

*Flex Monitoring Team Briefing Paper No. 12*  
**Executive Summary**

# **Quality and Performance Improvement Grant Activities under the Flex Program**

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*The full report may be viewed or downloaded from the Flex Monitoring Team web site at:  
[http://flexmonitoring.org/documents/BriefingPaper12\\_Qlactivites.pdf](http://flexmonitoring.org/documents/BriefingPaper12_Qlactivites.pdf)*

## **Introduction**

Quality and performance improvement are fundamental components for provider participation in the Medicare program and this focus is well-represented under the Medicare Rural Health Flexibility Program (Flex Program). Grants to states under the Flex Program promote activities that support improvement in clinical quality and operational and financial performance. During the 2005 grant year, states proposed quality and performance improvement activities representing 30 percent of requested funding.

## **Methods**

Grant applications that the 45 states submitted to the federal Office of Rural Health Policy for the Fiscal Year 2005 Flex Program funding were reviewed for activity descriptions and organized into several categories: improving clinical, operational, and financial performance; financial and organizational performance; promoting a culture of quality improvement; participating in national quality efforts; implementing health information technology (HIT) systems; and addressing patient safety and satisfaction issues.

## **Results**

States proposed many activities recommended within the federal guidance, including widespread use of the balanced scorecard approach, participation in national quality improvement efforts, and development of relationships with state Quality Improvement Organizations and networks supporting quality and performance improvement efforts. State Flex Programs are furthering the ability of hospital administrators, quality managers, and others to participate in quality improvement activities and are undertaking activities to ensure the efficiency and financial stability of their business operations. States proposed needs assessments and planning activities to develop and finance future systems of existing HIT as well as pilot programs and upgraded systems to enhance links to other providers, improve availability of patient records, and improve patient safety.

## **Conclusions**

State Flex Programs have demonstrated a commitment to quality and performance improvement, with proposals spanning a range of clinical, operational, and financial themes. State activities acknowledge the different quality measurement needs of rural hospitals through the development of benchmarks and transfer protocols specific to CAHs and other small, rural hospitals. Some state Programs proposed activities to build in-state knowledge and capacity and to assess current conditions, particularly in the areas of balanced scorecards, HIT, and patient safety. The Flex Program's grant-making capacity supports a wide range of local initiatives designed to improve the quality of patient care and hospital operations.

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