Physician Visa Waiver Program

Helping Oregon meet the challenge of the supply and distribution of the health care workforce for over 20 years

Annual Summary 2002–2023





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Program background

The Physician Visa Waiver Program (also called the J-1 Visa Waiver Program, Conrad Program, and Exchange Visitor Program) allows international medical graduates who have completed residencies or fellowships in the United States to remain in this country to practice in federally designated shortage areas. Each state may submit up to 30 waivers per fiscal year (October 1 through September 30).

The Oregon program placed a total of 525 physicians in 40 cities throughout the state between 2002 and 2023. The Oregon Primary Care Office (PCO) examines each application for accuracy and completeness before sending it to the U.S. Department of State. The U.S. Department of State recommends the candidate to U.S. Department of Homeland Security, which issues the waiver. The entire approval process from the time the application arrives at the PCO until the office grants the waiver typically takes around three months. See the Physician Visa Waiver Program Application Process (Attachment 1) for more information.

Program history

Federal immigration law governing the J-1 program requires physicians to return to their home countries for two years after completing graduate coursework in the United States. In 1994, Senator Kent Conrad of North Dakota sponsored legislation allowing each state to recommend up to 20 waivers per year for J-1 physicians who agree to stay in the United States and practice in underserved areas as defined by federal methodologies. Congress increased the number of waivers to 30 per year in 2003.

The U.S. Department of Agriculture, which previously administered the program in Oregon, discontinued sponsorship in 2002. In order to fill this void, the Oregon Department of Human Services (now Oregon Health Authority) launched the Oregon Physician Visa Waiver Program in August 2002. The 2003 Legislature enacted HB 2151² to codify the program and authorize the collection of fees to fund the program. Oregon Health Authority requires applicants to submit a \$2,000 fee, which covers expenses including staff, application processing, technical assistance and follow-up during a physician's three-year employment contract.

¹ 8 U.S.C. 1182(e) and 1184(l)

² 2003 Or Laws ch. 68

Flex placements

In 2004, Congress made a J-1 program change to give states the option to place up to 10 physicians of their yearly allotment in clinics and hospitals that treat patients from underserved areas but are physically located outside of the designated shortage areas. Oregon uses this tool as needed, filling an average of six flex slots per year. Flex placements require prior Oregon Health Authority approval.

How to apply to participate

- 1. Visit www.oregon.gov/oha/HPA/HP-PCO/Pages/J1.aspx.
- 2. Visit https://jlvisawaiverrecommendation.state.gov/ to file DS 3035 Application and obtain your tracking number.
- 3. Read the Administrative Rules (OAR-409-035).
- 4. Download the Oregon Health Authority <u>Application for Oregon Physician Visa Waiver Program form</u> (December 2022) to become familiar with the required documentation.
- 5. Consult Dia Shuhart, program coordinator, at <u>dia.shuhart@oha.oregon.gov</u> for guidance before signing an employment contract.

Federal requirements for participation

- An employer letter that offers a job for 40 hours per week or equivalent;
- An employment contract of at least three years duration;
- The employer is either located in an underserved area (Health Professional Shortage Area [HPSA] or Medically Underserved Area [MUA]) or will serve patients who reside in an underserved area (Flex Option);
- The physician agrees to start work within 90 days of receiving the waiver;
- The employer provides care to Medicaid/Oregon Health Plan (OHP), Medicare and low-income, uninsured patients;
- The physician may only have one application pending at a time;
- The physician previously submitted a copy of DS 3035 form, bar code page, and \$215 check to the U.S. Department of State St. Louis address; and
- <u>Application for Oregon Physician Visa Waiver Program form</u> (December 2022) lists the required documentation from physicians and employers.

Oregon guidelines and requirements

Application submission timeline

- 1. October 1 November 30: Applications for primary care and specialists in critical shortage areas will be accepted and submitted; and
- 2. December 1 September 30: All other applications that meet program guidelines will be submitted, until the remaining slots are filled.

Applications are accepted on a first-come basis. Due to recent high demand, the PCO also reserves the right to prioritize applications from a health care facility according to the following criteria:

- 1. Number of waivers per employer
- 2. Primary care versus specialist
- Candidate's eligibility for J-1 waiver through U.S. Department of Health and Human Services³
- 4. Geographical distribution
- 5. Rural versus urban
- 6. Facility HPSA score
- 7. The flex placement option requires prior PCO approval
- 8. Employer must try to actively recruit an American doctor before hiring a I-1 doctor
- 9. Employer agrees to post a sliding fee scale and not to deny care on the inability to pay

Clinic with a HPSA score of 7 or above may qualify to hire a primary care physician through the U.S. Department of Health and Human Services J-1 Waiver Program, freeing an additional slot for the Oregon J-1 Waiver Program

Requirements

- 1. Facility may qualify for program participation by counting patient visits during the prior six months; and
- 2. Annual Employment Status Reports may be signed by either the Chief Executive Officer of the health care facility or their designate. Reports shall include:
 - a. A current breakdown of the physician's OHP, Medicare and low-income uninsured patient visits; and
 - b. The current number of OHP patient visits as a percentage of the facility's total patient visits.

In addition, the health care facility needs to serve one of the two following combination of patients during the last six months in order to participate:

- 1. OHP members (Medicaid) comprise a minimum of 25% of patient visits; or
- 2. The total of OHP, Medicare, and low-income uninsured patient visits equals more than 50% of all patient visits.

A facility that is reasonably close to, but does not meet, either threshold may submit a plan documenting how they will increase the number of underserved patients.

Note: Low-income is defined as 200% or less of the current Federal Poverty Guidelines (Attachment 2).

Program data

Types of physicians

Approximately 64% of the 525 placements since 2002 have been primary care (family medicine, general internal medicine, pediatrics, OB/GYN, and general psychiatry). Please refer to these illustrations for more information:

Attachment 3 "Primary care vs. specialists"

Attachment 4 "Primary care breakdown"

Attachment 5 "Subspecialist breakdown"

Geographical trends

Forty (40) cities in 23 counties throughout Oregon have hired J-1 physicians:

Attachment 6 "Physician placements by county"

Attachment 7 "Physician placements by city"

Jackson County employers hired the highest number of physicians (19) in the past three years. Multnomah County took second place, followed by Lane and Marion Counties. The majority of physicians continue to seek jobs along the Interstate-5 corridor, Oregon's most populous area, despite attempts to steer more placements to rural areas.

The rise of the hospitalist

When the Oregon program started in 2002, the term "hospitalist" was new. The discipline exploded onto the medical scene within a few years. These primary care internists, family practitioners and pediatricians provide continuity of care for patients in inpatient settings. This relieves the primary care doctors of hospital rounds so they can spend more time seeing patients at the office. These duties place hospitalists in Oregon's primary care category. Table 1 provides percentages of hospitalists yearly and since program inception (30% of all J-1 physicians):

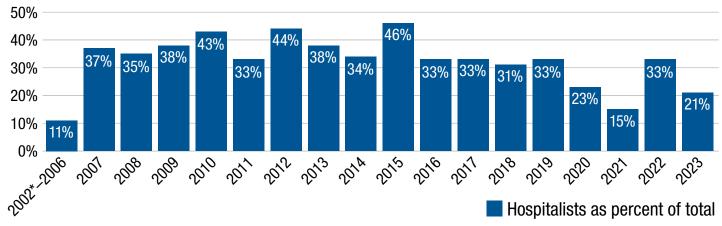


Figure 1. Proportion of J-1 hospitalists, 2002–2022

* Partial year

Gender of physicians

The 525 total physicians placed since program inception consist of approximately 37% female and 63% males. Attachment 8 graphs these figures.

Countries represented

Doctors from 11 countries started work in 2023 in Oregon. Over the years, the program has recruited physicians from 74 countries (Attachment 9).

Although most grew up in large urban areas of their home countries, nearly all have integrated well into their new Oregon communities.

Retention

Ninety percent of J-1 physicians who started work three or more years ago completed their contractual obligations in Oregon (Table 2). Eighty-eight percent of those hired remained with the employer upon completion of their service contract.

Table 1. Physician contract completion and retention rate

Total placements (started work through 2022)	Completed three-year contract obligation in Oregon	Percent who completed and moved practice to another Oregon community	Percent who completed and stayed in same community, different employer	Percent who completed and continued practicing with same employer	Percent who completed with no post-contract Oregon practice
408	91%	< 1%	1%	90%	10%

Regarding long-term retention, 58% of all physicians who have worked since 2002 are still practicing in Oregon. Please refer to <u>Attachment 10</u>.

Discussion

Physician recruitment

Oregon obtained 30 waivers for 2023. Since one physician returned to their home country instead of starting work, the official count is 29 doctors placed in Oregon. Federally qualified health centers (FQHCs) are highest priority for J-1 physician placements because they serve mainly OHP and low-income patients. Those with a HPSA score of 7 or above have the choice of obtaining the waiver through either Oregon or the U.S. Department of Health and Human Services J-1 Visa Waiver Program. (Notes: HPSA scores range from 7 to 26, with higher numbers indicating a more severe physician shortage.) In general, it has been difficult to place physicians in FQHCs, partially due to the more lucrative salary and working conditions that many hospitals and other clinics offer.

Challenges

The program's Administrative Rules, OAR 409-0035-0050(2) and the signed application form require the employer and doctor to submit an annual Oregon J-1 Visa Waiver Employment Status Form (Attachment 11). These reports are crucial for tracking work schedules and the number and types of patients the J-1 physicians serve, as well as for maintaining the physician's immigration status. Some employers are very timely; others require the coordinator to spend many hours each year tracking down late reports.

At times, a J-1 physician experiences issues in their practice site due to a variety of factors. These instances include personality conflicts or a mismatch between the doctor's skills and the employer's specific requirements, which are usually resolved so that the physician can complete the contract. In addition, a few physicians have been placed at a clinic which has closed due to employer illness, death, retirement, or financial problems. In any of these instances, a physician may transfer their service obligation to another eligible clinic.

The Administrative Rules require the employer and physician to notify the Oregon Health Authority of any potential problem or change regarding employment status before any action is taken. If a job change is necessary, the preference order is either a suitable job in the same community, another position in Oregon, or an out-of-state transfer. The PCO needs to be involved in all transfers.

Program legislation

Congress in recent years has repeatedly extended the J-1 Visa Waiver Program via short-term continuing resolutions. Senators and Representatives have introduced legislation that would make the program permanent and fine-tune it. Relevant proposed changes include the following:

- Increasing the number of slots per state to a maximum of 50, based on prior usage
- Allowing the physician 90 days to start work after the latest of the following events:
 - (a) U.S. Department of Homeland Security issues the waiver; (b) completion of the residency or fellowship; and (c) issuance of the H-1B work permit
- Clarifying requirements for a job transfer during the three-year J-1 contract period

So far, this legislation has not been enacted. Several Senators have stated that although they are sympathetic to physician shortages, no action will be taken on any immigration-related issue until the southern border situation is resolved.

Conclusion: looking to the future

There is a great deal of national discussion around immigration. Regardless of perspective on this matter, it is generally accepted that physicians whose origins are from outside the United States greatly contribute to the quality of life and address health care workforce shortages to Oregon Health Authority's goal of eliminating health inequities.

The PCO has witnessed an urgency on the part of medical practices and foreign-born physicians to obtain waivers from the terms of their J-1 visas. Oregon's Governor has taken a formal position of welcoming immigrants from all countries, and this may contribute to Oregon being a desirable location to practice.

The PCO looks forward to continuing to welcome qualified physicians from around the world who want to practice medicine in Oregon.



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