



July 18, 2025

Thomas J. Engels
HRSA Administrator
5600 Fishers Lane
Rockville, Maryland 20857

RE: Agency Information Collection Activities: Proposed Collection: Public Comment Request; Information Collection Request Title: Shortage Designation Management System, OMB No. 0906-0029-Extension

Submitted via: paperwork@hrsa.gov.

Dear Administrator Engels:

The Washington Association for Community Health represents the 28 Community Health Centers (CHCs) who provide healthcare innovation, access, and value to our communities across Washington state. Our CHCs provide primary care, behavioral health, dental care, and additional services to 1.2 million Washingtonians, regardless of insurance status or ability to pay. The Association serves as the voice of Washington state's CHCs and believes that high-quality primary health care is essential in creating healthy communities and preventing chronic conditions.

The collective mission and mandate of the Association and its health centers is to expand access to care for patients statewide. In 2023, health centers across Washington served more than 1.2 million patients, or approximately one in six Washingtonians. These CHCs provide critical access to primary care, dental, behavioral health, pharmacy, and other essential health services to medically underserved communities, from the Olympic Peninsula to the Columbia River Basin and Eastern Washington.

An essential component of becoming a CHC is being located in a Medically Underserved Area (MUA) or serving a Medically Underserved Population (MUP), which then automatically designates these entities as Health Professional Service Areas (HPSAs). As designed, HPSAs, MUAs, and MUPs assist communities with the most significant barriers to care, enabling policies and incentives to attract essential providers and resources that bridge the gap.

CHCs are well-positioned to be leaders in expanding access to primary care and addressing chronic disease in Washington State and across the country. These designations are essential to the health center mission, guiding our resource allocation, service expansion, and funding to ensure care for the communities that need it most. The Washington Association for Community Health appreciates the opportunity to comment on the Information Collection Request regarding the Shortage Designation Management System, and we look forward to working with HRSA on this topic.

I. The Value of Community Health Centers

CHCs are uniquely positioned to address the nation's growing primary care gap while simultaneously delivering substantial cost savings to the healthcare system. According to NACHC's report, "Closing

the Primary Care Gap,”¹ over 100 million Americans (one-third of the nation) lack access to a usual source of primary care due to a shortage of providers in their communities. Many of these individuals have insurance but are still unable to access care in their community due to a shortage of providers. Without health centers, 15 million more patients would be at risk of going without primary care.²

CHCs serve as a critical access point for comprehensive, affordable health care, particularly for underserved populations. Approximately 88% of Washington health center patients reported income under 200% of FPL.³ Health centers provide care to all patients, regardless of their ability to pay, and evaluate uninsured and underinsured patients on a sliding fee scale to help lower the cost they pay for services based on family size and income. In 2023 alone, Washington health centers served more than 116,000 individuals experiencing homelessness, 689,000 patients residing in public housing, 100,000 agricultural workers and families, and 24,000 veterans.⁴

This preventive care model not only improves health outcomes but also reduces costs. The Department for Health and Human Services (HHS) estimates that CHCs save \$1,411 per adult and \$741 per child enrolled in Medicaid, contributing to \$11.4 billion in gross Medicaid savings.⁵ These savings are achieved by reducing reliance on costly emergency departments and specialty care, lowering prescription drug spending, and better managing chronic diseases.⁶ In fact, costs for health center patients with Medicaid coverage have been found to be lower than costs for non-health-center Medicaid patients by 8.4%⁷ to 24%.⁸

Health centers have also shown success in reducing chronic disease burden through early detection and ongoing management. In 2023, health centers significantly increased screenings for breast cancer (52.5% Urban, 52% Rural), cervical cancer (57.2% Urban, 48.1% Rural), and colorectal cancer (40.2% Urban, 42.7% Rural),⁹ demonstrating their commitment to early detection and prevention. From 2022 to 2023, as the overall patient population grew by 3%, health centers also saw notable increases in patients diagnosed with and treated for chronic conditions, including asthma (6%), chronic lower respiratory diseases (5%), diabetes (6%), heart disease (8%), hypertension (5%), and obesity (11%). These efforts reflect a holistic, patient-centered approach that not only improves community health but also mitigates long-term healthcare spending.

Despite operating on razor-thin margins, health centers continue to demonstrate their value by delivering high-quality, cost-effective care to millions of Americans. Health centers’ proven ability to address unmet care needs, reduce healthcare costs, and improve community health outcomes make them an integral part of the solution to our nation’s primary care crisis.

II. Medically Underserved Areas & Medically Underserved Populations Designations

HRSA established these designations specifically to support the development of health maintenance organizations and CHCs in communities where care is limited.¹⁰ Consequently, under

¹ https://www.nachc.org/wp-content/uploads/2023/06/Closing-the-Primary-Care-Gap_Full-Report_2023_digital-final.pdf.

² https://www.nachc.org/wp-content/uploads/2023/06/Closing-the-Primary-Care-Gap_Full-Report_2023_digital-final.pdf.

³ 2023 Uniform Data System, Bureau of Primary Healthcare, HRSA, DHHS.

⁴ 2023 Uniform Data System, Bureau of Primary Healthcare, HRSA, DHHS.

⁵ <https://bphc.hrsa.gov/sites/default/files/bphc/about/dec-05-2024-today-macrae.pdf>.

⁶ Nocon et al., (2016).

⁷ Mundt, Charles, and Sha Yuan. 2014. “An Evaluation of the Cost Efficiency of Federally Qualified Health Centers (FQHCs) and FQHC ‘Look-Alikes’ Operating in Michigan.” The Institute for Health Policy at Michigan State University. October

⁸ Nocon et al., (2016).

⁹ 2023 Uniform Data System, Bureau of Primary Healthcare, HRSA, DHHS.

¹⁰ <https://bhw.hrsa.gov/workforce-shortage-areas/shortage-designation>.

Section 330 of the Public Health Service Act, health centers are explicitly defined as entities that serve medically underserved populations.¹¹ This makes MUA and MUP designations essential, not only in the establishment of health centers, but also foundational to the policy and operational framework of health centers. These designations can help CHCs strategically plan service area expansions and new site locations and assist staff in developing care to meet the needs of their patients.

Unfortunately, many communities served by health centers also lack access to essential services such as a pharmacy or grocery store. Although pharmacies are often considered one of the most accessible care settings, an estimated 15.8 million (4.7%) Americans reside in a pharmacy desert, spanning both urban and rural settings in all 50 states.¹² **In Washington, over 450,000 individuals reside in pharmacy deserts, representing a significantly higher proportion of individuals without pharmacy access compared to national estimates.**¹³ One study found that pharmacy deserts exist at similar rates in both MUA and non-MUA urban areas.¹⁴ Just as health centers rely on MUA/MUP designations to close gaps in primary care, health centers are also striving to close pharmacy deserts.

Food deserts present another critical challenge. In communities with limited access to affordable, healthy foods, residents have heightened risks of diet-related chronic diseases. Generally, limited access to nutritious food is more common in communities with higher rates of poverty, whether rural or urban.¹⁵ With food insecurity in the United States rising in recent years¹⁶, health centers have stepped in to bridge the gap between food and health. Through innovative partnerships, most CHCs in Washington offer nutrition counseling, connections to food assistance, and other services to improve access to healthy foods and prevent chronic disease.

Without the funding and support tied to MUA/MUP designations, health centers would be severely limited in their ability to address broader risk factors of health. Pharmacy and food deserts would deepen, the chronic disease epidemic would rise, particularly among patients already experiencing challenges with accessing health care services. MUAs and MUPs not only enable the existence of CHCs, but they also allow health centers to be responsive, adaptable, and effective in meeting their community's health needs.

III. Health Professional Shortage Areas Designations

Health centers are the foundation of the nation's health professional shortage areas. By statute, CHCs are designated as Automatic Facility HPSAs (Auto-HPSAs) due to the nature of their work and the medically underserved populations they serve. The designation is not merely administrative; rather, it is essential to health centers' ability to operate and deliver high-quality care in areas of high

¹¹ 42 USC § 254b (a)(1)

¹² Wittenauer R, Shah PD, Bacci JL, Stergachis A. Locations and characteristics of pharmacy deserts in the United States: a geospatial study. *Health Aff Sch.* 2024 Mar 16;2(4):qxae035. doi: 10.1093/haschl/qxae035. PMID: 38756173; PMCID: PMC11034534.

¹³ <https://urban.uw.edu/news/nearly-half-a-million-washingtonians-live-in-pharmacy-deserts/>

¹⁴ Guadamuz JS, Wilder JR, Mouslim MC, Zenk SN, Alexander GC, Qato DM. Fewer pharmacies in Black and Hispanic/Latino neighborhoods compared with white or diverse neighborhoods, 2007–15. *Health Aff (Millwood)*. 2021;40(5):802–811. 10.1377/HLTHAFF.2020.01699.

¹⁵ <https://www.aecf.org/blog/food-deserts-in-america>; Zhu AY. Impact of Neighborhood Sociodemographic Characteristics on Food Store Accessibility in the United States Based on the 2020 U.S. Census Data. *Dela J Public Health*. 2022 Aug 31;8(3):94-101. doi: 10.32481/djph.2022.08.016. PMID: 36177172; PMCID: PMC9495479.; <https://www.reinvestment.com/wp-content/uploads/2024/01/RF-Limited-Supermarket-Access-Analysis-2024-1.pdf>.

¹⁶ <https://www.cbpp.org/blog/food-insecurity-rises-for-the-second-year-in-a-row>.

need. **HPSA designations qualifies health centers to participate in health care workforce programs that not only enable CHCs to continue serving their patients but also train the next generation of health care workers.**

For example, a HPSA designation also qualifies health centers to apply for and receive National Health Service Corp (NHSC) clinicians. In 2024, more than 9,000 NHSC clinicians served at CHCs, providing care to more than 21 million patients across the country.¹⁷ This program is a critical workforce pipeline for CHCs and has more than doubled the health center workforce between 2010 to 2021.¹⁸ Despite this growth, workforce shortages remain, particularly in rural and high-need areas. HPSA designations are essential to maintaining CHC eligibility for NHSC staffing and addressing provider shortages in the areas they serve. Given persistent healthcare workforce shortages, market competition, provider burnout, and early retirement, health centers heavily rely on the NHSC program to recruit and retain their workforce. **Loss of their designation would compromise access to providers, reduce service availability, and ultimately harm the patients and communities that CHCs serve.**

Every one of Washington's health centers serves as a training site partner and offer hands-on, clinical experience. Health centers are integral to the healthcare workforce pipeline while contributing significantly to local economies by creating jobs and generating income. One study found they support over 650,000 total jobs and create more than \$118 billion in total economic impact.¹⁹ In Washington alone, health centers support nearly 13,000 jobs. These designations are a foundation for health centers to serve their patients, create workforce development opportunities, and support their local economies, and without them, most health centers would be unable to operate.

Health centers have a long-standing record of delivering high-quality care to complex, underserved populations and rely on the support tied to HPSA, MUA, and MUP designations to sustain those services. Thank you for your consideration of these comments. We look forward to working with the Administration on this topic. If you have any questions, please feel free to contact Alyssa Patrick, our Director of Policy, Advocacy, & Communications at apatrick@wacommunityhealth.org.

Sincerely,

A handwritten signature in black ink that reads "David Pearson". The signature is fluid and cursive, with the first name "David" and last name "Pearson" clearly distinguishable.

Dave Pearson
Chief Executive Officer
Washington Association for Community Health

¹⁷ <https://data.hrsa.gov/topics/health-workforce/field-strength>.

¹⁸ https://nhsc.hrsa.gov/sites/default/files/nhsc/about-us/NHSC%20Field%20Strength%20Infographic%202022_remediated.pdf.

¹⁹ https://www.nachc.org/wp-content/uploads/2025/01/PolicyPapers_NationalValueImpact_FINAL_Jan2025.pdf.