Oregon Department
of Human Services

Presentation to the 2023 Joint Ways and
Means Subcommittee on Human Services

Office of Developmental Disabilities Services

Anna Lansky, ODDS Interim Director

Acacia McGuire Anderson, ODDS Interim Deputy Director

April 6, 2023

Agenda

I. ODDS overview
II. New rate models and early outcomes
III. American Rescue Plan Act (ARPA) and investments in home and community-based services (HBCS)
IV. Questions

Oregon Department of Human Services
Office of Developmental Disabilities Services

ODDS overview

Our mission and vision

- **Mission:** ODDS, partners and the intellectual and developmental disabilities (I/DD) community come together to provide services, supports and advocacy to empower Oregonians with I/DD to live full lives in their communities.

- **Vision:** People and families access quality supports that are simple to use and responsive to their strengths, needs and choices, while they live and thrive as valued members of their community.

Who we serve

More than **33,000 people** in Oregon who experience intellectual and developmental disabilities (I/DD):

- **10,285 children**
- **22,905 adults**

In order to be eligible for ODDS services, a person must:

- Have an **intellectual disability** as determined by IQ with onset before age 18 and limited ability to handle day-to-day activities; or,
- Experience a **developmental disability** with onset before age 22 limited ability to handle day-to-day activities; and,
- Meet financial eligibility for Medicaid services.

ODDS Funding

- Funding for I/DD services in Oregon primarily comes from Medicaid.
- Medicaid is a partnership between federal and state governments where state provides matching funds to federal dollars.
- Oregon uses Community First Choice Option (K-Plan) 1915k authority for most services.
- Oregon also has five 1915c Waivers.
- Federal Medicaid regulations for home- and community-based services for these authorities impact state program design and operations.
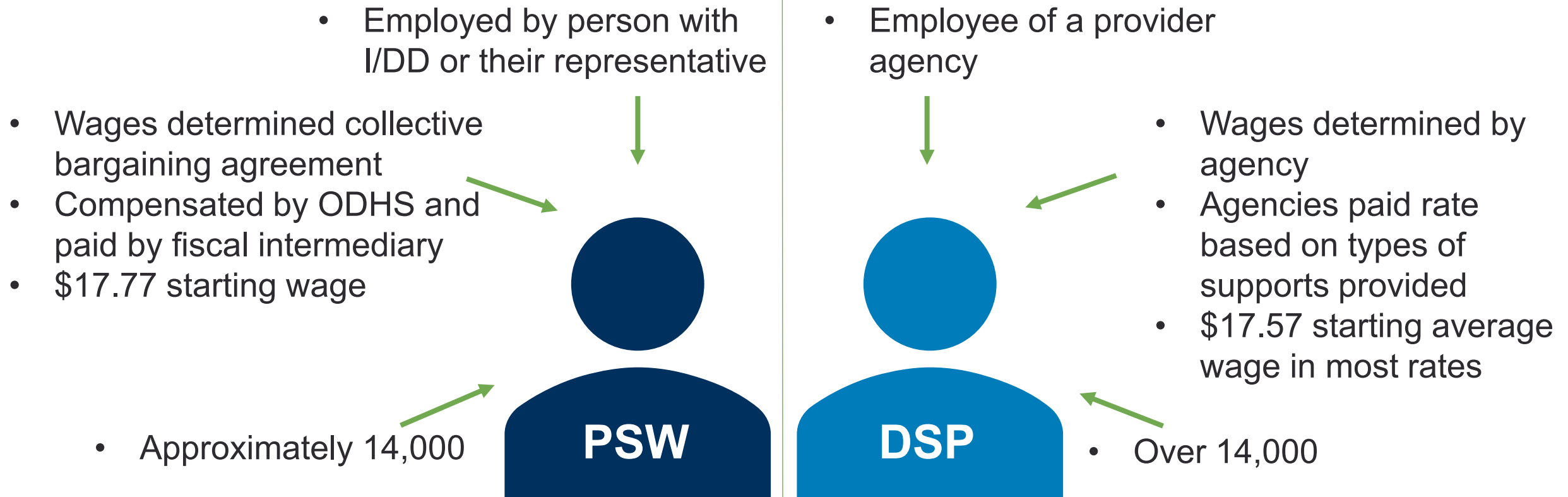
ODDS total budget by fund type: 2021–23

Total: $4,250,467,969

General Fund
$1,267,294,981
30%

Other Fund,
$32,800,863
1%

Federal Fund
$2,950,372,125
69%
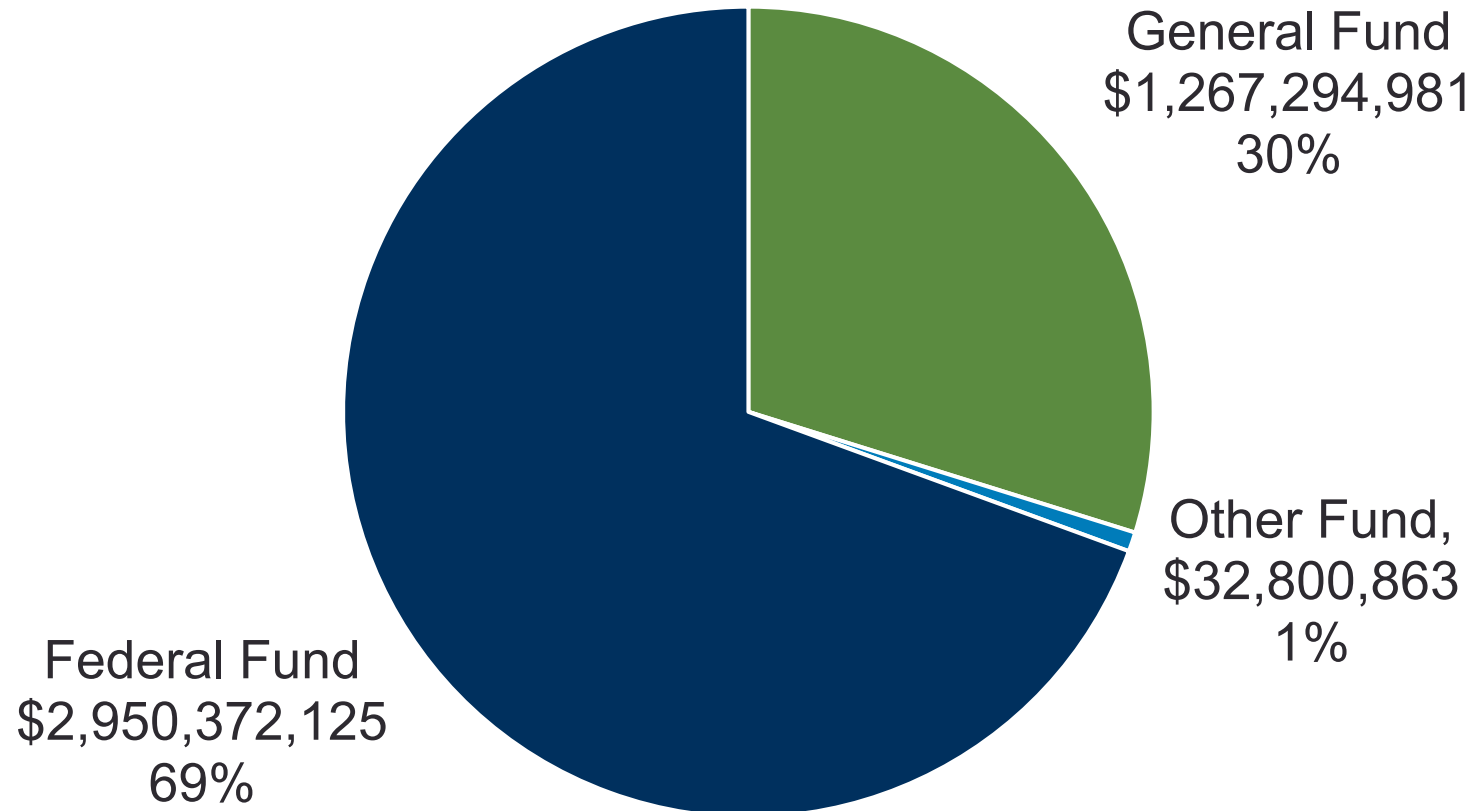
Who provides services

Personal support workers (PSWs) and direct support professionals (DSPs) serve individuals in their homes and communities.

- Employed by person with I/DD or their representative

- Wages determined collective bargaining agreement
- Compensated by ODHS and paid by fiscal intermediary
- $17.77 starting wage

- Approximately 14,000

PSW

- Employee of a provider agency

- Wages determined by agency
- Agencies paid rate based on types of supports provided
- $17.57 starting average wage in most rates

- Over 14,000

DSP

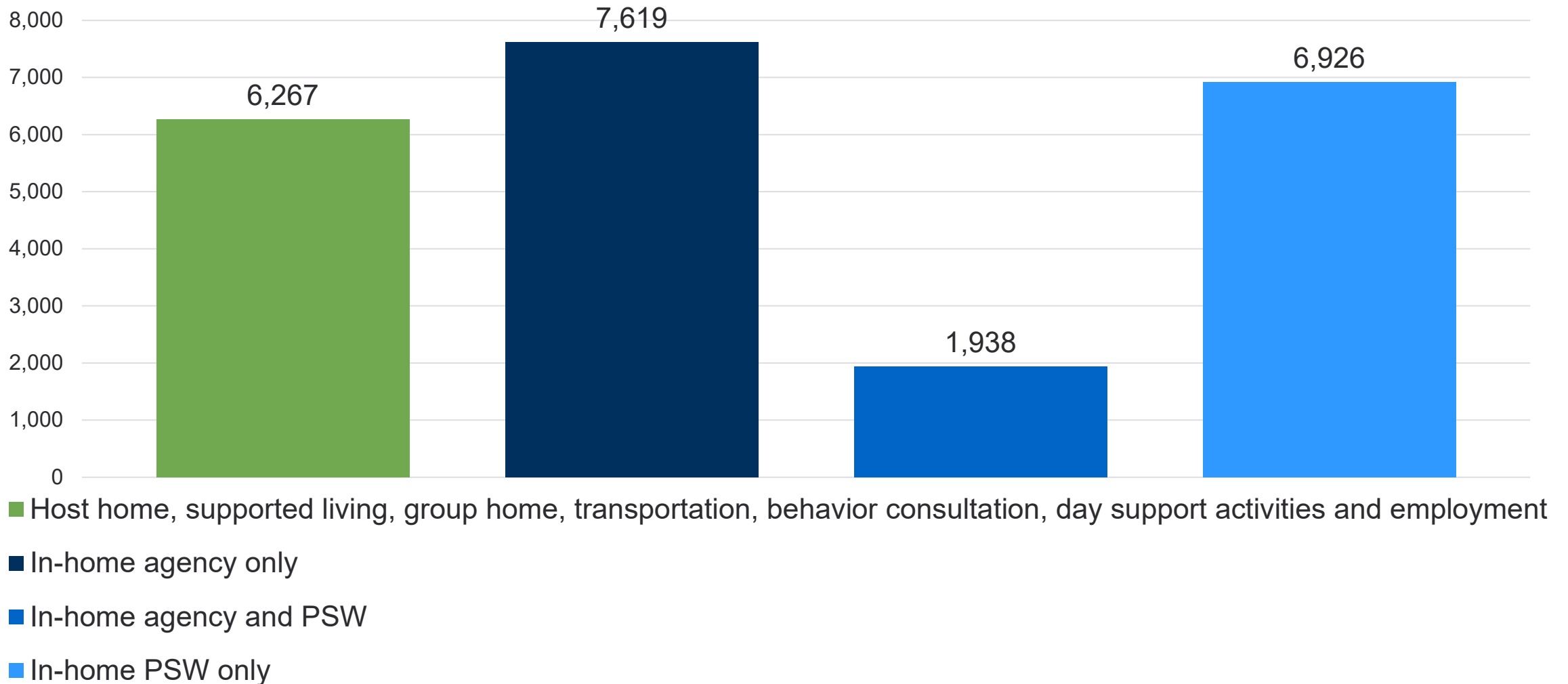# Provider agencies

ODDS partners with over 600 provider agencies, a mix of nonprofits and private businesses, that provide the following services:

- Group home

- In home

- Supported Living

- Day support activities (DSA)

- Employment services

- Other ancillary services

To provide high quality and timely services, ODDS needs a strong provider network.

Providers: Number of people served by provider type

- ■ Host home, supported living, group home, transportation, behavior consultation, day support activities and employment
- ■ In-home agency only
- ■ In-home agency and PSW
- ■ In-home PSW only

New ODDS rate models and early outcomes

New rate models

ODDS implemented new rate models for multiple services on July 1, 2022.

- 24-hour residential
- Day-support activities
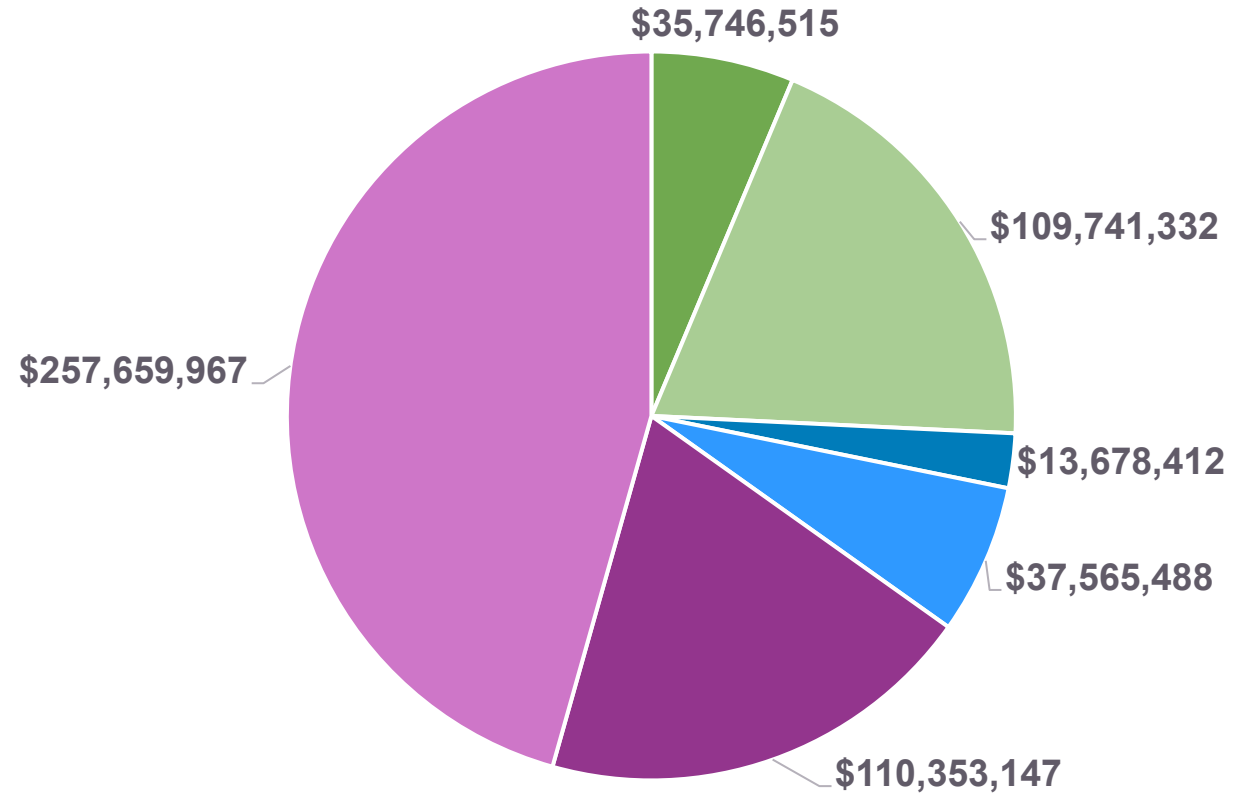- Attendant care
- Employment
- Transportation

New rate models: Overview

- Pay a more competitive wage to direct support professionals
- Important investment in I/DD provider-partner infrastructure and critical direct-care workforce
- Transparent and based on objective data sources
- Aligned with service delivery policies and expectations
- Implemented with improved accountability and higher service expectations
- Funded fully (2021–23 biennium) by Oregon Legislature and allocated ARPA funding

New rate models: Past state investments

Total cost: $87M General Fund (GF)
$258M Total Fund (TF)

Legend: POP 119 GF, POP 119 TF, POP 120 GF, POP 120 TF, ARPA GF, ARPA TF

Pie chart values: $35,746,515, $109,741,332, $13,678,412, $37,565,488, $110,353,147, $257,659,967

Compass Project and new rate models

Compass is a multiyear effort reorienting ODDS toward a system that's person centered, easy to use, transparent and provides quality supports so people with I/DD have a good life in the communities where they live, work and play.

As part of Compass, ODDS:

- Implemented the Oregon Needs Assessment (ONA)

- Developed service groups

- Developed transparent rate models

- Supporting this effort by developing IT infrastructure

**The Compass Project**

YOUR CHOICE. YOUR PATH. YOUR FUTURE.

Oregon Needs Assessment (ONA) and service groups

ONA is a single, valid and reliable tool to replace multiple existing tools and assessments.

- From ONA, each person assigned to a service group by:
  - Age
  - Similar level of need for support services

Service groups

- Consistent way to determine the number of monthly hours a person receives for services

- Guide how much a provider will be paid for their services.

- Inform the new rate models

Risk assessment

Level of Care

Functional Needs Assessment

Enhanced Exceptional Assessment
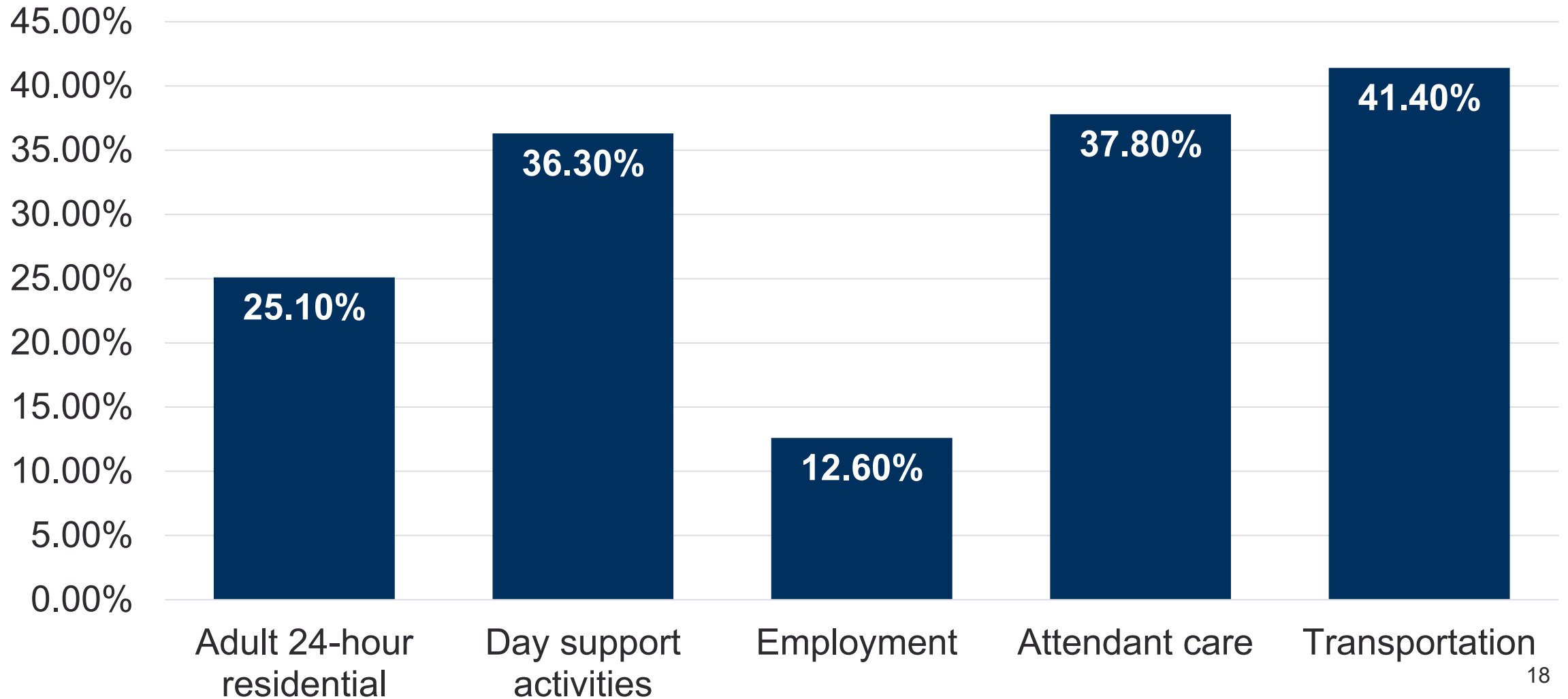
ONA
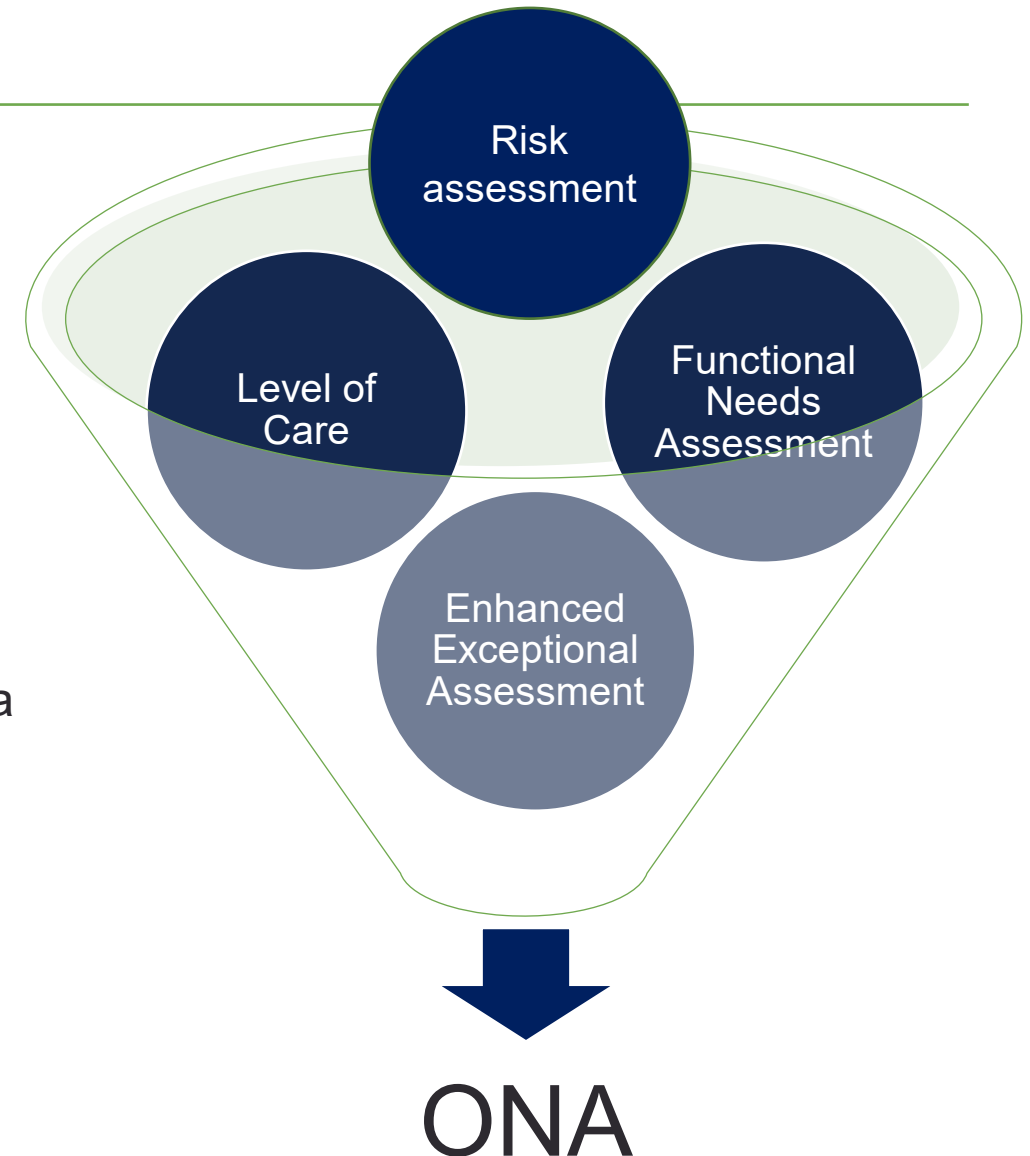
Setting new rate models

ODDS contracted Burns and Associates division of Health Management Associates to complete rate setting work.
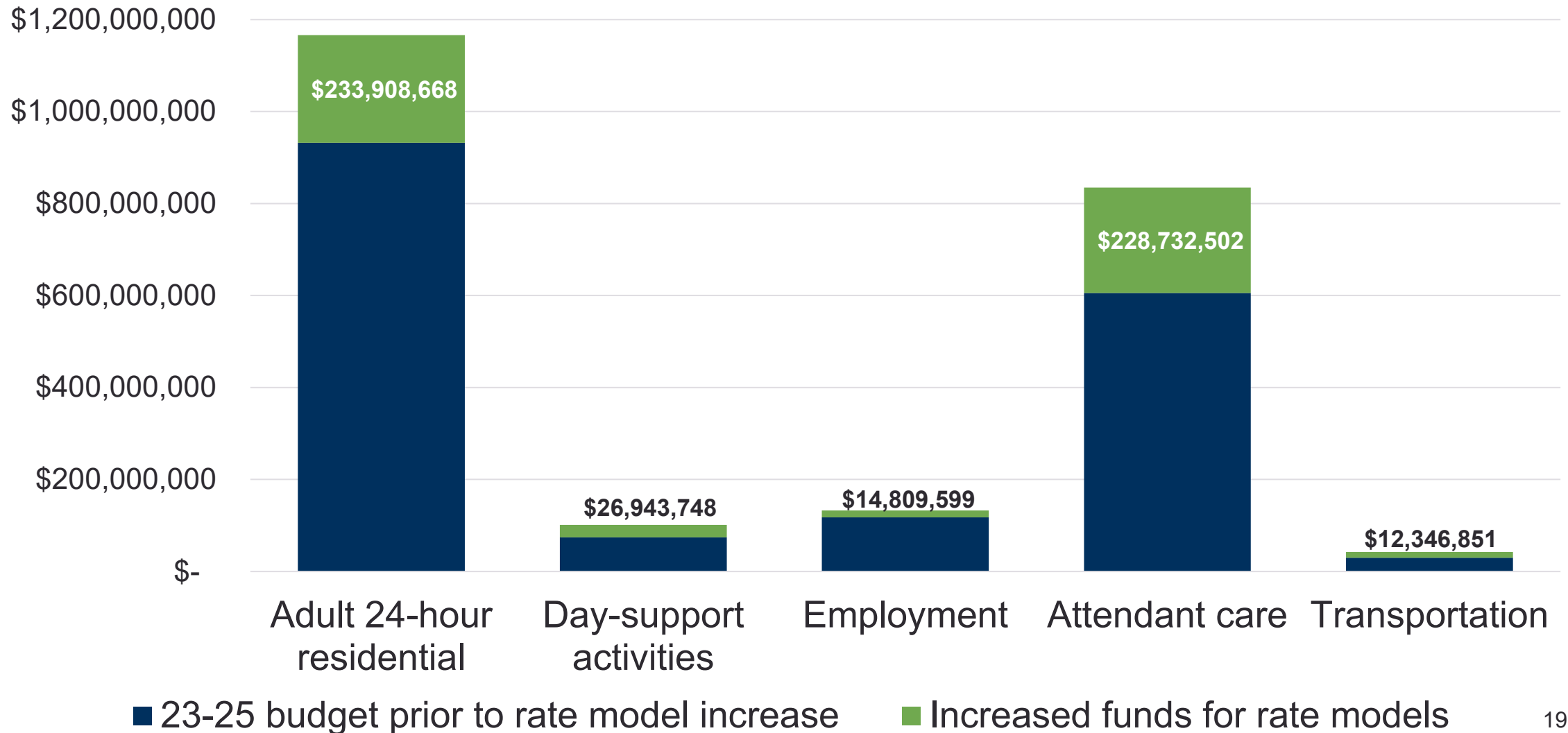
Process included:

- Establishing clear service expectations

- Meeting with and consulting ODDS' partners

- Studying current conditions by surveying all providers and analyzing data

- Aligning expectations with appropriate reimbursement

- Vetting draft models with partners and providers

- Using feedback to revise models

Rate models: Percentage increase by service area

Rate models: Total funding increase

Chart: Stacked bar chart showing "23-25 budget prior to rate model increase" (dark blue) and "Increased funds for rate models" (green).

Category	Increased funds for rate models
Adult 24-hour residential	$233,908,668
Day-support activities	$26,943,748
Employment	$14,809,599
Attendant care	$228,732,502
Transportation	$12,346,851

Y-axis: $- , $200,000,000 , $400,000,000 , $600,000,000 , $800,000,000 , $1,000,000,000 , $1,200,000,000

Legend:
■ 23-25 budget prior to rate model increase   ■ Increased funds for rate models

Implementation: Rates training

- [Compass Project training website](#) launched late 2021
- Public trainings hosted virtually December 2021–July 2022
  - 14 different modules
  - 1,500+ people attended: individuals who receive services and their families or representatives, case management entities, providers, other partners and ODDS staff
  - Posted to YouTube and linked from past trainings webpage
  - Translated captions into five languages
- Creation of 7 eXPRS trainings in WorkDay
- Technical assistance calls provided follow-up support
- Regular email communications to update the public
- Monthly Compass training transmittals to ODDS partners
- Social media posts to promote trainings

Automation and IT System improvements

Implementing the new rate models allowed numerous improvements in ODDS' provider payment system, eXPRS.

- Automatic determination of rates based on people's ONA service groups and type of provider selected in their authorization
- Reduced data-entry errors: no manual entry
- Providers consistently paid correct amount
- Reduced overpayment liabilities
- Simple rate structure easier to understand
- Rate table makes adjusting rates easier for providers
- Reduced authorization-management workload

Measuring progress

New rate models allow ODDS to see what is assumed and track progress.

Oregon direct support professional (DSP) workforce stability report:

- Showed higher wages are associated with lower turnover.
- Higher wages are essential for maintaining the DSP workforce.
- Agencies that permanently increased hourly wages for DSPs in 2020 had significantly lower turnover than agencies that did not.

New rates prevented I/DD workforce crisis from being worse during COVID-19 pandemic.

2020

- $15/hour average DSP wage

Today

- $17.81/hour average weighted DSP wage across all rate models ($17.57/hour in most rates)
- $18.99/hour average DSP wage from ORA provider survey
- $17– $22/hour for DSP positions listed on Impact Oregon

Quality and accountability improvements

New rate models include measures that support the DSP workforce.

In-home agencies

- Prohibition of independent contractors to deliver services
- Requirement: average wage to be at or above DSP wage assumption

Standard Model Agency

- New agency type
- Additional requirements for service delivery, quality and training
- Manage employment of DSPs: recruits, screens, trains and hires DSPs chosen by individuals
- Provide 12 hours of required training plus additional 12 hours per year, at least 2 hours on diversity, equity and inclusion
- Greater day-to-day support for scheduling, training, backup staffing, and on-call supervising
- Risk management and safety protocols

Provider accountability and Senate Bill 1548

- New measures and data collection around provider accountability

  - Workforce data

  - Wages for direct support professionals

  - Executive compensation

  - Providers' overhead expenses

- Rule advisory committees in Spring 2023

- National Core Indicators survey to collect data

- Data collection to start in 2024 for calendar year 2023 data

- Reports mid 2024

Remaining workforce challenges

Oregon Resource Association (ORA) represents

- 54% of 24-hour residential providers
- 33% of other provider agency types

Survey results

- 23% average direct support professional (DSP) vacancy rate
- 85% of providers no longer accept referrals to serve new people
- 86% of providers have reduced capacity or closed services and anticipate closing additional services

Conclusion: It is critical that provider rates remain in alignment with the cost of service delivery and demands to keep wages at a competitive level.

Provider growth and stabilization

Provider Setting Type	Number of Providers March 2020	Number of Providers September 2022
Day Support Activities	132	125
Employment	118	114
Adult Group Homes	178	358
In-Home Supports	182	188
Adult Supported Living	57	60
Child Group Homes	14	17

Increase of agency providers

	2019	2020	2021	2022
Number of agency providers	482	509	575	687
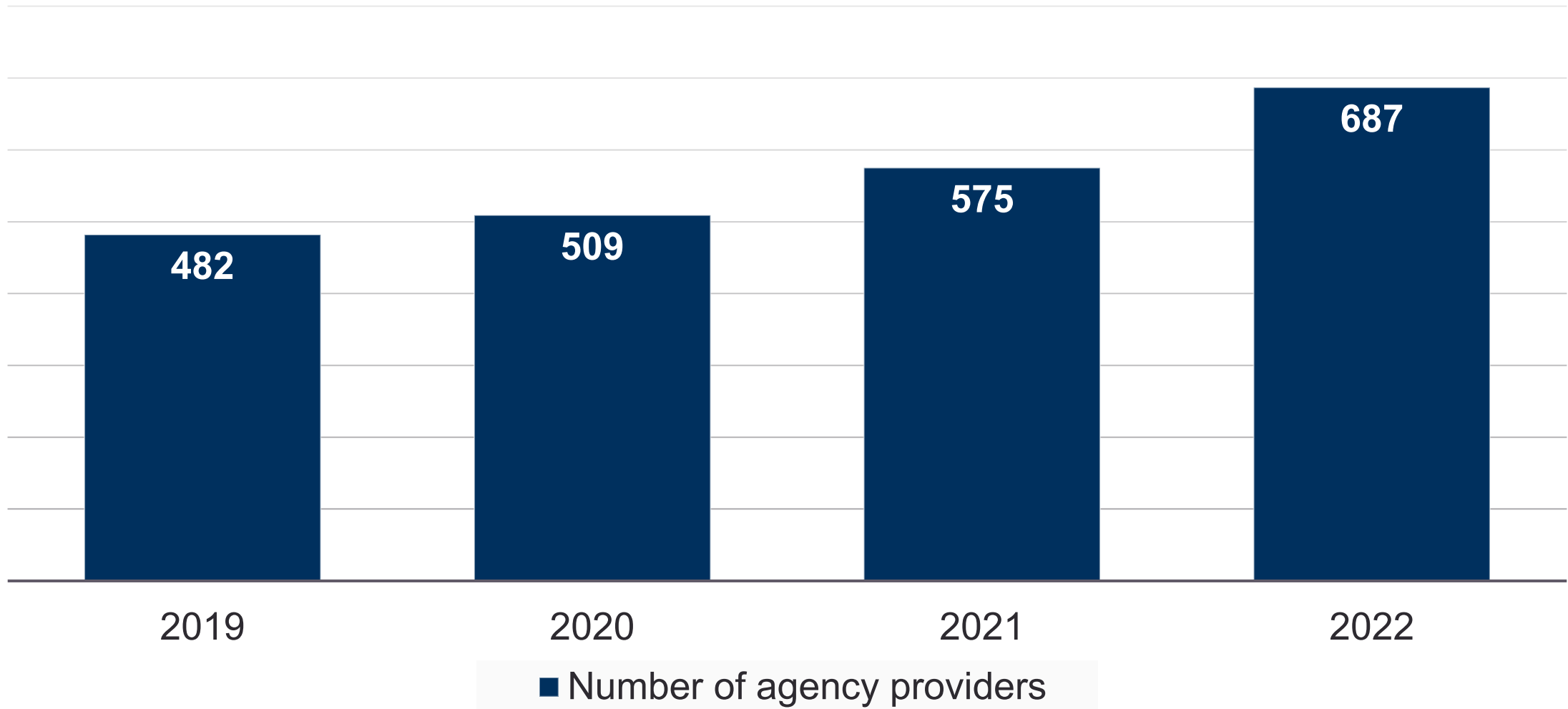
Remaining rate models to implement

Implement new rate models for:
- Professional behavior support services (needs streamlining)
- Supported living
- Foster care rates
  - Adults
  - Children

American Rescue Plan Act (ARPA) and investments in home and community-based services (HBCS)

ARPA and ODDS home and community-based services

- ARPA provides a temporary 10% increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for home and community-based services (HCBS).
- ODDS worked with partners to determine priorities for this funding with legislature approval.
- ODDS ARPA spending plan was approved by Oregon Legislature and CMS
- ODDS quickly established an internal ARPA team to effectively use these resources.
- ARPA funding must be spent by March 31, 2025.

American Rescue Plan Act of 2021

ARPA and ODHS Equity North Star

Goal: Expand capacity for home and community-based services (HCBS) in a way that aligns with ODHS Equity North Star.

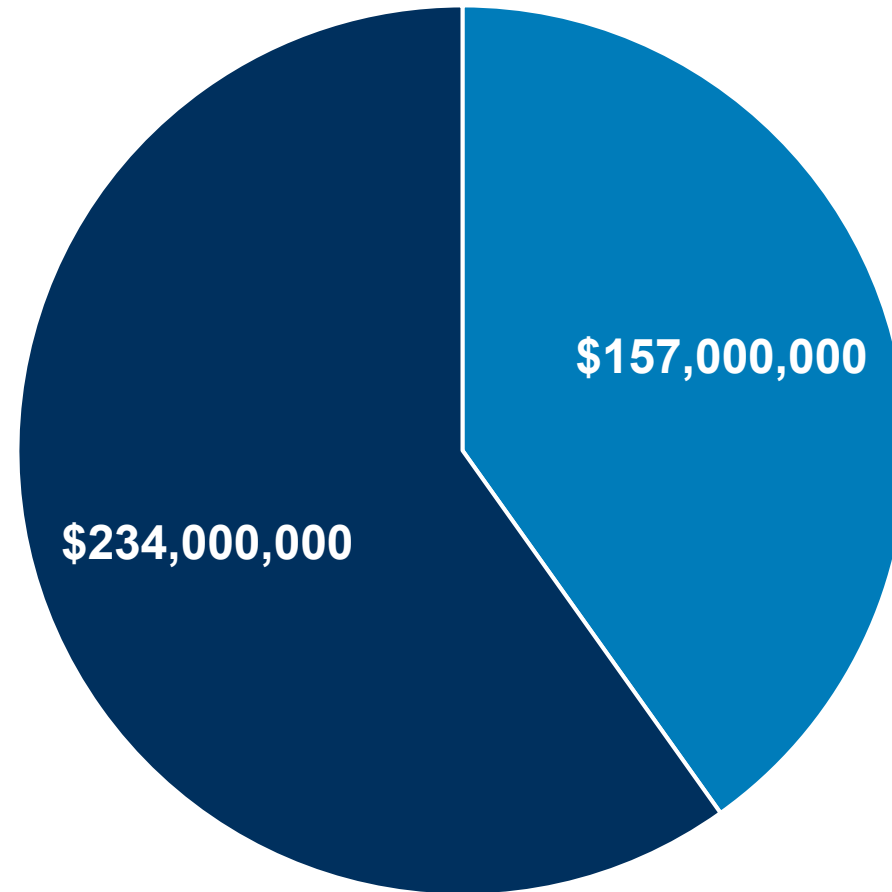- Spending must support ODDS' strategic plan, mission and values.

When identifying ARPA priorities, ODDS worked under the following principles:

- Requests align with service equity

- Improve lives of people and communities served by ODDS and affected by COVID-19

- Benefit the I/DD workforce

- Items are time-limited, one-time requests

ODDS ARPA spending

Total: $391M

Pie chart showing: $157,000,000 and $234,000,000. Legend: Section 9817, Federal funds

Community engagement

- Created [ARPA Website](#)
- Target engagement strategies based on the grant topic:
  - Surveys to collect information
  - Focus group meetings to gather input
  - Share findings
- Direct email to partners and social media posts to announce grant opportunities and updates
- Quarterly ARPA update meetings to share progress, answer questions and hear feedback
- Share information at ODDS' regular meetings with Vision Advisory Committee, DD Coalition, provider partners, case management entities and more
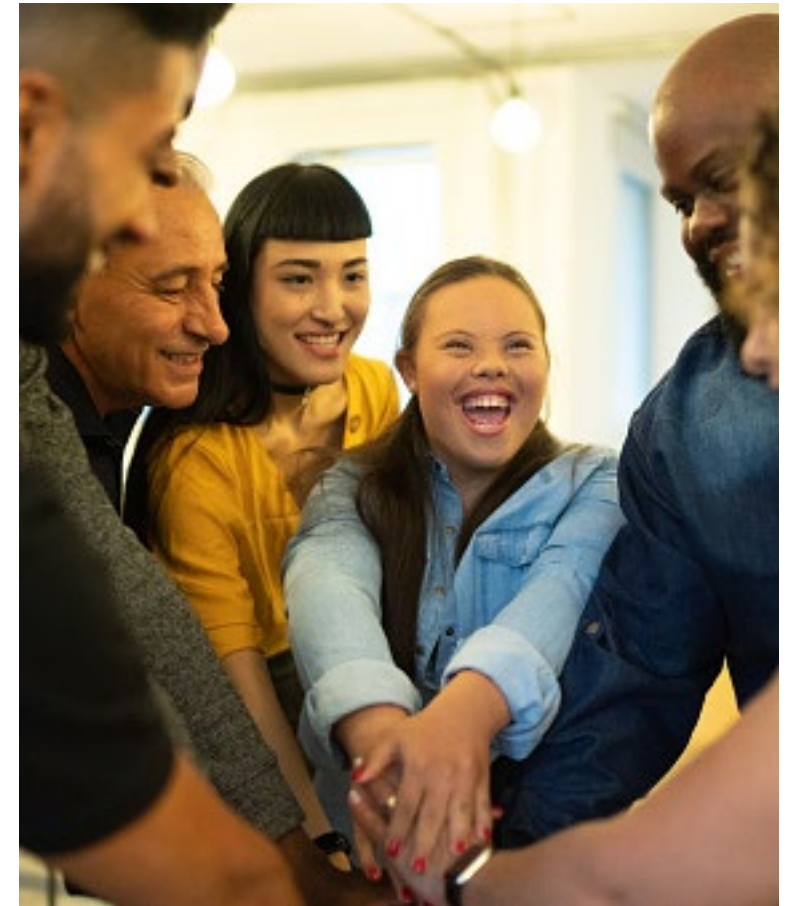
Community engagement: Survey

Question 3: What are the top two items you think this funding should be used for? There are 7 options to choose from and the ability to write-in a response under 'other.'

Below is a summary of the results from question 3:

Category	Self-advocates	Total
Self-advocacy training	37	216
Peer mentoring from one advocate to another	31	158
Grow an existing self-advocacy group(s)	29	128
Start a new self-advocacy group(s)	26	94
Transportation to/from meetings/events	25	92
Lodging at meetings/events for self-advocates	23	71
Media and other information for self-advocates	13	49
Other	2	18

ARPA projects complete:
Workforce and provider capacity

Description	Estimated funding
Continuing the COVID rate increase of 5% for non-bargained services	$35.5 million
Implementation of new rate models — July 2022 transition	$110.3 million
Provider recruitment and retention fund — funding issued to supported living and 24-hour residential providers towards a provider recruitment and retention fund to support innovative recruitment and retention strategies	$30.8 million
Capacity restoration and expansion — Day support activities (DSA) and employment targeted grants	$5 million

ARPA projects complete: Bargained workforce

Description	Estimated funding
COVID relief increase and one-time payment for adult foster home providers	$3.1 million
Enhanced bargaining pot for adult foster homes	$7 million
One-time COVID relief payments for personal support workers	$35.1 million
Enhanced services offered through the benefit trusts and training trusts for personal support workers	$18.9 million

Recruitment and retention funding

Roughly $30.8 million of ARPA funding was allocated to supported living and 24-hour residential providers.

- Provider recruitment and retention fund to support innovative recruitment and retention strategies

Categories

- Incentive payments to attract workers

- Payments for completing specialized training requirements

- Performance based increases or bonus

- Funds used to help retain current providers post public health emergency

Recruitment and retention funding:
24-hour residential

24-hour residential allocations	
Staff bonuses and retention	$13,409,133
Marketing and recruitment	$2,001,170
Vaccine bonus and incentives	$1,915,014
PPE	$760,334
Total spending	**$18,085,650**
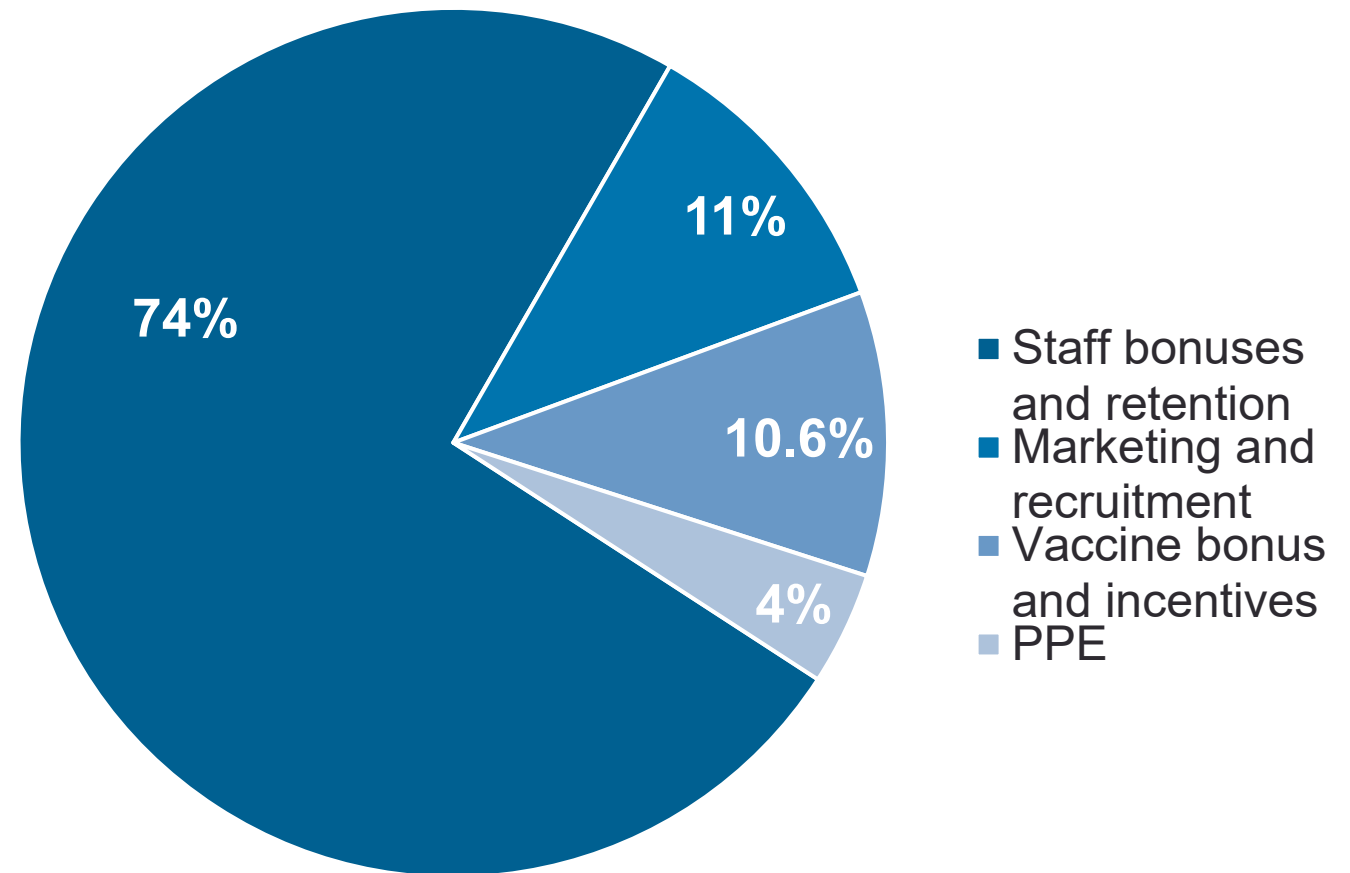
Recruitment and retention funding:
Supported living

Supported living allocations	
Staff bonuses and retention	$1,323,519
Marketing and recruitment	$249,965
Vaccine bonus and incentives	$213,194
PPE	$45,039
Total spending	**$1,831,717**

- Staff bonuses and retention
- Marketing and recruitment
- Vaccine bonus and incentives
- PPE

72%

14%

12%

2%
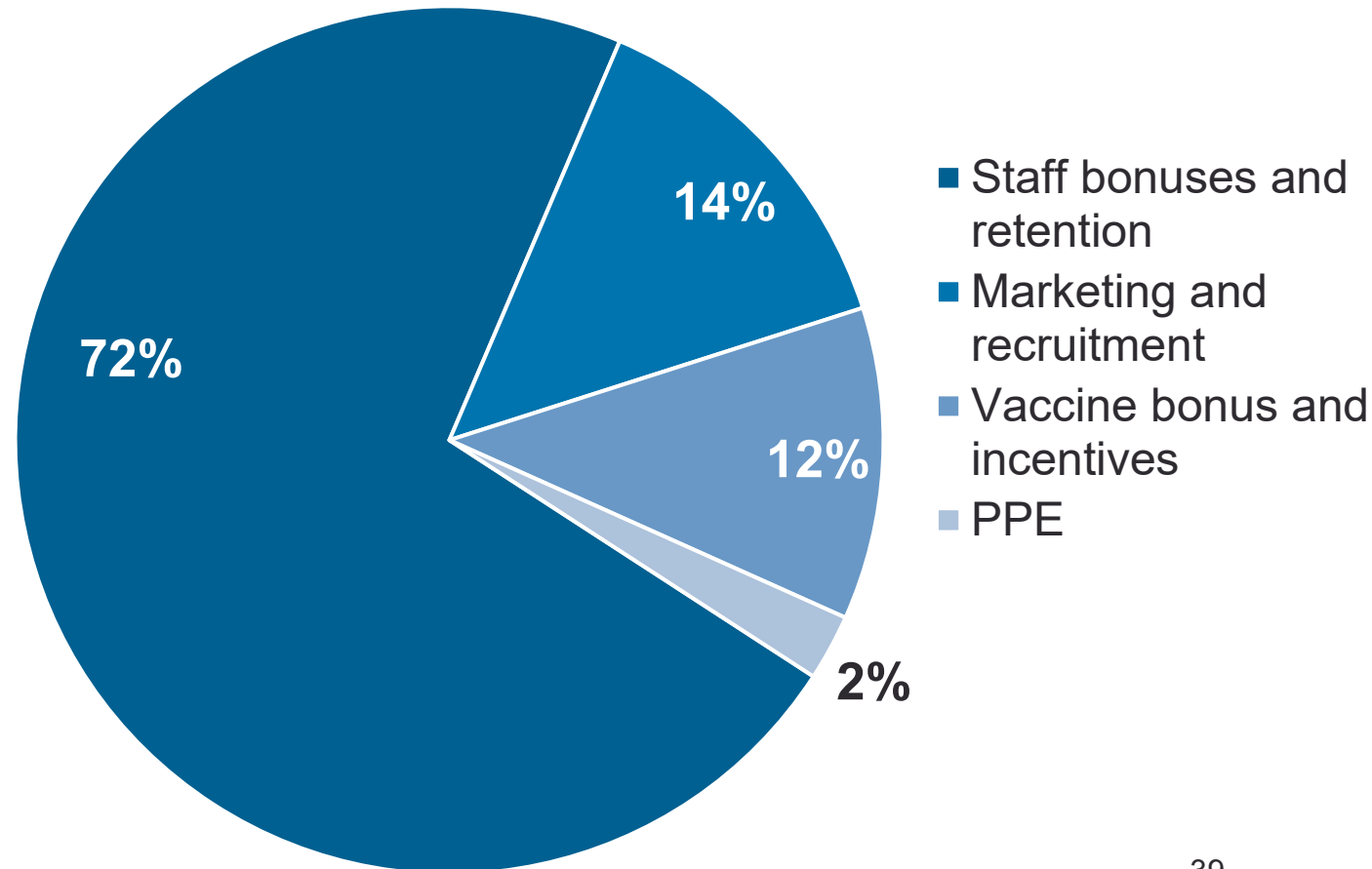
Recruitment and retention:
24-hour residential and supported living

24-hour residential	
DSPs retained	4800
DSPs recruited	2138
Total	**6938**

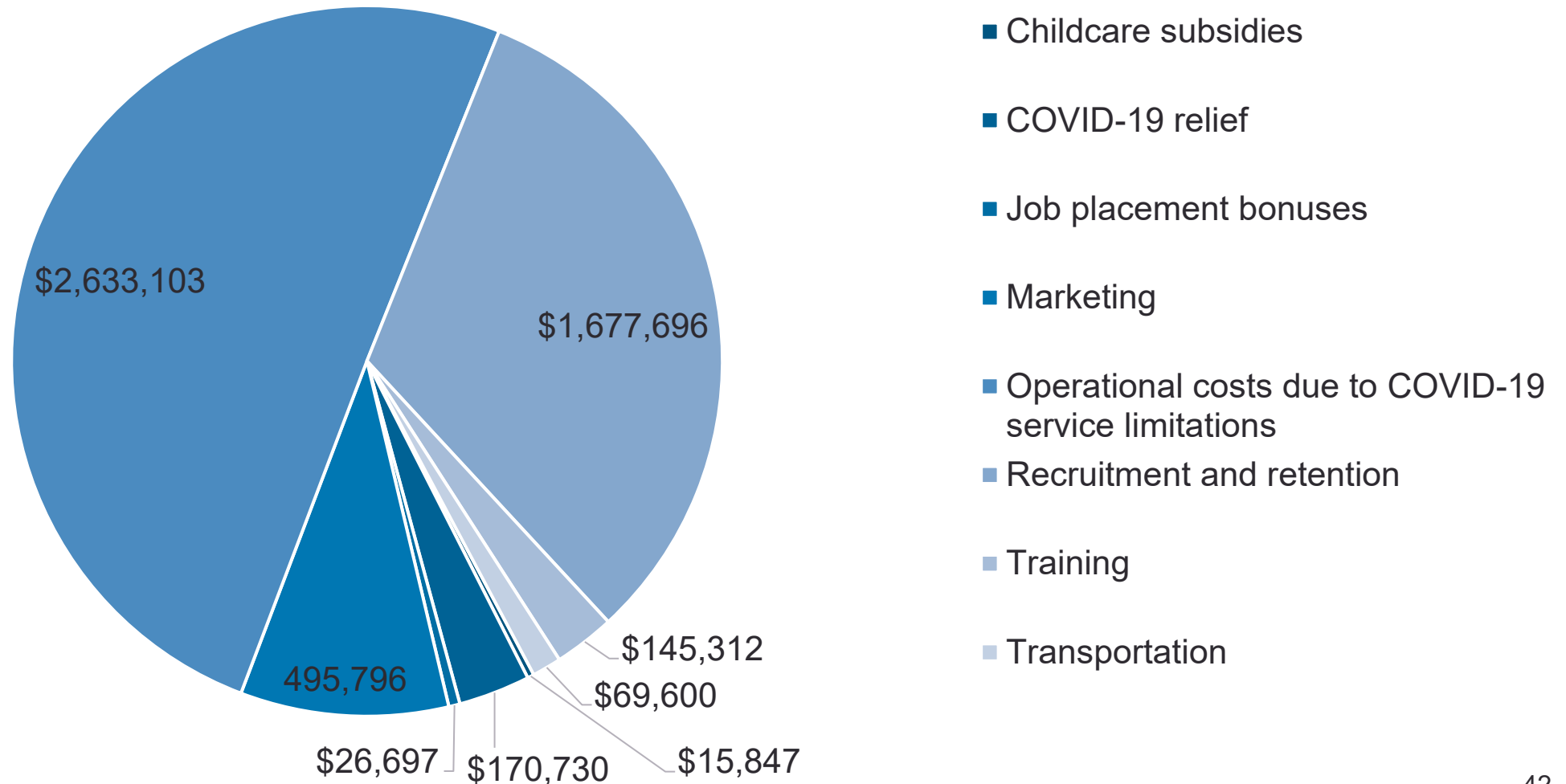| Supported living	
DSPs retained	1052
DSPs recruited	201
Total	**1253**

Capacity restoration and expansion funding

Day support activities (DSA) and employment targeted ARPA grants

- In December 2021, roughly $5 million was disbursed for capacity restoration and expansion grants specifically targeted to employment and day support activities.

- Funding was used to support efforts related to retention, recruitment, COVID-19 expenses and operational costs.

Dirkse Counseling and Consulting staff at a Portland State University job fair

Capacity restoration and expansion: Day support activities (DSA) and employment allocations

- Childcare subsidies
- COVID-19 relief
- Job placement bonuses
- Marketing
- Operational costs due to COVID-19 service limitations
- Recruitment and retention
- Training
- Transportation

$2,633,103
$1,677,696
495,796
$26,697
$170,730
$69,600
$15,847
$145,312

DSA success story: Westside Community Focus

Individuals and staff at the
Evergreen Aviation and Space Museum

"Employees have expressed feeling appreciated and supported with these actions and we believe this helps Westside in its retention efforts. This grant also aided our recruitment efforts in helping us to target staff more directly through Indeed." Rachel Steinberg, executive director, Westside Community Focus
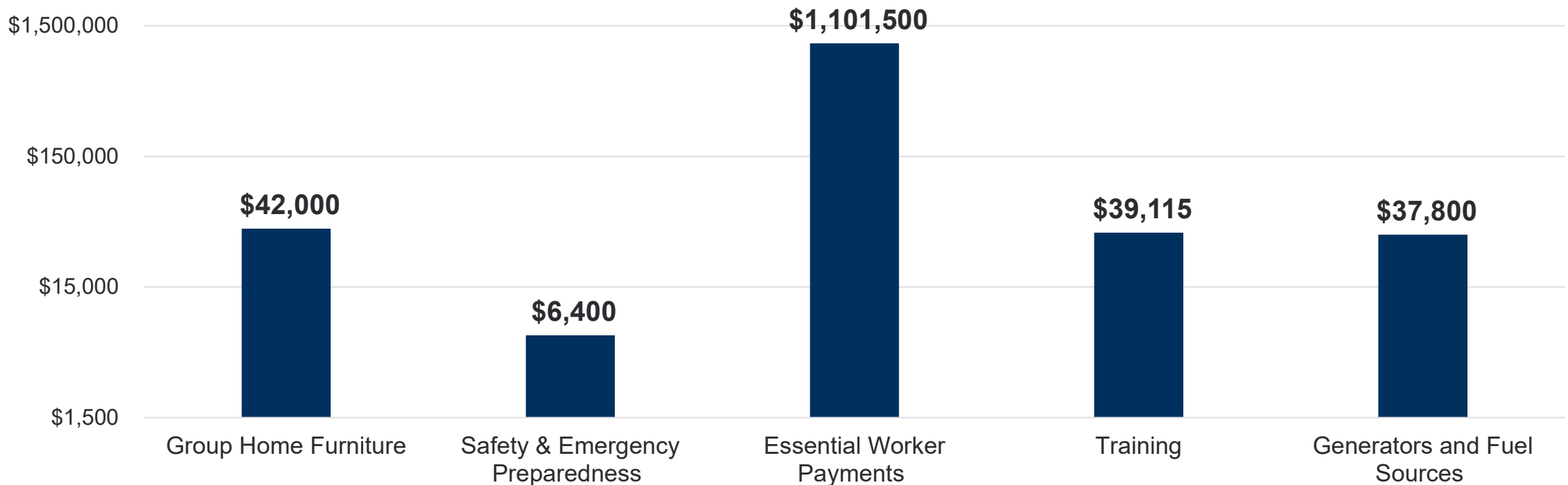
Westside Community Focus used ARPA funding towards employee retention incentive bonuses, COVID-19 outbreak shift incentives and targeted recruitment marketing through Indeed.

Stabilization and Crisis Unit (SACU)

$5 million ARPA funding to:

- Support direct support crisis specialist (DSCS) workforce
- Make enhancements to improve services

SACU ARPA allocations

Category	Allocation
Group Home Furniture	$42,000
Safety & Emergency Preparedness	$6,400
Essential Worker Payments	$1,101,500
Training	$39,115
Generators and Fuel Sources	$37,800

SACU success story:
Critical Incident Stress Management (CISM) training

Maher Lazeg, SACU employee

The pandemic impacted many lives. Tony, an individual supported by SACU, described the feeling of isolation he experienced as a result of the pandemic:

"I didn't get to see a lot of people I like to see. I couldn't stand it."

ARPA funding was used to provide Critical Incident Stress Management training (CISM) to the SACU Crisis Outreach and Assessment Team. CISM training helped Maher Lazeg, a SACU employee, with the development of a virtual life skills group. Tony saw unexpected skill building for supported individuals as a result of this group:

"Building trust in receiving counseling over the phone. They learned how to reach out to us and not wait for PCCs to come and visit the house."

Tony is gradually returning to visiting his friends and going to church, he knows his new skills in communication continue to help him. He also values his new skills and ability to work with people like Maher.

"Me and Maher, we're the bomb. We just work it out." — Tony

ARPA funding in process

Description	Estimated funding
Capacity restoration and expansion	$20 million
Diversity equity and inclusion	$6 million
Emergency response	$8 million
Reliable Information about I/DD services to people with I/DD and families	$2 million
Develop services and resources for parents with I/DD	$1.5 million
Impact Oregon enhancement	$1 million
Maintenance and updates for provider homes	$15.3 million
Community Integration Project homes	$2 million
Stabilization and Crisis Unit funding	$5 million

ARPA funding in process: Capacity restoration and expansion innovation grants

- Start-up and rebuilding for providers of employment and day-support activities
- Start-up, training and technical assistance for culturally and linguistically specific providers
- Enhance and grow all services for individuals with the highest support needs
- Capacity expansion in rural areas
- Start-up funds for all types of provider agencies
- Expectation of supporting appropriate wages and benefits for direct support staff

Status update

- Very strong applicant pool:109 completed applications requesting $37 million
- 55 intent-to-award notices: total of $12.5 million

ARPA funding in process: DEI and emergency response grants

Diversity, equity and inclusion grants

- Community focused diversity and equity training.

- Community outreach events.

- Training and tech assistance to support LGBTQIA+

- Support for expanding existing community activities to fully include people with IDD.

- Tribal relations.

Emergency response grants

- Generators for residential or family homes where power is necessary for critical medical equipment

- Emergency kits for people in services

- Foster connections between I/DD providers and local emergency response units

- Training in multiple languages

48

ARPA funding in process: Continued

Description	Estimated Funding
Expand LifeCourse and ISP training	$750,000
Blueprint funding	$10 million
Fund to support advocacy by self-advocates	$500,000
Restore funding for the Fairview Trust	$6 million
Funding for HIPAA compliant technology for case management entities and providers	$4 million
Personal support workers electronic visit verification device	$5 million
Cross training and technical assistance for Child Welfare and case management entities	$1.8 million
Medical and clinical expertise for ODDS	$2 million
Infrastructure funding for contracted case management entities	$4 million

ARPA funding in process: Self-advocacy, Fairview Trust and partner infrastructure

Funds to support local self-advocacy organizations

- Expanded access to advocacy trainings, meetings and events for people with I/DD
- Support for travel costs to meetings and trainings
- Marketing materials in multiple languages

Restore funding for the Fairview Trust

- Restored $6 million GF cut during economic downturn of 1990s
- Expanded access to housing options
- Development of "smart homes" to increase independence

Infrastructure funding for contracted CMEs

- Developed local infrastructure for ODDS' case management partners
- Initiatives to increase Tribal partnerships
- Capacity building positions for employment and foster care
- Small grant projects with community organizations to support people with I/DD and their families

Completed ARPA projects: ODDS Infrastructure

Description	Estimated funding
ODDS and case management entity infrastructure	$12.3 million

ARPA afforded ODDS the opportunity to fill gaps and address training needs.

- New ODDS Training Unit: 8 positions
- 1 emergency coordinator
- 1 complaints coordinator
- 1 housing and home modifications policy analyst
- 1 Child Welfare-ODDS liaison
- Other infrastructure positions

Training Unit accomplishments

- Presented over 15 training topics to more than 4,000 people

- Created training inventory of all ODDS sponsored trainings

- Developed training standards
  - Based on input from internal and external partners
  - Resource for minimum requirements and best practices in adult learning, accessibility, and diversity, equity and inclusion (DEI)
  - Guide development and delivery of all trainings
  - Help trainers and subject matter experts create better products

- Training assessment surveys about case-management training needs
  - Surveys of CMEs, ODDS staff and providers completed.
  - Survey to people who receive services and their families begins April 3

- Developed training for Marion County I/DD conference held in March 2023

ARPA conclusions

- Roughly 74% of ARPA funding has been spent.

- ARPA funding helped many providers remain operational in spite of pandemic's substantial impact on the I/DD provider field.

- Funding efforts focused on advancing agency priorities.
  - Increasing provider capacity
  - Supporting self advocacy
  - Emergency preparedness and response
  - Service equity efforts
  - New cross-agency partnerships

- Continue to track outcomes and report.

Questions?

Oregon Department of Human Services