Rural Health Providers Could Be Collateral Damage From $100K Trump Visa Fee

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Bekki Holzkamm has been trying to hire a lab technician at a hospital in rural North Dakota since late summer.

Not one U.S. citizen has applied.

West River Health Services in Hettinger, a town of about 1,000 residents in the southwestern part of the state, has four options, and none is good.

The hospital could fork over $100,000 for the Trump administration's new H-1B visa fee and hire one of the more than 30 applicants from the Philippines or Nigeria. The fee is the equivalent of what some rural hospitals would pay two lab techs in a year, said Holzkamm, who is West River's lab manager.

West River could ask the Department of Homeland Security to waive the fee. But it's unclear how long the waiver process would take and if the government would grant one. The hospital could continue trying to recruit someone inside the U.S. for the job. Or, Holzkamm said, it could leave the position unfilled, adding to the workload of the current "skeleton crew."

The U.S. health care system depends on foreign-born professionals to fill its ranks of doctors, nurses, technicians, and other health providers, particularly in chronically understaffed facilities in rural America.

But a new presidential proclamation aimed at the tech industry's use of H-1B visas is making it harder for West River and other rural providers to hire those staffers.

"The health care industry wasn't even considered. They're going to be collateral damage, and to such an extreme degree that it was clearly not thought about at all," said Eram Alam, a Harvard associate professor whose new book examines the history of foreign doctors in the U.S.

Phillip Reese for KFF Health News

Elissa Taub, a Memphis, Tennessee-based attorney who assists hospitals with the H-1B application process, has been hearing concerns from her clients.

“It’s not like there’s a surplus of American physicians or nurses waiting in the wings to fill in those positions,” she said.

Until recently, West River and other employers paid up to $5,000 each time they applied to sponsor an H-1B worker. The visas are reserved for highly skilled foreign workers.

The new $100,000 fee — part of a September proclamation by President Donald Trump — applies to workers living outside the U.S. but not those who were already in the U.S. on a visa.

West River lab tech Kathrine Abelita is one of nine employees — six technicians and three nurses — at the hospital who are current or former H-1B visa holders. Abelita is from the Philippines and has worked at West River since 2018. She’s now a permanent U.S. resident.

“It’s going to be a big problem for rural health care,” she said of the new fee. She said most younger American workers want to live in urban areas.

Sixteen percent of registered nurses, 14% of physician assistants, and 14% of nurse practitioners and midwives who work in U.S. hospitals are immigrants, according to a 2023 government survey. Nearly a quarter of physicians in the U.S. went to medical school outside the U.S. or Canada, according to 2024 licensing data.

Phillip Reese for KFF Health News

The American Hospital Association, two national rural health organizations, and more than 50 medical societies have asked the administration to give the health care industry exemptions from the new fee. The new cost will disproportionally harm rural communities that already struggle to afford and recruit enough providers, the groups argue.

“A blanket exception for healthcare providers is the simplest path forward,” the National Rural Health Association and National Association of Rural Health Clinics wrote in a joint letter.

The proclamation allows fee exemptions for individuals, workers at specific companies, and those in entire industries when “in the national interest.” New guidance says the fee will be waived only in an “extraordinarily rare circumstance.” That includes showing that there is “no American worker” available for the position and that requiring a company to spend $100,000 would “significantly undermine” U.S. interests.

Taub called those standards “exceptionally high.”

Representatives of the NRHA and the American Medical Association, which organized a letter from the medical societies, said they’ve received no response after sending requests to Homeland Security Secretary Kristi Noem in late September and early October. The AHA declined to say whether it had heard back.

Homeland Security officials directed KFF Health News’ inquiries to the White House, which did not answer questions about individual waiver timelines or the possibility of a categorical exemption for the health care industry.

Instead, White House spokesperson Taylor Rogers sent a statement defending the new fee, saying it will “put American workers first.” Her comments echo Trump’s proclamation, which focuses on accusations that the tech industry is abusing the H-1B program by replacing American workers with lower-paid foreign ones. But the order applies to all trades.

Alam, the Harvard professor, said the U.S.' reliance on international providers does raise legitimate concerns, such as about how it takes professionals away from lower-income countries facing even greater health concerns and staffing shortages than the U.S.

This decades-long dependency, she said, stems from population booms, medical schools' historical exclusion of nonwhite men, and the "much, much cheaper" cost of importing providers trained abroad than expanding health education in the U.S.

Internationally trained doctors tend to work in rural and urban areas that are poor and underserved, according to a survey and research review.

Nearly 1,000 H-1B providers were employed in rural areas this year, the two rural health organizations wrote in their letter to the Trump administration.

J-1 visas, the most common type held by foreign doctors during their residencies and other postgraduate training in the U.S., require them to return to their home country for two years before applying for an H-1B.

But a government program called the Conrad 30 Waiver Program allows up to 1,500 J-1 holders a year to remain in the U.S. and apply for an H-1B in exchange for working for three years in a provider shortage area, which includes many rural communities.

Trump's proclamation says employers that sponsor H-1B workers already inside the U.S., such as doctors with these waivers, won't have to pay the six-figure fee, a nuance clarified in guidance released about a month later.

But employers will have to pay the new fee when hiring doctors and others who apply while living outside the U.S.

Alyson Kornele, CEO of West River Health Services, said most of the foreign nurses and lab techs it hires are outside the U.S. when they apply.

Ivan Mitchell, CEO of Great Plains Health in North Platte, Nebraska, said most of his hospital's H-1B physicians were inside the U.S. on other visas when they applied. But he said physical therapists, nurses, and lab techs typically apply from abroad.

Holzkamm said it took five to eight months to hire H-1B applicants at her lab before the new fee was introduced.

Bobby Mukkamala, a surgeon and the president of the American Medical Association, said Republican and Democratic lawmakers are concerned about the ramifications for rural health care.

They include Senate Majority Leader John Thune, who said he planned to reach out about possible exemptions.

“We want to make it easier, not harder, and less expensive, not more expensive, for people who need the workforce,” the Republican told KFF Health News in September.

Thune’s office did not respond to questions about whether the senator has heard from the administration regarding potential waivers for health workers.

The Trump administration is facing at least two lawsuits attempting to block the new fee. One group of plaintiffs includes a company that recruits foreign nurses and a union that represents medical graduates. Another lawsuit, by the U.S. Chamber of Commerce, mentions concerns about the physician shortage and health systems’ ability to afford the new fee.

Kornele said West River won’t be able to afford a $100,000 fee so it’s doubling down on local recruiting and retention.

But Holzkamm said she hasn’t been successful in finding lab techs from North Dakota colleges, even those who intern at the hospital. She said West River can’t compete with the salaries offered in bigger cities.

“It’s a bad cycle right now. We’re in a lot of trouble,” she said.

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