

SB 1549 WILL HURT HOSPITAL STAFFING IN OREGON

The rate caps included in SB 1549 will reduce access to critical temporary staffing resources as agencies avoid Oregon in favor of other states.

For months, OAHHS has raised alarm over the severity of the staffing crisis within our hospitals and other non-acute step-down facilities. During the Delta and Omicron surges, as many as 600 patients a day were experiencing discharge delays or avoidable boarding, due to the inability to release patients to long term care or other step-down care facilities because of staffing related shortages.

We are committed to exploring the full range of potential solutions to address these profound staffing challenges and believe thoughtful solutions are best developed when impacted stakeholders are included in a deliberative and collaborative process. With so much at stake, the complexity of the staffing crisis and the risk of unintended consequences require that solutions be comprehensive and carefully vetted.

As a stakeholder that is very dependent on temporary staffing for both surge and core functions, we are disappointed that SB 1549 was introduced without an opportunity to provide input or identify concerns with the proposal in advance. With only a week to review the measure, we have the following strong concerns:

- We are very concerned with provisions in SB 1549 that grant broad authority to the Oregon Health Authority to set maximum rates and to dictate the terms of provider contracts with temporary staffing agencies.
- The rate caps contemplated in SB 1549 have the real potential to reduce access to critical temporary staffing resources as travelers and temporary staffing agencies avoid Oregon in favor of employment in other states.
- Currently, only two states in the U.S. have nurse rate caps in place. During the pandemic, the State of Massachusetts had to increase its cap in 2020 and again in 2021 and the State of Minnesota was forced to waive its cap altogether.

With the experience of these states in mind and the risk of unintended consequences, this rate cap legislation should not be considered during the “short” 35-day Legislative Session; especially in the middle of an ongoing pandemic when hospitals and other providers are struggling to meet the overwhelming demand for care.

The following organizations ask you to join them in opposing SB 1549



***For more information, please contact Andi Easton, Vice-President of Government Affairs, OAHHS, at aeaston@oahhs.org.*