

## **Testimony in Support of HB 2150 with the -1 Amendment**

**March 25, 2025**

**Tiffani Olsen**

**Residential Director, Shangri-La**

Dear Chair Hartman and Members of the Committee,

Thank you for the opportunity to testify in support of HB 2150 with the -1 Amendment. My name is Tiffani Olsen and I represent Shangri-La, a community provider for individuals with intellectual and developmental disabilities (IDD) in Oregon. We employ over 178 people in my department that are serving 102 individuals with intellectual and developmental disabilities to recognize and achieve their full potential.

HB 2150 with the -1 Amendment is an essential step toward stabilizing Oregon's IDD service system. This bill directs ODHS to include an annual cost-of-living adjustment (COLA) in contracts with community provider organizations. Such an adjustment would ensure that wages and rates reflect the rising costs of providing care and services.

### **Why HB 2150 is Necessary**

#### **1. Chronic Underfunding**

As noted in the recent Rate and Wage Study, chronic underfunding of IDD services has created a \$558 million gap between current provider payments and actual costs. This gap has left providers unable to offer competitive wages, leading to high staff turnover and service instability.

#### **2. Impact on the Workforce**

Direct Support Professionals (DSPs) are the backbone of the IDD system, yet their wages have not kept pace with inflation or the rising cost of living. By tying DSP wages and provider rates to an annual COLA, HB 2150 would prevent these vital workers from falling further behind, ensuring their wages keep up with economic realities.

#### **3. Ensuring Sustainability**

Without an annual COLA, the funding gap will continue to grow, exacerbating workforce challenges and jeopardizing the quality of care. This bill would help stabilize the system and support the long-term sustainability of IDD services by ensuring consistent, predictable funding increases.

### **Recommendations for the 2025-27 Budget**

While HB 2150 addresses the need for annual adjustments, it is critical to prioritize full funding of the ODHS Rate and Wage Study recommendations in the 2025-27 budget. The study provides a roadmap to stabilize the system, with targeted investments including:

- A \$25 minimum wage for DSPs, tied to an annual inflator.
- Longevity pay for DSPs and managers who have remained committed to the IDD system.

**Oregon's IDD system is at a breaking point. HB 2150 with the -1 Amendment offers a practical, proactive solution to prevent further erosion of essential services by ensuring that rates and wages adjust annually to reflect economic conditions. I urge you to support this bill and prioritize funding for IDD services in the upcoming budget.**

Sincerely,  
Tiffani Olsen

