



March 17, 2025

House Committee on Labor and Workplace Standards  
Oregon State Capitol  
900 Court St. NE  
Salem, OR 97301

Chair Grayber, Vice Chair Elmer, Vice Chair Munoz, and Members of the Committee,

**My name is Erin Sprando and I am submitting testimony on behalf of Marquis Companies in opposition to HB 3838.**

I am currently the Director of Operations for Marquis and oversee all our campuses that have a HCBS setting on them. My background is as an Assisted Living Administrator (since 1999) and a SNF Administrator (since 2008). Marquis serves over 415 residents in our community-based settings, over half of them are on Medicaid.

**HB 3838 duplicates or conflicts with existing regulatory and enforcement powers of state agencies including ODHS, BOLI, OSHA and OHA.**

- Oregon Administrative rules for HCBS are currently 179 pages long. This has only increased with each edit, yet Medicaid funding does not cover the cost of resident care, much less any additional administrative burdens.
- In addition to regulatory surveys by ODHS, providers are already burdened with additional complaint surveys and APS investigations. The vast majority of these are unsubstantiated but take a lot of time for the facility to navigate and prove they did everything right. This time could be spent on staff morale and providing additional care to our residents. Adding additional oversight from a separate regulatory entity will only decrease the amount of time available to care for our residents.
- Oregon HCBS facilities already face more regulatory oversight than providers in other states. If Oregon wishes to attract operators to serve our growing senior population, adding regulatory burdens and oversight that are duplicating (or contradicting) what already exists is not the way to do it.
- Throughout COVID providers not only had to follow the ODHS rules, we were given mandates that changed at least weekly and in some instances daily by OHA to follow. We were then surveyed on those mandates and were expected to maintain 100% compliance or receive a citation, in addition to the ODHS rules providers are required to follow.



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- Adding an additional set of rules could create a contradictory environment that the providers will be burdened with.
- When asked, Administrators voice the most difficult part of their job is the regulatory environment. Adding an additional rule set will only make it harder to attract and keep high quality Administrators.
- I've personally seen the evolution of HCBS rules over the past 26 years and it is no longer the same "community based environment" it was designed to be back in the 90's.

**HB 3838 does not appropriately account for the varying needs and differences of each care system across the HCBS system or their direct care workers.** This means it would be unrepresentative and lack the required expertise to make informed standards and policies for individuals who may care for only one senior, in buildings serving only a handful of seniors, or in buildings caring for over a hundred seniors.

- Setting minimum workforce standards will only increase costs unnecessarily and would be duplicative. HCBS facilities utilize the Acuity Based Staffing Tool (ABST) which was also an unfunded mandate, to determine staffing needs based on our residents scheduled and unscheduled needs. This tool reflects our current population and truly sets the minimum amount of hours of care needed by our residents.
- In Representative Fragala's district of Eugene, Marquis has an assisted living facility with 60 residents and an attached memory care with 40 residents. The staffing requirements in the smaller memory care are 43% higher than in the assisted living.
- Unlike skilled nursing facilities, ratios would not work in HCBS because each facility varies greatly in the population they serve.
- What tool would the workforce standards board utilize (that we don't already have) to determine the needs and acuity of the residents in each facility? I fear anything implemented would be contradictory to what we already have.



**Finally, I'd like to address Medicaid rates and care:**

There is a large delta between rates and the true cost to provide care for Marquis facilities. As stated earlier, this is on average \$914 per month, per resident.

- Marquis cares for an average of 215 Medicaid residents a day in our assisted living facilities.
- Medicaid residents comprise 50% of Marquis' overall assisted living census in Oregon.
- Representative Nelson, I don't know if you recall but you toured Marquis Piedmont Assisted Living with me a couple of years ago.
  - Marquis Piedmont has an average census of 68 residents.
  - Marquis Piedmont's census is 83% Medicaid, far above the average of other Marquis assisted living facilities.
  - Marquis Piedmont serves an extremely low-income population, 1/3 of which are African American, mainly from the Piedmont neighborhood.
- Marquis Piedmont already faces a shortfall of \$52,696 every month with the delta between Medicaid funding and the cost of care. The only reason the facility remains financially viable is because it is attached to a skilled nursing facility. As a stand-alone assisted living, it would have likely had to close years ago.
- As a company, Marquis sees a \$200k loss monthly on our assisted living facilities that has to be made up by our skilled nursing facilities.
- Despite the Medicaid rates not covering the cost of care, Marquis facilities pay our Assisted Living direct care staff, on average, over \$22 per hour. We believe that our employees are essential to the care of our residents and have prioritized their wages to ensure we are able to attract the quality staff our residents deserve.

Continually adding administrative burdens in the form of unfunded mandates will only increase these losses putting assisted living facilities at risk of closing and displacing residents. There are not enough private pay residents to offset the Medicaid losses.

**For all of these reasons Marquis Companies is strongly opposed to HB 3838. Thank you.**