



Oregon

Tina Kotek, Governor

Department of Human Services

Office of Developmental Disabilities Services
500 Summer St. NE
Salem, OR 97301

April 3, 2025



Co-Chair Wlinsvey Campos
Co-Chair Andrea Valderrama

Joint Ways and Means Subcommittee on Human Services

Dear Co-Chairs and Members of the Subcommittee:

Thank you for inviting the Oregon Department Human Services to present an overview of the Office of Developmental Disabilities Services (ODDS). At the two-day hearing that spanned March 31, 2025, and April 1, 2025, subcommittee members asked several questions on which ODDS Interim Director Dana Hittle promised written follow-up. Below, please find information about each of the topics of those questions:

Question 1: \$75 Million Special Purpose Appropriation in the Governor's Recommended Budget

For the purposes of collective bargaining only, the state is the employer for in-home workers known as personal support workers (PSWs), homecare workers (HCWs), and personal care attendants (PCAs). These workers support people receiving services through ODDS, APD, and OHA, respectively, and those individuals are the workers' employers of record: though they are paid by and bargain with the state, the workers are employed directly by people receiving services.

This workforce of PSWs, HCWs, and PCAs is represented by the Service Employees International Union Local 503 (SEIU). ODHS and OHA must bargain with SEIU for wages and benefits for the workers, as well as policies affecting them. The 2025-27 Governor's Recommended Budget (GRB), as described on page 45 of that document, "includes \$75 million through a Special Purpose Appropriation in the Emergency Fund for Personal Support Workers and Home Care Workers in APD and I/DD. This investment will provide funding for better wages for the workforce serving APD and I/DD clients." This \$75 million SPA constitutes a bargaining pot for those PSWs, HCWs, and PCAs. How the \$75 million is ultimately spent will depend on agreements made in collective bargaining.

The GRB did not include any rate increases for other parts of the ODDS service delivery system, or for direct support professional (DSP) wages. The term DSP describes a broad range of ODDS direct care workers employed by private agencies. DSPs work across various ODDS settings, including in-home

services, residential settings, and supported living. The rate and wage study final report was not completed until after the GRB was released, so its recommendations are not included in that document.

Question 2: Individuals who Resided at Fairview and Presently Live in an SACU Home

During the process of closing the Fairview Training Center, as residents were moving into homes in the community, ODHS established the State Operated Community Program (SOCP), which eventually became the Stabilization and Crisis Unit (SACU). During the March 31 hearing, Senator Gelser Blouin asked how many individuals currently residing in SACU homes were among those who were “promised a forever home” there. There are six individuals who currently live at SACU and lived at Fairview.

Question 3: Governor’s Recommended Budget Proposed Cut to SACU and Transition Planning Still in Process

Representative Diehl posed a question about whether the cut proposed in the GRB was “a good number,” expressing reticence about making significant cuts before all of the details of transition planning had been worked out.

The 2025-27 Biennium Reduction Exercise for SACU is a high-level estimate: it assumes that SACU positions would be eliminated halfway through the biennium (\$31 million GF); it assumes a reduction in S&S for SACU homes and staff (\$1.1 million GF); and it assumes an *investment* in community placements/providers for individuals leaving SACU (\$16.4 million GF). These assumptions result in a net reduction of approximately \$17.7 million GF.

These are very high-level assumptions, and the actual recommendations/plan will undoubtedly change these figures. If we are able to move ahead with some types of changes in the 25-27 biennium, we will likely have some savings through attrition (rather than layoffs, as both ODHS and the Governor’s Office have committed to no layoffs) and implementation of other operational controls. The amount that will be needed for placements is a real unknown at this point, so the estimate would equate to a little more than double the cost-per-case for individuals in the highest service level in 24-hour group homes for 12 months.

Question 4: Personal Support Worker Wages as Compared to In-Home Agency Rates

At the April 1 hearing, Representative Scharf asked a question about the collectively bargained wages for PSWs as compared to the total rates paid to agencies that provide in-home services, pointing out that the latter have overhead costs while the former do not. Although Interim Director Hittle answered the question, we did feel one clarification may be worth including here.

The Legislatively directed APD-ODDS Rate and Wage Study¹ recommends a higher wage for PSWs than for agency DSPs, specifically raising the PSW base wage by \$4.50. This would result in an average PSW wage between \$26-\$27/hour, compared to the recommended DSP average of \$23.20/hour. This is to account for more generous benefits assumed in the agency rate model for hourly attendant care. Although the \$75 million Special Purpose Appropriate for PSWs and homecare workers was included in the GRB, it is not expected to increase wages to the \$26-\$27/hour wage that the Rate and Wage Study recommends.

Question 5: Oregon's Eligibility Criteria for I/DD Services as Compared to Other States'

In addition to the medically fragile and medically involved children's waivers, there are two paths to eligibility for ODDS services in Oregon: intellectual disability and other developmental disability.

Intellectual disability criteria require either onset of the disability before age 18 and full-scale IQ of 70 or below, *or* onset before 18 and full-scale IQ between 71-75 with a significant adaptive impairment.

To be eligible due to other developmental disability, there must be onset before age 22 and impairment in adaptive behavior demonstrated by one composite score two standard deviations below the mean, two domain scores two standard deviations below the mean, or two skilled areas on the Adaptive Behavior Assessment System and Adaptive Behavior Evaluation Scale (two assessments that measure adaptive functioning) that are two standard deviations below the mean.

A sample of other states' I/DD eligibility criteria indicates that Oregon's IQ requirements for intellectual disability are shared by several states, with some states having a lower cutoff of 69 or 70. Several states have more stringent adaptive score requirements for developmental disability eligibility than Oregon. For example, California, Arizona, Idaho, and Nevada all require deficits in three or more areas to be eligible under "developmental disability." A fuller survey of other states' criteria would require more time, but can be completed if requested.

Question 6: Number of PSWs Needed to Address Workforce Shortages

Independent research suggests the caregiving workforce overall in Oregon needs to grow by 10,000 workers by 2030². It is difficult for ODDS to speculate how many workers are needed for people with I/DD alone, or by service setting or worker type, as much of our system depends on the choice of the individuals receiving services. In 2022, in a national survey of developmental disability service providers, 62% of

¹ <https://www.healthmanagement.com/burns-reports/or-dhs-wage-and-rate-study/>

² <https://olis.oregonlegislature.gov/liz/2023R1/Downloads/CommitteeMeetingDocument/264559>

respondents indicated they faced staffing shortages³. While we do track the number of PSWs working in Oregon, ODDS does not track the number of DSPs working; only the number of agencies that employ them.

Question 7: Were ARPA rate increases intended to end when the PHE ended?

ARPA-funded provider rate increases were intended to be temporary, to help maintain the workforce during a time when providers had to find creative ways to deliver services safely, when they had to comply with rapidly changing federal and state guidance, and when workforce shortages were exacerbated. Specific provider types received a 5% temporary rate enhancement scheduled to end on June 30, 2023. Providers advocated to the Legislature for these rates enhancements to continue.

Additionally, in 2021, HB 5006 (the ODHS budget bill) included a budget note directing ODDS to “use funds made available through the temporary 10% FMAP increase to cover the 2021-23 costs required for implementation” of the new rate models that were set to go into effect on July 1, 2022. The legislature pointed out in the budget note that this was in keeping with the intent of ARPA funding because “this action is intended to strengthen and enhance Home and Community Based Services.”

The 2023-2025 Legislative Adopted Budget (LAB) continued the same appropriation, but redistributed the rate increases by including different provider types. The same amount of GF was used for a different group of providers, resulting in some providers receiving a permanent 5% increase and others receiving a lower permanent rate increase.

³ Institute of Community Integration, Human Services Research Institute, & National Association of State Directors of Developmental Disabilities Services. Community Supports in Crisis: No Staff, No Services. University of Minnesota, Institute on Community Integration; 2022.

Question 8: What is the cost gap between today's rates and the recommendations in the Rate and Wage study, broken down by provider type?

Comparison of Current and Recommended Rates – Adult 24-Hour Residential

Rate Category	Current Rate (per day)	Proposed Rate (per day)	\$ Change	% Change
Adults, 2 Residents				
Category 1	\$300.14	\$623.33	\$323.19	107.7%
Category 2	\$410.20	\$724.55	\$314.35	76.6%
Category 3	\$561.69	\$872.15	\$310.46	55.3%
Category 4	\$687.54	\$1,080.38	\$392.84	57.1%
Adults, 3 Residents				
Category 1	\$300.14	\$419.44	\$119.30	39.7%
Category 2	\$410.20	\$563.77	\$153.57	37.4%
Category 3	\$561.69	\$770.16	\$208.47	37.1%
Category 4	\$687.54	\$969.52	\$281.98	41.0%
Adults, 4 Residents				
Category 1	\$234.81	\$366.16	\$131.35	55.9%
Category 2	\$349.85	\$503.29	\$153.44	43.9%
Category 3	\$434.62	\$634.57	\$199.95	46.0%
Category 4	\$561.20	\$814.49	\$253.29	45.1%
Adults, 5 Residents				
Category 1	\$234.81	\$295.64	\$60.83	25.9%
Category 2	\$349.85	\$445.19	\$95.34	27.3%
Category 3	\$434.62	\$561.45	\$126.83	29.2%
Category 4	\$561.20	\$746.28	\$185.08	33.0%

Comparison of Current and Recommended Rates – Children 24-Hour Residential

Rate Category	Current Rate (per day)	Proposed Rate (per day)	\$ Change	% Change
Children, 2 Residents				
Category 1	\$518.25	\$745.31	\$227.06	43.8%
Category 2	\$619.65	\$887.00	\$267.35	43.1%
Category 3	\$725.13	\$1,031.51	\$306.38	42.3%
Category 4	\$855.73	\$1,245.30	\$389.57	45.5%
Children, 3 Residents				
Category 1	\$518.25	\$707.76	\$189.51	36.6%
Category 2	\$619.65	\$840.24	\$220.59	35.6%
Category 3	\$725.13	\$989.70	\$264.57	36.5%
Category 4	\$855.73	\$1,204.54	\$348.81	40.8%
Children, 4 Residents				
Category 1	\$476.79	\$649.82	\$173.03	36.3%
Category 2	\$552.11	\$749.00	\$196.89	35.7%
Category 3	\$709.72	\$964.35	\$254.63	35.9%
Category 4	\$812.66	\$1,143.52	\$330.86	40.7%
Children, 5 Residents				
Category 1	\$388.85	\$533.63	\$144.78	37.2%
Category 2	\$449.08	\$612.98	\$163.90	36.5%
Category 3	\$576.16	\$788.65	\$212.49	36.9%
Category 4	\$658.72	\$932.63	\$273.91	41.6%

Comparison of Current and Recommended Rates - Child Foster Homes and Host Homes

Rate Category	Current Rate (per day)	Proposed Rate (per day)	\$ Change	% Change
Category 1	\$130.46	\$182.86	\$52.40	40.2%
Category 2	\$183.16	\$238.65	\$55.49	30.3%
Category 3	\$257.43	\$322.49	\$65.06	25.3%
Category 4	\$327.38	\$412.15	\$84.77	25.9%

Comparison of Current and Recommended Rates - In-Home Services

Rate Type	Current Rate (per hour)	Proposed Rate (per hour)	\$ Change	% Change
Standard Model Agency				
1:1	\$42.24	\$53.39	\$11.15	26.4%
1:2 (per person)	\$23.23	\$29.37	\$6.14	26.4%
1:3 (per person)	\$16.90	\$21.36	\$4.46	26.4%
2:1	\$76.69	\$97.53	\$20.84	27.2%
Community Living Supports Agency				
1:1	\$34.99	\$44.55	\$9.56	27.3%
1:2 (per person)	\$19.25	\$24.51	\$5.26	27.3%
1:3 (per person)	\$14.00	\$17.82	\$3.82	27.3%
2:1	\$64.26	\$81.81	\$17.55	27.3%

Recommended Rates – Supported Living

Rate Category	Proposed 'Full' Rate (per month)	Proposed Oversight/Coord. Rate (per month) ^a	Proposed Hourly Direct Support Rate (per hour) ^a
Service Group 1	\$5,858.42	\$2,483.89	\$48.59
Service Group 2	\$7,490.53	\$2,694.28	\$48.59
Service Group 3	\$12,138.06	\$3,357.99	\$48.59
Service Group 4	\$22,737.88	\$4,974.64	\$48.59
Service Group 5	\$32,726.81	\$5,966.49	\$52.58
24-Hour Care	\$42,589.58	\$7,469.31	\$52.58
^a If the provider does not meet the 75 percent threshold to bill the full rate, they bill the monthly coordination-only rate plus the hourly rate for the number of direct support hours actually provided.			

Comparison of Current and Recommended Rates – Day Support Activity, Employment Path, and Small Group Supported Employment

Rate Category	Current Rate	Proposed Rate	\$ Change	% Change
Rate Category	Current Rate (per person per hour)	Proposed Rate (per person per hour)	\$ Change	% Change
Day Support Activity, Community-Based				
Category 1	\$17.11	\$20.05	\$2.94	17.2%
Category 2	\$21.33	\$25.68	\$4.35	20.4%
Category 3	\$29.77	\$36.95	\$7.18	24.1%
Category 4	\$39.76	\$51.66	\$11.90	29.9%
1:1 (by Exception)	\$41.82	\$53.78	\$11.96	28.6%
2:1 (by Exception)	\$71.24	\$90.72	\$19.48	27.3%
1:1 Svcs. (Solo)	\$42.29	\$57.31	\$15.02	35.5%
Category 1	\$21.28	\$26.67	\$5.39	25.3%
Category 2	\$24.66	\$31.38	\$6.72	27.3%
Category 3	\$29.71	\$38.41	\$8.70	29.3%
Category 4	\$39.83	\$53.80	\$13.97	35.1%
1:1 (by Exception)	\$41.71	\$56.16	\$14.45	34.6%
2:1 (by Exception)	\$71.01	\$95.07	\$24.06	33.9%
Employment Path, Center-Based				
Category 1	\$13.48	\$16.14	\$2.66	19.7%
Category 2	\$17.32	\$21.69	\$4.37	25.2%
Category 3	\$22.46	\$29.11	\$6.65	29.6%
Category 4	\$28.27	\$38.38	\$10.11	35.8%
1:1 (by Exception)	\$38.44	\$53.08	\$14.64	38.1%
2:1 (by Exception)	\$67.37	\$91.67	\$24.30	36.1%
Small Group Supported Employment				
Category 1	\$22.46	\$27.80	\$5.34	23.8%
Category 2	\$25.97	\$32.72	\$6.75	26.0%
Category 3	\$31.45	\$40.36	\$8.91	28.3%
Category 4	\$42.50	\$57.36	\$14.86	35.0%
1:1 (by Exception)	\$43.91	\$59.07	\$15.16	34.5%
2:1 (by Exception)	\$73.76	\$99.13	\$25.37	34.4%

“Safety, health and independence for all Oregonians”

Comparison of Current and Recommended Rates – Discovery and Job Development

Rate Category	Current Rate	Proposed Rate	\$ Change	% Change
Discovery (Completed Discovery Profile)				
Category 1	\$2,184.54	\$2,854.25	\$669.71	30.7%
Category 2	\$2,496.61	\$3,262.00	\$765.39	30.7%
Category 3	\$2,808.69	\$3,669.75	\$861.06	30.7%
Category 4	\$2,808.69	\$3,669.75	\$861.06	30.7%
Job Development (Placement Milestone)				
Category 1	\$2,429.86	\$3,216.80	\$786.94	32.4%
Category 2	\$3,037.33	\$4,021.00	\$983.67	32.4%
Category 3	\$3,644.80	\$4,825.20	\$1,180.40	32.4%
Category 4	\$3,644.80	\$4,825.20	\$1,180.40	32.4%
Job Development (90-Day Retention Milestone)				
Category 1	\$1,518.67	\$2,010.50	\$491.83	32.4%
Category 2	\$1,822.40	\$2,412.60	\$590.20	32.4%
Category 3	\$2,429.86	\$3,216.80	\$786.94	32.4%
Category 4	\$2,429.86	\$3,216.80	\$786.94	32.4%

Comparison of Current and Recommended Rates – Job Coaching

Rate Category	Current Rate (per individual worked hour)	Proposed Rate (per individual worked hour)	\$ Change	% Change
Initial Phase				
Category 1	\$32.07	\$42.25	\$10.18	31.7%
Category 2	\$49.82	\$65.46	\$15.64	31.4%
Category 3	\$71.73	\$95.18	\$23.45	32.7%
Category 4	\$71.73	\$95.18	\$23.45	32.7%
Ongoing Phase				
Category 1	\$25.66	\$33.80	\$8.14	31.7%
Category 2	\$49.82	\$65.46	\$15.64	31.4%
Category 3	\$71.93	\$95.18	\$23.25	32.3%
Category 4	\$71.93	\$95.18	\$23.25	32.3%
Maintenance Phase				
Category 1	\$19.24	\$25.35	\$6.11	31.8%
Category 2	\$49.82	\$65.46	\$15.64	31.4%
Category 3	\$71.93	\$95.18	\$23.25	32.3%
Category 4	\$71.93	\$95.18	\$23.25	32.3%