Supporting Statement A

Small Rural Hospital Transitions Project

OMB Control No. 0906-XXXX

Terms of Clearance: None

A.   Justification

1. Circumstances Making the Collection of Information Necessary

This is a new information collection request from the Federal Office of Rural Health Policy (FORHP) for approval of the Small Rural Hospital Transitions (SRHT) Project application form and the supporting hospital assessment, Performance Excellence for Rural Hospitals. The collection of information will support the selection of nine small rural hospitals to receive on-site technical assistance (TA) through the SRHT.

Small rural hospitals are facing many challenges in the new health care environment, including the concurrent need to better measure and account for quality of care in all settings and improve transitions of care as patients move from one care setting to another, the evolution of new payment approaches such as value-based purchasing, and new approaches to care delivery such as accountable care organizations (ACO) and patient-centered medical home. Success in this new environment will require bridging the gaps between the current health care system and the newly emerging system of healthcare delivery and payment. Also, because little is known about how these new models might impact rural communities, there is a need to help hospitals understand and consider those factors that would make them logical participants in health care systems that focus on value. The technical assistance services provided through SRHT will prepare the hospitals for transitioning to the new health care environment. Eligible hospitals must be located in a rural (non-metro), persistent poverty county or a rural census tract of a metro persistent poverty county and have 49 staffed beds or less as reported on the hospital's most recently filed Medicare Cost Report.   Hospitals may be for-profit or not-for-profit. There is no legal or administrative requirement that necessitate the collection.

2. Purpose and Use of Information Collection

The information will be solicited in the form of the Small Rural Hospital Transitions (SRHT) Project application form and the supporting hospital assessment, Performance

Excellence for Rural Hospitals. All small rural hospitals desiring to apply for onsite technical assistance through SRHT will be required to complete the application and the assessment. The information collection will be scored and ranked to aid in the selection of nine small rural hospitals to receive on-site technical assistance. Both the application form and the hospital assessment are designed to ensure the selection of hospital applicants consistent with established SRHT eligibility criteria and hospitals' readiness or ability to implement consultants' recommendations.

The on-site TA available through SRHT Project is limited to nine hospitals per year. There are approximately 175 hospitals eligible to apply for the TA. It is anticipated that approximately 30 hospitals will apply to participate in the project.

3. Use of Improved Information Technology and Burden Reduction

This information collection activity will be 100% web-based. The link to the online application and assessment will reside on the website of the National Rural Health Resource Center (The Center) at https://www.ruralcenter.org/. The Center is one of the nation's leading technical assistance providers and knowledge centers in rural health.

4. Efforts to Identify Duplication and Use of Similar Information

The information collection is unique to SRHT. Efforts to identify duplication and use of similar information did not reveal the existence of duplicative or similar data collections within HHS or outside Government.

5. Impact on Small Businesses or Other Small Entities

No small businesses will be involved in this study.

6. Consequences of Collecting the Information Less Frequently

Under the SRHT contract, a new cohort of nine hospitals will be selected to receive on-site TA each year (base year plus three option years). Hospitals desiring to receive TA via the project will be required to complete the SRHT application form and the hospital self-assessment for the year in which the TA is requested. The information will capture information relevant to the selection of small rural hospitals most ready and eligible to participate in SRHT. Respondents will respond to data collection one time only. There are no legal obstacles to reduce the burden.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

The request fully complies with the regulation.

8. Comments in Response to the Federal Register Notice/Outside Consultation

Section 8A:

A 60-day Federal Register Notice was published in the Federal Register on June 24, 2016 (81 Fed Reg 41315).   No public comments were received.

Section 8B:

Because hospital selection is based on response to the information collection, it is believed that consultation with representatives of those from whom the information is to be obtained would give potential applicants an unfair advantage in preparing the application and assessment. However, upon completion of the hospital selection process, applicant feedback on the information collection can be solicited from the nine hospitals selected to receive TA.

9. Explanation of any Payment/Gift to Respondents
Respondents will not receive any payments or gifts.

10. Assurance of Confidentiality Provided to Respondents

Data will be kept private to the extent allowed by law. The methods used by The Center to maintain the privacy and/or confidentiality of the respondents include:

Technical details:

- Encryption of all website traffic at www.ruralcenter.org using an SSL certificate with SHA-2 encryption. This protects hospital application data when it is transmitted from the applicant to our server.

- On a weekly basis, IT department reviews and installs security releases to keep our web servers and applications secure. This protects hospital application data that is stored on the servers.

- Website requires valid credentials from a Center staff member to access hospital application data. This protects hospital application data that is stored on our servers.

- Copying of application data to SharePoint server. This server is not accessible from outside our network and requires valid Center authentication credentials to access. A managed services vendor regularly installs security updates and ensures anti-virus software on the server is up to date. This protects hospital application data that is stored on our servers.

- The managed services vendor ensures client computers are kept up to date with security updates and anti-virus software. They also monitor the security of our local network infrastructure. This protects hospital application data while staff at The Center is accessing it.

Non-technical details that relate to privacy and security:

- Emergency Response Team that is activated in the event of a security breach. With the understanding that even with strong security measures in place there is always risk of a breach. The Center is prepared to act if a breach occurs.

- Hospital data will not be shared with anyone outside the FORHP Project Officer.

11. Justification for Sensitive Questions

Respondents are not asked to respond to any questions of a sensitive nature.

12. Estimates of Annualized Hour and Cost Burden

12A.   Estimated Annualized Burden Hours

Type of Respondent	Form Name	No. of Respondents	No. Responses per Respondent	Total Number of Responses	Average Burden per Response (in hours)	Total Burden Hours
Hospital Manager	SRHT Application	30 –	38	1140	.50	570
Hospital Manager	Assessment: Performance Excellence for Rural Hospitals	30—	29	870	.25	217.5
Total		30*		2010		787.50

* The same individuals complete the SRHT Online Application and the Assessment for a total of 30 respondents.

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12B.

Estimated Annualized Burden Costs

Type of Respondent	Total Burden Hours	Hourly Wage Rate	Total Respondent Costs
Small rural hospital managerial staff	570	$38.00*	$21,660.00
Small rural hospital managerial staff	217.5	$38.00*	$8,265.00
Total	787.5		$29,925.00

Wage rates for small rural hospital managers could not be found on Department of Labor website. Best estimate based on pay for GS13, Step 1. Source:
https://www.federalpay.org/gs/2016

13. **Estimates of other Total Annual Cost Burden to Respondents or Recordkeepers/Capital Costs**

Other than their time, there is no cost to respondents.

14. **Annualized Cost to Federal Government**

The SRHT Project is currently funded under a contract that was awarded in September, 2014. The total contract amount is $1,107,842.99 (Base Year $552,136.30, Option year $555,706.69).Estimated hours to perform the information collection portion of the contract in each year are approximately 900 contract hours. This number is based on the current contractor's best estimate and includes hours dedicated to the design and implementation of processes for developing, receiving, reviewing, scoring and ranking hospital applications for participation in the SRHT Project.

The method used to estimate cost of the information collection is as follows. Since the contractor does not track staff hours based on individual contract deliverables, the best estimate of cost is based on two contract staff performing the information collection: the contract manager at 50% of the total 450 hours dedicated to the information collection; and the Contract Specialist at 50% of 900 hours dedicated to the information collection. No Federal staff worked on the information collection. No funds will be transferred to the OS budget from another agency. No evaluation funds are associated with this project.

Base Year: $552,136.30

Information Collection Hours	Hourly Rate	Total Cost
450 (Program Manager)	$45.13	$20,308.50
450 (Program Specialist)	$30.62	$13,779.00
Total: 900*	$75.75	$34,087.50

Based on contractor's estimate

Option Year 1: $555,706.69

Information Collection Hours	Hourly Rate	Total Cost
450 (Program Manager)	$47.41	$21,334.50
450 (Program Specialist)	$32.14	$14,463.00
Total: 900*	$79.55	$35,797.50

Based on contractor's estimate

The total estimated annual cost is $139,770.

15. Explanation for Program Changes or Adjustments

This is a new information collection.

16. Plans for Tabulation, Publication, and Project Time Schedule

The information collection will not use statistical methods such as sampling, imputation, or other statistical estimation techniques. The information collection will not be published, manipulated or tabulated. It is anticipated that this data collection will be requested for the performance period of the SRHT contract—Base year of plus three-12 month option years. It is acknowledged that the data collection will require renewal prior to the effective date of option year three (year 4) of the contract).

17. Reason(s) Display of OMB Expiration Date is Inappropriate

The OMB number and Expiration date will be displayed on every page of every form/instrument.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions to the certification.