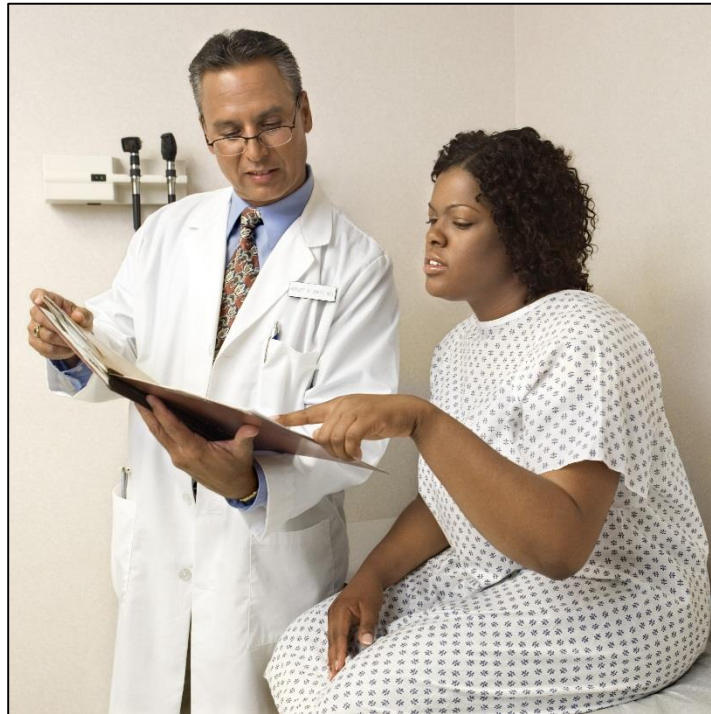


Recommendations for Obtaining a Health Professional Shortage Area (HPSA) Designation for the Purpose of Sponsoring International Physicians for J-Waivers



A Physician Recruiting Resource From



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RECOMMENDATIONS FOR OBTAINING A HEALTH PROFESSIONAL SHORTAGE AREA (HPSA) DESIGNATION FOR THE PURPOSE OF SPONSORING INTERNATIONAL PHYSICIANS FOR J-WAIVERS

Overview

There are many reasons why a hospital, medical group or other healthcare organization would want to ensure that its service area be federally designated as a HPSA (Health Professional Shortage Area) or a MUA (Medically Underserved Area).

HPSA or MUA designation may qualify a healthcare facility or a community for 29 federal programs or benefits, including status as a Federally Qualified Health Center (FQHC), the ability to use National Health Services Corps physicians, funding for electronic health records, scholarships for students interested in becoming doctors, and a 10% increase in Medicare reimbursement.

Healthcare facilities also need HPSA or MUA designation to sponsor internationally-born physicians on J-1 visas for a waiver of the two-year home residency requirement. This is the rule that compels physicians on J-1 visas to return to their home countries for two-years before practicing in patient care roles in the United States. A waiver of this rule can be obtained if the physician can find employment with a sponsoring healthcare facility in a federally designated HPSA or MUA.

Approximately 6,000 to 7,000 of all final-year medical residents and fellows entering the workforce each year in the United States are international medical graduates (IMGs) – or one quarter of the total. Of these, the great majority are born overseas and train in the United States on J-1 or H-1 visas. Since those on J-1 visas almost always seek out employment in underserved areas in order to obtain J-waivers, they can be an important resource for healthcare facilities in such areas requiring physicians.

In addition, most international doctors wishing to obtain green cards using National Interest Waivers (an expedited form of green card processing) must practice in a designated shortage area for five years before being granted permanent residence.

What Are HPSAs?

HPSAs are designated by the Health Resources and Services Administration (HRSA) as having shortages of primary care physicians, dental or mental health providers. A HPSA can be a geographic area (a county or hospital service area), a demographic group (a low income population), or an institution (a hospital, community health center, or other public facility). MUAs are areas or populations designated by HRSA as having too few primary care providers, high infant mortality, a high poverty rate, and /or a high elderly population. MUAs may include groups of people who face economic, cultural or linguistic barriers to health care.

There are currently 5,800 designated Primary Care HPSAs nationwide. Primary Care HPSAs are based on a physician to population ratio of 1: 3,500. When there are more than 3,500 people per one primary care physician, an area is eligible for HPSA designation. Applying this formula it would take about 7,500 additional primary care physicians to eliminate the current Primary Care HPSA designations.

There are currently 3,700 Mental Health HPSAs nationwide. Mental Health HPSAs are based on a psychiatrist to population ratio of 1: 30,000. Applying this ratio, it would take approximately 2,400 additional psychiatrists to eliminate the current Mental Health HPSA designations. Shortage designations do not apply only to physicians. There are currently about 4,600 Dental HPSAs nationwide, which are based on

a dentist to population ratio of 1:5,000. Applying this ratio, it would take 6,600 additional dentists to eliminate the current Dental HPSA designations.

Obtaining a HPSA Designation

What is the best method to achieve a shortage designation? It is possible to take the “do-it-yourself” approach and apply directly to HRSA, which makes the final decision on shortage designations. However, it is a much better idea to work with your state Primary Care Office (PCO). These are federally funded organizations committed to increasing access to primary care, mental health, and dental health services in each state. They usually work closely with the state Primary Care Association (PCA) and Office of Rural Health.

Each PCO has a HPSA coordinator as well as someone who administrates the J-waiver program. A list of each state’s PCO, HPSA and J-1 coordinator can be accessed here:

<http://bhpr.hrsa.gov/shortage/hpsas/primarycareoffices.html>

The process of obtaining HPSA designation is somewhat complicated and time consuming. One of the main reasons for this is that to obtain a HPSA designation, a survey must be sent to every physician in the area seeking the designation, and completed surveys must be received back from two-thirds of all physicians in the area.

The surveys are conducted to confirm how many physicians there are in the area – not just the gross number, but the net number of full time equivalents (FTEs.) The survey indicates how many physicians are working full-time, how many part-time, how many may be working partly in the area seeking the HPSA, but partly out of the area, etc.

In addition, the survey must indicate whether health services are reasonably accessible to people living in the area seeking the designation outside of the area. The shortage designation can be withheld even if there are an insufficient number of physicians in the area seeking the designation, but patients can see a physician with little difficulty in an area nearby.

Every PCO handles the survey form and the designation process differently, so it is important to understand the process and requirements used by the PCO in your state. It is a good idea to contact the PCO HPSA designation coordinator and the J-1 coordinator in your state and to build a positive relationship with them.

It also is important to contact your state PCO because it may already be examining your area to determine if it is a HPSA, or your area may already be a HPSA and you may not know it. You can go to the HRSA site to find out if your area is a HPSA already, but it is better to go directly to the PCO, because HRSA only updates its site at the beginning of the year. Your area could have been designated a HPSA in February but you would not know it until January of the following year if you just check the HRSA site. PCOs, by contrast, usually update their shortage designation information throughout the year.

Time Needed to Obtain a HPSA Designation

The time it takes to obtain a HPSA designation varies. If you are in a populated area with many doctors, it takes longer to survey the physicians. It may take six months for the PCO to survey the doctors and submit the necessary forms to HRSA. HRSA then takes three months to reply.

In less populous areas, it usually takes the PCO about one to two months to submit the forms to HRSA, which takes three months to reply, whether the service area is small or large.

A Change in Policy

It is important to note that in 2015 HRSA is going to limit the time that PCOs can submit designation forms. The time limitation has not been set, but PCOs will only be able to submit forms for a few months out of the year, rather than all throughout the year. If you don't get the form in during that time frame you will have to wait until the filing period opens again the next year, so the process is going to take quite a bit longer. The takeaway is if you are interested in obtaining a shortage designation, start the process now.

One hospital administrator we heard of was so anxious to get a HPSA designation he drove to each doctor's office in his area to make sure the doctors filled out the survey sent by his state PCO. PCOs appreciate hospitals that will help because the local hospital usually has the best contacts with the area physicians. In addition, hospitals often have some of the other information the PCO needs to complete the designation form, including percent of Medicaid patients in the area, income levels and other data.

To obtain a MUA designation also requires a survey of the doctors in the area, but there are other nuances that differ from HPSA designation. Health facilities also should work with their state PCO to obtain MUA designation.

Know Your J-Waiver Coordinator

The same concept applies when seeking J-waivers. It is a good idea to know the person in your state PCO who coordinates the J-waiver program and to understand the waiver requirements/procedures in each state, which may vary from one state to another. In Alabama, for instance, healthcare facilities may obtain J-waivers for primary care doctors through the federal Appalachian Regional Commission (ARC), so they generally do not use all of the J-waivers for primary care doctors available through the Conrad 30 program. However, to obtain J-waivers for specialty physicians, Alabama typically uses their seven Conrad slots on the first day you can apply for them.

There are other factors to consider when obtaining shortage designations and considerably more information is available at Mr. Shusterman's web site at:

<http://shusterman.com/medicallyunderservedareas.html#1A>

Mr. Shusterman would be happy to address reader questions, particularly on J-1 or other visa issues for Internationally-born physicians and other professionals. He can be reached at 213-623-4592 or at carl@shusterman.com.

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