

My name is Peter Starkey the Executive Director of CARE, a community-action affiliated nonprofit in Tillamook county with the mission of tackling the root causes of poverty. I am writing you today to express my concern over the impact that SB 714 has for care facilities in rural communities of Oregon, like Tillamook. In the 1990s, CARE partnered with the State of Oregon to build two assisted living facilities, Kilchis House & Nehalem Bay House, because of the critical need in our community. We took on operations of these communities in 2012 after a search for a management company did not yield any interest. Through these communities CARE provides 62 units relying on 92% Medicaid funding and operating at 82% occupancy currently. As you can see, CARE Assisted Living Facilities are not in the business of making lots of money.

Nothing would please my staff and residents more than to have additional help rendering CARE. While Senate Bill 714 is an admirable and worthy long-term goal, the time is not now for rural Oregon Assisted Living Facilities. My concerns are as follows:

1. Who will pay for these extra requirements?
 - a. The governor's proposed budget calls for flat funding of assisted living facilities. This paired with raising the minimum wage makes it difficult to staff our facilities already. As you can see above, we are predominantly serving Medicaid eligible residents, and the financial impact of this Bill will be 3x what we receive now from Medicaid.
 - i. Caregiver Training costs today: \$ 23,868.48
 - ii. Proposed Training costs: **\$ 71,605.44**
 - iii. Caregiver gross wages today: \$177,840.00
 - iv. Proposed Caregiver gross wages: **\$533,520**
2. How will we recruit staff when we cannot recruit them now?
 - a. Wages and Cost of Living: Rural communities, like Tillamook, struggle to find quality talent because wages are stagnant and cost of living has risen.
 - b. Childcare and Women in the workforce: It is difficult to find child care & homeschooling is a challenge. National employment of women in the workforce has dropped by 30% in the past year because of this, and our workforce is predominantly female.
 - c. Staffing Agencies: We utilize 3 staffing agencies over 100 miles away that we utilize to give existing overworked staff a break when they can find us someone. Not many want to travel that far to work, and when they do is \$64/hour plus hotel.
 - d. Turnover: We lose 25% of fully on-boarded Caregivers on day 3. Many think they can do this role, but once they see what it is they leave (no call/no show).
 - e. Recruitment: We recently placed an ad for a Life Enrichment Director and have received one applicant in 60 days. This is one of the fun, higher-paying positions! We post a job for Caregiver and we get **no** response.

The impact of SB 714 is clear. Should you vote to pass this bill, rural care centers who serve lower-income residents (Medicaid) will need to turn the keys over to the state and close their facilities. Now I ask you, what plan does this Bill have to house hundreds, if not thousands, of seniors if they lose their homes?

SB 714, while a noble endeavor, would need to be supported by raising the Medicaid rate for care facilities, significantly, and increased support from DHS for staffing and training. I am always available to you for any questions, or to find more beneficial solutions that can provide a better quality of life for our residents, ensure their safety, and keep their homes open.

Thank you for your dedicated service to the citizens of Oregon,
Peter

Peter Starkey
Executive Director
(he/his/him)

CARE Inc. | Kilchis House | Nehalem Bay House