

## **Mental Health Professional Shortage Area Designation**

When the Federal government designates a County or community as a mental health professional shortage area, the Federal government officially recognizes that in there are not enough mental health professionals to provide a sufficient level of care in that area. This designation makes that community or County eligible for federal funds.

Traditionally, if a locality feels that they satisfy the federal criteria for designation as a mental health professional shortage area, that locality submits an application to Health Resources and Services Administration (HRSA) and simultaneously sends a copy of that exact application to the Office of Statewide Health Planning and Development (OSHPD). OSHPD then recommends to the Federal government (Health Resources and Services Administration or HRSA) whether the application for designation should be approved or denied. Once HRSA receives OSHPD's recommendation, it either designates the area as a mental health professional shortage area or not. If HRSA designates an area as a mental health professional shortage area it will assign that area a Health Professional Shortage (HPSA) score. The federal government uses HPSA scores to "rank" designated communities in times of scarce resources. The highest score a community can receive is 26; the lowest is 0.

There are a number of benefits associated with obtaining a federal mental health professional shortage area designation. DMH has been able to identify the benefits listed below however this is not an exhaustive list.

A County/community that is designated with a score of 19 and above is eligible to place a National Health Service Corps (NHSC) Scholar. An NHSC Scholar is a psychiatrist who has had two or four years of his/her medical school paid for by the federal government and who must either serve in designated areas with scores of 19 or above for either two or four years or repay the federal government the cost of his/her education.

Generally, a score of 9 and above (depending on availability of federal funding) allows any site in the designated county/community that provides outpatient mental health care and takes anyone regardless of income to place a licensed mental health professional who needs his/her loans repaid. A mental health professional is defined as a psychiatrist, clinical psychologist, licensed clinical social worker, licensed counselor, marriage and family therapist, or a psychiatric nurse practitioner. The repayment amount is approximately \$120,000 total per person. (\$50,000 in the first two years, \$35,000 in the third year and \$35,000 in the fourth year). A site can place up to two mental health professionals.

If the County/community is designated with score of 17 and above, the site in that County/community can begin "placing" people who need to have their loans repaid in the Fall; if the score is lower than 17 the site can begin placing people

in the Spring. Placement continues until March 28 of each year, depending on availability of federal funds.

To place either a NHSC Scholar or a mental health professional who needs to have their loan repaid entirely with federal funds, sites in a designated County or community will need to complete a recruitment and retention application and be assigned an appropriate number. The recruitment and retention application can be found at: <http://nhsc.bhpr.hrsa.gov/applications/rrea.asp> . The sites can apply fill this application out only after the County/community has been designated.

If the County/site has questions about the federal recruitment/retention application, they should contact the National Health Service Corps General Information line at 1-800-221-9393 and ask to be directed to the Site Identification and Application Branch.

If the County/community application is successful, mental health professionals can apply for the State Loan Repayment Program (SLRP). This is a program administered by the Office of Statewide Health Planning and Development (OSHPD) where 50% of the loan repayment funds are federal funds and 50% are non-federal funds. The eligibility requirements for SLRP are the same as for the 100% federal program except that the site does not need a UDS number, the County's/community's score is not taken into account, and the application process for the mental health professionals who are applying can be fairly competitive.

If the County is reasonably confident that its application for designation will be successful, it can begin identifying licensed mental health professionals in hard to fill or retain positions who may be qualified for the following State- and Foundation-sponsored loan repayment and/or scholarship programs as these programs require the individual applicant to assemble various academic documents and to write personal essays:

Loan repayment program for licensed mental health professionals:  
[http://www.healthprofessions.ca.gov/Applications/LMH\\_app.pdf](http://www.healthprofessions.ca.gov/Applications/LMH_app.pdf)

Allied Healthcare Scholarship Program:  
<http://www.healthprofessions.ca.gov/Applications/17AlliedHealthcareApplicationFeb07.pdf>

Associate Degree Nursing and Pre-Nursing Scholarship Program:  
[http://www.healthprofessions.ca.gov/Applications/ADNP\\_applicationDec06.pdf](http://www.healthprofessions.ca.gov/Applications/ADNP_applicationDec06.pdf)

Bachelor of Science Nursing Scholarship & Loan Repayment Program:  
<http://www.healthprofessions.ca.gov/Applications/BSNApplicationDec06.pdf>

Health Professions Education Program:

[http://www.healthprofessions.ca.gov/Applications/HPEP\\_applicationDec06.pdf](http://www.healthprofessions.ca.gov/Applications/HPEP_applicationDec06.pdf)

Steven M. Thompson loan repayment program (please note that in this program, psychiatrist participation is strictly capped):

<http://www.healthprofessions.ca.gov/Applications/SMTPhysicianCorpsApplication.pdf>

Licensed Vocational Nurse Scholarship Program:

[http://www.healthprofessions.ca.gov/Applications/vocat\\_nurse\\_schol\\_loan0207.pdf](http://www.healthprofessions.ca.gov/Applications/vocat_nurse_schol_loan0207.pdf)

Except for the Steven M. Thompson Program, the Health Professions Education Program and the Loan Repayment Program for Licensed Mental Health Professionals the application deadline is September 11 and March 24. For the Loan Repayment Program for Mental Health Professionals the application deadlines are November 1 and March 24; for the Steven M Thompson and the Health Education Program the application deadline is March 24.

A Federally Qualified Health Care Center (FQHC) is eligible to participate in the 340B program which is the pharmaceutical discount program. The description of this program can be found at: <http://www.hrsa.gov/opa/introduction.htm> and the application for this program can be found at:

<ftp://ftp.hrsa.gov/bphc/pdf/opa/PrgmReg.pdf> . It is DMH's understanding that the 340B program can allow an entity (such as an FQHC) to purchase generic pharmaceuticals at 11% discount off of the Medi-Cal rate and brand-name pharmaceuticals at 15.1% off of the Medi-Cal rate. Another source of information about this program is the National 340B Coalition ([http://www.phpcrx.org/public/340b\\_coalition.cfm](http://www.phpcrx.org/public/340b_coalition.cfm)).

If the designation application is successful in showing that all residents of the County/community have difficulties accessing mental health care, the psychiatrists in that County/community may be eligible for a 10% Medicare Incentive Payment. This is a 10% "raise" for any services the Medicare-registered psychiatrist/s provide to Medicare Part B patients. These payments are supposed to be made automatically and mailed to the psychiatrist on a quarterly basis. However the CMS database that keeps track of the eligible psychiatrists, services, and patients often experiences technical difficulties and CMS therefore advises all psychiatrists to submit paper claims in addition to electronic ones.

DMH can assist counties and communities with the application process by either providing extensive technical assistance, the requisite forms, and data or by putting together an application on the County's/community's behalf. If you would

like further information about the designation and/or the benefits of designation  
please contact Inna Tysoe at (916) 654-3662 or at [Inna.Tysoe@dmh.ca.gov](mailto:Inna.Tysoe@dmh.ca.gov).