

To: Chair Grayber & Members of the Committee

Re: In opposition to HB 3838

Thank you for the opportunity to speak with you today. I am Lois Gibson, the Executive Director of Oregon Resource Association, known as ORA. I am speaking in opposition of HB 3838. ORA supports, advocates and offers resources to about 100 organizations that provide services for people with intellectual, developmental and other disabilities throughout the state.

These compassionate, dedicated, largely non-profit organizations help people with IDD to thrive in their communities; by supporting them in their homes and workplaces, and connecting them with social and recreational activities. **These state partner organizations are committed to providing great services to people with IDD and they understand that means fostering a positive work environment and providing good wages and benefits for their Direct Support Professionals** - the foundation of these services.

Unlike nursing homes, ODDS services are highly individualized. Staffing patterns, schedules, and activities are dictated by each person's needs and choices, often within private homes. Applying a one-size-fits-all workforce model undermines the core value of person-centered support and limits provider flexibility.

These organizations rely almost solely on funding from the legislature and the federal Medicaid dollars that match the state's allocation. There is no private pay in the IDD system. There are no Cost-of-Living increases built into our rates. There is limited fundraising and frankly dwindling reserves that have been stretched to their max over the last few years. **This means that we are entirely dependent on the funding you approve through the DHS budget.** Community providers have long been the leading advocates for DSPs. That is why you see us here, year after year, asking you to increase wages for the people who do this crucial work.

The real issue is chronic underfunding. This bill does nothing to address that. In fact, any new requirements created by the board will have to be funded by the state, and that just diverts funding into duplicative and redundant regulation and bureaucracy, and away from DSP wages where it is needed.

IDD funding is based on individual assessments and determined by rate models that offer providers some flexibility to manage costs, but these models underestimate actual expenses. A key example is DSP wages—**on average, providers pay over \$2.50 per hour more than what the state funds.** This is currently covered by those fortunate enough to have reserve balances or dedicated fundraising. Other costs, such as health insurance, productivity time, and training, are also undervalued, leaving provider budgets stretched to the breaking point. This underscores the need for any new funding to go directly toward strengthening the workforce.

Despite this, the bill calls for another market study, even though DHS recently completed a comprehensive analysis at the legislature's request. For the first time, **this study attached a concrete figure for the funding shortfall for your home and community-based workers—an alarming \$558 million.** Given the chronic underfunding of these services, this finding is significant but not surprising. This is what we all should be focusing on today.

HB 3838 raises costs, provides false wage and benefit standards that mean nothing if not funded by this body, and adds unnecessary bureaucracy...all without actually improving DSP wages. **Instead of complicating an already strained system, Oregon should invest directly in wage increases.** Reject this bill that creates administrative barriers that benefit interest groups over those who rely on these vital services. **Please support DSPs and vote “no” on HB 3838.**

Sincerely,

Lois Gibson,
Executive Director
Oregon Resource Association