

HRSA Pauses Plan to Withdraw HPSAs

On July 7, the federal Health Resources and Services Administration (HRSA) [announced](#) it will pause its plan to withdraw a large number of federally designated Health Professional Shortage Areas (HPSAs).

Citing the impact of the COVID-19 pandemic on the health workforce and health care service delivery, HRSA said it will allow HPSAs that were scheduled to be withdrawn in July of 2022 to remain in the "proposed for withdrawal" status until they are evaluated in preparation for the publication of the 2023 HRSA Federal Register notice (likely July of 2023).

WHA had been engaging with the Gov. Tony Evers' administration and the Wisconsin Office of Rural Health in early 2022 to understand the impact of HRSA's proposed changes to the HPSA redesignation process. After hearing concerns from WHA and other impacted providers, Gov. Evers sent a [letter](#) to HHS expressing concern that HRSA's recent changes to the redetermination process would lead to an inordinately high number of areas in WI losing their HPSA benefits, and exacerbating Wisconsin's health care workforce challenges.

WHA had been working with the American Hospital Association and National Rural Health Association to build support for pausing this process, both of which had contacted HRSA with concerns. Additionally, [WHA was in Washington, DC](#) in late June visiting with Wisconsin's Congressional Delegation to [express concern](#) and urging them to contact HRSA.

Based on the most recent data available, 47 HPSAs in Wisconsin were at risk of losing their status, potentially impacting more than 30 Wisconsin hospitals. Losing a HPSA designation means hospitals lose access to several benefits, including:

- Enhanced Medicaid/Medicare provider payments for primary care services
- Access to the Conrad 30 J-1 Visa waiver program which helps hospitals recruit foreign-born physicians
- Loan repayment programs that help attract providers to practice in rural areas
- Extra consideration for federal grants and graduate medical education slots

WHA will continue working with the Evers administration and federal partners to assist hospitals with maintaining their status and advocating for any changes necessary to make the process more user-friendly.

Contact WHA Vice President of Federal and State Relations [Jon Hoelter](#) with questions.