

NOTE: The Texas State Office of Rural Health has received clarification on the 2023 SHIP Priorities. The Federal Office of Rural Health Policy allows other SHIP Allowable Investment Activities to be selected in tandem (occurring together) with the SHIP Priority Activities (MBQIP/HCAHPS, ICD-11).

FY 2023 SHIP Funding Priorities

Hospitals must first meet SHIP funding priorities before using resources to support investments in other areas. SHIP funding priority areas include:

- *SHIP funds should be prioritized by participating Critical Access Hospitals (CAH) in the following manner, one or both, in no particular order:*
 - 1) Hospitals must meet MBQIP (see <https://www.hrsa.gov/rural-health/rural-hospitals/mbqip> and <https://www.ruralcenter.org/resource-library/mbqip-fundamentals-guide-for-state-flex-programs><https://www.ruralcenter.org/resource-library/mbqip-measures>) participation requirements in order to improve hospital quality outcomes. Non-federal tribal hospitals may use another culturally sensitive federally managed measure of hospital quality outcomes.
 - 2) ICD-11¹ coding readiness and/or implementation activities.

If a CAH has implemented both MBQIP and ICD-11 activities, then that hospital may select a different activity listed on the SHIP Allowable Investments (<https://www.ruralcenter.org/ship/allowable-investments>), contained within the hospital application.

SHIP funds for non-CAHs should be prioritized in the following manner:

- 1) ICD-11 coding readiness and/or implementation activities

If a Prospective Payment System hospital has implemented ICD-11 activities then that hospital may select a different activity on the SHIP Allowable Investments (<https://www.ruralcenter.org/ship/allowable-investments>).

If a CAH or non-CAH (PPS hospital) is currently using all hardware, software, equipment, and/or trainings listed on the SHIP Allowable Investments (<https://www.ruralcenter.org/ship/allowable-investments>), the hospital may select an alternative hardware, software, equipment, and/or training provided:

- 1) the purchase will optimally affect the hospital's ability to transform its practice and participate in a Medicare Shared Savings Program or an ACO, increase value based purchasing objectives, aid in the adoption of ICD-11, and/or support care transitions/coordination. Hospitals are encouraged to align SHIP purchases in ways that ensure the consistent and systematic fair, just, and impartial treatment² of all patients by addressing Social Determinants of Health³ (SDOH) to improve the quality of healthcare provided; and
- 2) The hospital receives permission from both its SORH SHIP Director if in a state and the state/territory's SHIP Director's FORHP Project Officer.

¹ See <https://www.who.int/standards/classifications/classification-of-diseases> and

<https://icd.who.int/en>