



OREGON HEALTH
CARE ASSOCIATION

Oregon's Voice for Long Term Care & Senior Housing

March 13, 2023

The Honorable Sara Gelser Blouin
Chair, Senate Committee on Human Services
Oregon State Capitol
900 Court St. NE
Salem, OR 97301

Subject: Senate Bill 570

Chair Gelser Blouin, Vice Chair Robinson, and members of the committee,

The Oregon Health Care Association (OHCA) represents long term care providers including licensed nursing facilities, assisted living, residential care, and memory care endorsed facilities. We also represent 105 in-home care agencies, which are licensed and overseen by the Oregon Health Authority.

SB 570 requires the Oregon Department of Human Services to contract with up to two "Agency with Choice" entities to provide home care services to Oregon's seniors and people with disabilities. Agency with Choice is a dual employer model that would supplement the homecare worker program established by Oregon's constitution and administered by the Oregon Home Care Commission.

OHCA is neutral on the concept of Agency with Choice to deliver home care services to Medicaid beneficiaries. We are committed to working with stakeholders to craft the best possible policy to ensure high quality of in-home care services for seniors and people with disabilities that are funded by the Department of Human Services.

We appreciate the dialogue and progress thus far with proponents on forthcoming amendment language will strengthen the bill's consumer protection and oversight standards. There are a few key issues that require additional time and continued discussion. They are:

- 1. Expansion to Private Pay Consumers:** Currently, the Oregon Home Care Commission serves only Medicaid beneficiaries, and we would like to see this program mirror that structure. In 2014, the Legislature directed the Home Care Commission to establish and administer a program called Home Care Choice, which would allow private pay consumers to access homecare services from the Commission through its registry. However, Home Care Choice was not successful or widely utilized by consumers and the Legislature has since stopped funding it. Before venturing into the private pay market again, we believe there is more work to do to assess whether Agency with Choice should expand beyond Medicaid and what would be needed to do so successfully.
- 1. Medicaid Reimbursement:** It is critical that the Medicaid reimbursement rate methodology for Agency with Choice entities does not create potentially harmful inequities in other areas of the system. If Agency with Choice entities receive a guaranteed reimbursement rate that allows the employers of record to provide annual, market-based adjustments to compensation and benefits, that methodology is fundamentally different from how licensed in-home care agencies

are reimbursed through Medicaid. Additional time is needed to fully explore establishing a methodology that ensures appropriate rate parity across in-home care provider types and avoids unintended consequences.

- 2. Accountability and Consumer Protection:** It is important that Agency with Choice entities are held to clear and comprehensive accountability and quality requirements. One area we would like to highlight is how often the Agency with Choice employer conducts visits with consumers throughout the year. In-home care agencies are required by rule to conduct quarterly monitoring visits for all clients, with at least one being in-person every six months. The Home Care Commission program lacks this consumer protection component and SB 570 presents the opportunity to include this element in its program.

On behalf of OHCA's members, we understand the value Agency with Choice can bring to the state and are neutral on the bill. We appreciate the opportunity to be involved in discussions and would request additional time to work through the remaining policy questions outlined above.

Sincerely,

Libby Batlan
Senior Vice President of Government Relations
Oregon Health Care Association