

Testimony on SB 5526
March 31, 2025
Tiffani Olsen
Residential Director, Shangri-La

Co-Chairs Campos and Valderrama, and members of the committee,

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.

We need to prioritize Intellectual and Developmental Disability services in this budget. It is very difficult to know that we need to come back year after year to fight to be included in the budget in a meaningful way that supports our workforce and most importantly, the people we serve.

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. Our wages have doubled for DSPs in the last 10 years, but it just isn't enough to keep up.

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. There is not an annual COLA tied into our current rate model. 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

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.

Sincerely,
Tiffani Olsen