



Providing Supports. Empowering People.

April 4, 2023

My name is Terri Silvis, CEO of Horizon Project, a nonprofit organization that residential, community employment, and community integration activities for over 140 participants living with intellectual and developmental disabilities. As one of the larger agencies in rural eastern Oregon, Horizon Project employs a stabilized workforce of 200 staff, though our workforce numbers are really never stable. Historically, lower than average and noncompetitive wages in the industry combined with the often physically and emotionally difficult nature of the work manifests in generally high turnover and vacant position rates.

I am writing to ask that you support POP 132 in the budget which provides funding to increase wages for Direct Support Professionals. The Office of Developmental Disabilities Services developed this POP to address the ongoing workforce crisis in the State's IDD system. Horizon Project and other provider agencies are supported over 98% by public funding, doing the important work of supporting some of our communities' most vulnerable citizens. We do this because we care about those we support, and the state funds us as a public good.

Thanks to the support of the legislature in the last session, the current rate model was approved and DSP wages rose significantly. You showed support for the people we care for and invested in our system, in our staff, and in our collective mission. We would not have survived without your support, but our work is not done. We need to protect and enhance this investment going forward.

As we continue to recover from the pandemic, changes in the workforce and inflationary trends erode the competitiveness of our wages. Though provider agencies consistently pay wages above the amount funded by rates, our industry still struggles to hire and retain employees. This complicated, critical work is often rewarded with wages below those of fast food employees. Current service rates were built on cost studies now *years* old. This means that, even though service rate models are fully funded, the costs built into these models are *significantly* behind actual costs, market realities, and inflationary trends.

Across the state, staff vacancy rates at provider agencies like Horizon Project approximate 23%; rising minimum wage thresholds and competition for applicants continue to stress our system. 85% of providers have reduced capacity because they can't find workers and anticipate closing additional services. In the past two years, Horizon Project has closed 3 programs due to reduced staffing levels, at best relocating residents to other programs internally or worst, displacing them into an already stressed system. This puts people with disabilities at risk.

Thank you for your previous support, and thank you for valuing the work that we do. Please continue to Value the Work and Raise the Wage by including POP 132 in the budget. DSPs, the people they support and their families are counting on your support!

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Value the Work. Raise the Wage.

We must continue to move the Direct Support Professional (DSP) workforce out of crisis.

The 2021 Legislature made a historic investment in services to people with intellectual and developmental disabilities (I/DD) and for the first time the I/DD system was FULLY FUNDED. Even though this investment allowed us to increase wages for DSPs by \$1.25 an hour (current average reimbursement wage for DSPs at \$17.81), providers still report an average DSP vacancy rate of 23%.

Additional increases in wages are needed to address the current workforce shortage. Per a recent ORA survey, 85% of providers are no longer accepting referrals to serve new people and 86% have reduced capacity or closed services and anticipate closing additional services.



ABOUT DSPs: Direct Support Professionals (DSPs) provide crucial supports to adults and children experiencing intellectual and developmental disabilities. Their work includes managing medical needs, challenging behaviors, personal hygiene, and support to maintain employment and make real connections in the community. These incredibly dedicated individuals are not state employees, rather they work for small and medium non-profits and entities that provide community based services across Oregon. While not state employees, their wages (via I/DD rates) are funded almost entirely by state and federally matched funds.



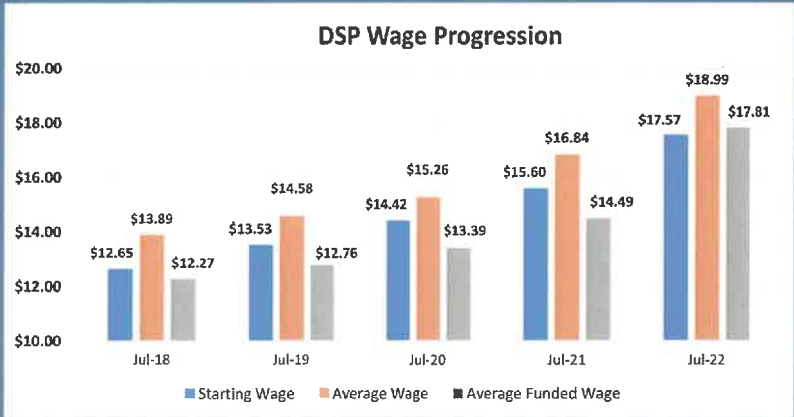
Protect your investment and continue fully funding I/DD rates while prioritizing DSPs!

In 2023 we must continue to increase DSP wages!

ODDS Pop 132 makes two critical long-term investments in Direct Support Professionals:

- Includes wage inflation and rate increases that bring DSP wages in payment category 1 to \$19.36, payment category 2 to \$20.38, and to \$22.42 in payment category 4 in the first year of the biennium.
- Increases the health insurance assumption to \$628.45 (currently \$525) per employee per month and adds the 0.4% employer Paid Leave Oregon payroll tax pick-up.

Average Wage Providers Pay Versus Wage That Is Funded:



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Value the Work. Raise the Wage.

\$162M

ODDS POP 132 - Targeted Rate Increase

Includes wage inflation and rate increases that bring DSP wages in payment category 1 to \$19.36, payment category 2 to \$20.38, and to \$22.42 in payment category 4 in the first year of the biennium. Increases the health insurance assumption to \$628.45 (currently \$525) per employee per month and adds the 0.4% employer Paid Leave Oregon payroll tax pick-up.

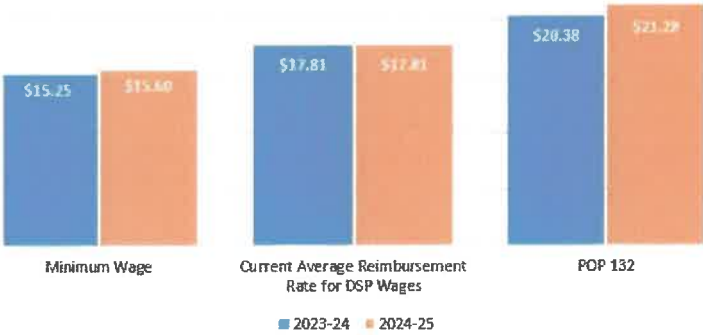
The Math:

General Fund:	\$162,144,945
Federal Funds:	\$294,067,672
Total Funds:	\$456,212,617

What do these investments mean for DSP wages?

Total GF Investment: \$162M

DSP Hourly Wage



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