



### Bill Summary

AB 1811 supports rural, medically underserved, and low-income areas across California by preserving Health Profession Shortage Areas (HPSA) designations held as of January 1, 2025 until January 1, 2035.

### Background

Throughout the United States, there are geographic areas, population groups, and facilities with too few primary medical care, dental, and mental health providers and services. Each HPSA represents a medically underserved area (MUAs) or population (MUPs). With limited federal and state resources, HPSA designations create better prioritization of resources and focus on areas of highest need.

The Health Resources and Services Administration (HRSA) calculates and determines HPSA designations. These designations indicate areas that are experiencing a shortage of health care providers relative to population, geographic area, or facility type.

If a place has a HPSA designation based on population needs, there must be a shortage of providers for a specific population group (i.e. low income, farm workers) within a defined geographic area. Similarly, if a designation is based on a geographic area, there is a shortage of providers for the entire population within a defined area. Automatic Facility HPSAs (Auto-HPSAs) are health facilities that are automatically designated as a HPSA by statute or regulation and do not need to apply for designation. Auto-HPSAs include Certified Rural Health Clinic (RHCs), Federally Qualified Health Centers (FQHCs), Indian Health Facilities, Federal Indian Health Service or Tribally-run Hospitals, and State Mental Hospitals.<sup>1</sup>

The HPSA designation creates benefits for the health care facilities in those areas, attracting workforce through special loan repayment programs and clinician scope waivers, as well as offering enhanced Medicare and Medicaid reimbursement.

<sup>1</sup> HRSA. (2023, June). *What Is Shortage Designation?*. Health Resources and Services Administration . <https://bhw.hrsa.gov/workforce-shortage-areas/shortage-designation>

### Problem

The current process for designating a HPSA is dictated entirely at a federal level, by HRSA, with no flexibility in criteria. Unfortunately, many state administered programs are also linked to HPSA designations. As federal standards for calculating HPSA's remain unchanged and inflexible, there are HPSAs being proposed for withdrawal even though there is still a health profession shortage. These areas will lose the ability to benefit from federal programs, but also statewide programs, that recruit and retain healthcare providers.

As of January 2026, 285 of the five thousand HPSA designations in California are proposed for withdrawal.<sup>2</sup>

At the state level, the HPSA designation signals prioritization for state resources. Losing the designation will minimize the state's understanding of the high need areas within California. Additionally, once a designation is withdrawn, the service area must submit another application to be considered again.

### Solution

Barring the ability to create flexibility federally, AB 1811 will preserve HPSA designations that were held as of January 1, 2025 until January 1, 2035 in California. This legislation will ensure that current HPSAs, and the 285 proposed for withdrawal HPSAs, continue to qualify for state prioritization and benefits.

### For More Information:

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### Support

- Association of California Healthcare Districts (Sponsor)
- Rural County Representatives of California (Sponsor)

<sup>2</sup> HRSA Data Warehouse. *HPSA Find*. Health Resources and Services Administration. <https://data.hrsa.gov/topics/health-workforce/shortage-areas/hpsa-find>