All 24 hospitals will participate in ICD-11 readiness training scheduled for October 21, 2025.

The following 21 hospitals selected activities in **Value Based Purchasing (VBP) Investments**:

SHIP-eligible Hospital	How SHIP Funds Will Be Utilized
Barnes-Kasson County Hospital	B: MBQIP data collection process/related training-HCAHPS Vendor
Bucktail Medical Center	A: Quality reporting data collection/related training or software
DLP Conemaugh Meyersdale Medical Center	B: MBQIP data collection process/related training-HCAHPS Vendor
DLP Conemaugh Miners Medical Center	B: MBQIP data collection process/related training-HCAHPS Press Ganey Services C: Efficiency or quality improvement training in support of VBP activities-Emergency Preparedness

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DLP Conemaugh Nason Hospital	B: MBQIP data collection process/related training-HCAHPS Press Ganey Services
Endless Mountains Health System	B: MBQIP data collection process/related training-HCAHPS Vendor
Fulton County Medical Center	A: Quality reporting data collection/related training or software-Acmeware B: MBQIP data collection process/related training-Press Ganey
Geisinger Jersey Shore Hospital	A: Quality reporting data collection/related training or software - data collection
Geisinger Muncy Hospital	A: Quality reporting data collection/related training or software-data collection
Guthrie Troy Community Hospital	B: MBQIP data collection process/related training, HCAHPS Press Ganey Services C: Efficiency or quality improvement training in support of VBP activities-Emergency Preparedness
LECOM Health Corry Memorial Hospital	B: MBQIP data collection process/related training-HCAHPS Vendor. Continue the use of data analyzation, MBIQP, and HCAHPS
Penn Highlands Brookville	B: MBQIP data collection process/related training-HCAHPS Vendor
Penn Highlands Elk	B: MBQIP data collection process/related training-HCAHPS Vendor
Penn Highlands Tyrone	B: MBQIP data collection process/related training-HCAHPS Vendor
Titusville Area Hospital	A: Quality reporting data collection/related training or software-Nuance: Quality Core Measures Software
UPMC Bedford	C: Efficiency or quality improvement training in support of VBP activities-training, education, and patient safety
UPMC Cole	B: MBQIP data collection process/related training-HCAHPS Press Ganey Services, C: Efficiency or quality improvement training in support of VBP activities-training, education, and software
UPMC Kane	A: Quality reporting data collection/related training or software data collection-Press Ganey
UPMC Muncy	B: MBQIP data collection process/related training-HCAHPS Press Ganey Services C: Efficiency or quality improvement training in support of VBP activities-Training/Education

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UPMC Wellsboro (previously UPMC Soldiers + Sailors)	B: MBQIP data collection process/related training-HCAHPS Press Ganey Services C: Efficiency or quality improvement training in support of VBP activities-activities training, education, and software
Washington Health System Greene	B: MBQIP data collection process/related training-HCAHPS Vendor

The following 10 hospitals selected activities in **ACO/Shared Savings Investments**:

SHIP-eligible Hospital	How SHIP Funds Will Be Utilized
Barnes Kasson Hospital	B: Pharmacy services training, hardware/software-Pharmacy software for education and support and E: Efficiency or quality improvement (QI) training in support of ACO or shared savings-related initiatives-Training for ACO. The hospital entered an ACO on 01/01/2025.
Bucktail Medical Center	G: Telehealth and mobile health hardware/software (not communications)
Endless Mountains Health System	E: Efficiency or QI training in support of ACO or shared savings-related initiatives-QI training I: Health Information Technology (HIT) for value and ACO including training, software, and risk assessments associated with cybersecurity, Assessment, and Cyber Security Software
Fulton County Medical Center	G: Telehealth and mobile health hardware/software (not communications); Expand telehealth capabilities
Penn Highlands Brookville	I: Health Information Technology (HIT) for value and ACO including training, software, and risk assessments associated with cybersecurity, Assessment, and Cyber Security-Amwell Software
Penn Highlands Elk	I: Health Information Technology (HIT) for value and ACO including training, software, and risk assessments associated with cybersecurity, Assessment, and Cyber Security-Amwell Software
Penn Highlands Huntingdon	I: Health Information Technology (HIT) for value and ACO including training, software, and risk assessments associated with cybersecurity, Assessment, and Cyber Security-Amwell Software
Penn Highlands Tyrone	I: Health Information Technology (HIT) for value and ACO including training, software, and risk assessments associated with cybersecurity, Assessment, and Cyber Security-Amwell Software

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Punxsutawney Area Hospital	D: Social Drivers of Health Software/Training: Support Software for data collection and aggregation of SDOH activities and decision making. Training for staff utilizing a program and resources available through PREPARE. This will include licensing of the PREPARE Product.
UPMC Muncy	G: Telehealth and mobile health hardware/software and training-Updated Equipment

All 24 hospitals selected activities in **Payment Bundling/Prospective Payment System Investments:**

SHIP-eligible Hospital	How SHIP Funds Will Be Utilized
Barnes-Kasson County Hospital	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
Bucktail Medical Center	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11 E: Price transparency training
DLP Conemaugh Meyersdale Medical Center	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
DLP Conemaugh Miners Medical Center	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
DLP Conemaugh Nason Medical Center	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
Endless Mountains Health System	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11 E: Price Transparency Training, training for current staff
Fulton County Medical Center	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
Geisinger Jersey Shore Hospital	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
Geisinger Muncy	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11

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Guthrie Troy Community Hospital	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
LECOM Corry Memorial Hospital	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
Penn Highlands Brookville	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
Penn Highlands Elk	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
Penn Highlands Huntingdon	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
Penn Highlands Tyrone	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
Punxsutawney Area Hospital	A. ICD-11 software: Support the technology needed to implement a transition plan for ICD-11 B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
St Luke’s Miners Hospital	A. ICD-11 software: ICD-11 software, 3M 360 Encoder
Titusville Area Hospital	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
UPMC Bedford	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
UPMC Cole	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
UPMC Kane	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
UPMC Muncy	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
UPMC Wellsboro (previously UPMC Soldiers + Sailors)	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11

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Washington Health System Greene	B. ICD-11 training: Support the knowledge needed to continue to develop and implement a transition plan for ICD-11
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No programmatic changes are anticipated for the FY 2025 period of performance. SHIP hospitals have selected activities for FY 2025 that can be completed by May 31, 2026, such as HCAHPS vendor selection and training.

Attachments

- PA Attachment 1: FY25 Current (FY24) Work Plan Matrix
- PA Attachment 2: FY25 Future (FY25) Work Plan Matrix
- PA Attachment 3: FY25 Budget Justification Narrative
- PA Attachment 4: FY25 Staffing Plan and Position Descriptions
- PA Attachment 5: FY25 Biographical Sketches or Resumes
- PA Attachment 6: FY25 Current (FY24) Hospital Deviation Table
- PA Attachment 7: FY25 Penn State Negotiated Fringe Benefit Rate Agreement
- PA Attachment 8: FY25 Penn State Negotiated F&A Rate Agreement