

## **SB 538 Cost Analysis**

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Oregon Developmental Disabilities Services (ODDS) provided an estimated fiscal impact for SB 538 with a Total Fund cost of \$133,509,916. Due to federal matching funds, the General Fund cost to the state would be \$55,912,938 for the 2027-29 biennium. Accounting for 1,198 children with very high needs utilizing 3.6 million hours of their attendant care.

**In other words, each year, 1.8 million hours of attendant care goes unused by the state's highest needs children, saving the department nearly \$28 million dollars.** Hours the state assesses the child requires in order to be supported in their home, hours the state is federally required to fund.

Why is ODDS claiming that SB 538 will cost the state millions? Didn't the state appropriate funding for attendant care when the Kplan policy bill was passed? Didn't the state appropriate funding for attendant care when the Oregon Needs Assessment policy bill was passed?

**When looking at past legislation meant to increase utilization of attendant care, by wage increases and workforce investments, none of the budget analyses include the cost of increased utilization of care.**

### HB 5526 (2023) DHS Budget

Provider Rates. The recommended budget continues provider rate increases that were set to expire at the end of the current biennium in the Aging and People with Disabilities (APD), Intellectual/Developmental Disabilities (I/DD), and Child Welfare (CW) programs, and provides new rate increases as described below. In APD, the budget invests \$56,951,080 General Fund to maintain a 10% wage add-on and a 5% COVID enhancement provided to community-based care providers, and invests \$11,176,215 General Fund to provide a 5% rate increase effective July 1, 2024. In I/DD, the budget invests \$27,525,375 General Fund to continue a 5% rate increase adopted as a COVID enhancement in 2021-23.

### SB 1548 (2022) Agency with Choice

"workforce investments, including worker recruitment, retention and support and the development of career opportunities;" 2023-25 Biennium GF cost of \$1 million.

### SB 5529 (2021) DHS Budget

Package 119, Rate Increases and Implementation of New Rate Model. The Subcommittee recommended \$34.3 million General Fund (\$101.5 million total

funds) to provide a 3.2% rate increase, effective July 1, 2021 for service providers; and, effective July 1, 2022 transition to new rate models to increase wages for direct service professionals

Package 120, Additional Funding for New Rate Model. The Subcommittee recommended \$10.0 million General Fund (\$29.5 million total funds) to provide an additional rate increase for providers under the new rate model. ODDS estimates this will increase the average weighted Direct Service Professional wage to \$15.53 per hour from \$14.82 per hour.

The above three bills account for \$72 million dollars of General Fund appropriation meant to improve home and community based service and increase the workforce, while leaving millions of attendant care hours unused. SB 538 costs nothing to improve home and community based services and increase the workforce, and would actually lead to increased utilization.

Why is there such a gross discrepancy in budget analysis between past legislation and SB 538?