

SB 570 -6 STAFF MEASURE SUMMARY

Senate Committee On Rules

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Meeting Dates: 5/11

WHAT THE MEASURE DOES:

Requires the Department of Human Services (DHS) to contract up to two consumer-directed employers to provide agency with choice services. Specifies requirements for consumer-directed employers. Directs contracted consumer-directed employers to recruit and retain qualified individual providers to meet current demands. Requires consumer-directed employers to provide individual providers access to a supervisor and a licensed medical professional. Permits any qualified person to apply for employment as an individual provider with a consumer-directed employer and requires them to have an active home care worker identification number issued by DHS. Allows individuals to use the private pay home care worker program to acquire home care services from the Home Care Commission. Directs the Home Care Commission to adopt rules regarding services from home care workers, personal support workers, respite care providers, on-call providers and providers of agency with choice services.

ISSUES DISCUSSED:

- Barriers to workforce retention
- Supports available for the workforce in current system
- Agency with choice model overview and implementation
- Self-services legislation and model implementation in other states
- Accountability and quality improvements
- Reimbursement rate setting system and expansion to private pay consumers

EFFECT OF AMENDMENT:

-6 Replaces the measure.

Defines "agency with choice services" and related terms. Directs the Department of Human Services (DHS) to contract with up to two consumer directed employers to provide agency with choice services and specifies criteria employers must meet. Directs DHS to complete rulemaking for contracting with consumer directed employers to provide agency with choice services by December 31, 2024. Directs DHS to contract with consumer-directed employers by issuing a request for proposal by July 1, 2025, specifies application process requirements and duties of consumer-directed employers that contract with DHS. Directs DHS to offer a program for licensed nurses to provide training and instruction to care workers on the performance of nursing tasks. Permits any qualified and willing person to apply for employment as a care worker with a consumer-directed employer. Requires care workers to have an active identification number assigned by the consumer-directed employer. Directs DHS to establish by rule hourly rates for consumer-directed employers, and annually adjust rates. Directs DHS to establish maximum percentage of the rates that may be used for administrative costs or overhead costs and minimum percentage of the rates that must be used for care worker compensation. Requires consumer-directed employers to demonstrate increases in rates passed through to care workers in wages and benefits and provide full financial transparency by reporting to DHS, specifies reporting requirements. Requires consumer-directed employers to provide a labor peace agreement when seeking to contract with DHS, specifies agreement requirements and allows for exemptions.

Directs DHS to study barriers to implementation of private pay home care worker program and report to the Legislative Assembly by January 1, 2026, repeals requirements on January 2, 2027.

Directs DHS to report on contracting with consumer directed employers to provide agency with choice services to the Legislative Assembly by January 1, 2027, repeals requirements on January 2, 2027.

Permits consumer-directed employers to serve clients not enrolled in a medical assistance program two years after the employer starts providing agency with choice services, repeals requirements on January 2, 2029.

BACKGROUND:

An employer of record for direct support professionals who are providing in-home services and supports to an individual can provide certain agency with choice services: coordinating the schedules and responsibilities of direct support professionals who are providing in-home services and supports to the individual; for each direct support professional providing in-home services and supports to the individual, withholding, filing and paying income and employment-related taxes, including workers' compensation premiums and unemployment taxes; verifying the qualifications of each direct support professional; and providing other administrative and employment-related supports. The Department of Human Service (DHS) can certify agencies to deliver agency with choice services as a community-based services option under [ORS 427.007](#). DHS cannot certify consumer-directed employers if the owner of the agency or an executive officer of the agency has been convicted of Medicaid fraud in any state within the 25-year period prior to the certification. Agencies that contract with the Department of Human Services to provide agency with choice services are called consumer-directed employers. Currently, consumer directed employer must demonstrate the ability or commitment to:

- provide support for individuals in directing the individual's direct support professional and the day-to-day services;
- recruit and retain a high-quality and diverse workforce;
- work with a broad coalition of stakeholders in an effort to understand the changing needs of the workforce and individuals;
- meet the state's interest in preventing or mitigating disruptions to individuals' in-home services and supports; and
- implement an electronic visit verification system that complies with state and federal requirements.

Senate Bill 570 specifies additional requirements for consumer-directed employers and requires DHS to contract with up to two consumer-directed employers to provide agency with choice services.