



Chair Bowman , Vice-Chair Drazan , Vice-Chair Pham and Members of the House Committee on Rules

Over the past 17 years, I've had the privilege of meeting many of you and advocating on behalf of the Independent Adult Care Home Association (IACHA). Our members are small business owners across Oregon who operate residential homes for the state's-elderly population. Many of these providers live in the homes where they care for residents—resolving issues in real time and providing hands-on, compassionate care every day.

IACHA has consistently championed a fair and sustainable Medicaid payment system that appropriately compensates adult care home providers.

These homes often deliver highly skilled post-acute care to an increasingly vulnerable population—care that deserves recognition and support.

### **A System in Decline**

In 2007, Oregon had more than 3,000 adult care homes. Today, that number has dropped to approximately 1,300. This dramatic decline reflects the growing challenges providers face in staying open and delivering quality care. HB 3838 threatens to accelerate this trend. By adding more regulatory and financial burdens without any additional funding, this bill risks forcing even more homes to close—

### **Why We Strongly Oppose HB 3838**

Instead of improving conditions for caregivers or residents, HB 3838 adds unnecessary costs, duplicates existing oversight, and puts essential services at risk — all without providing real solutions or funding.

#### **Key concerns include:**

HB 3838 creates a Workforce Standards Board with sweeping authority that duplicates the roles of established regulatory agencies. **This undermines existing systems and creates confusion without delivering real benefits.**

- **Threat to Small Providers:** Most adult foster care homes are small businesses operating on tight margins. The mandates proposed in HB 3838—without any funding—could lead to closures, reducing access to care for older adults and people with disabilities. Many providers already pay wages above reimbursement rates and invest heavily in workforce development.

- **Employee Privacy at Risk:** The bill allows the collection of private employee information and grants the board far-reaching investigative and legal powers. This opens the door to costly litigation and damages trust between workers and providers.
- **Overreach and Unfunded Mandates:** With no dedicated funding stream, the board would shift vital resources away from direct care and toward administrative compliance —diverting attention from what matters most: resident well-being.
- **A Misguided, One-Size-Fits-All Model:** ~~Oregon's care system is complex and diverse.~~ A single, centralized board cannot effectively address the distinct needs of varied providers and populations. Imposing uniform rules could unintentionally harm those it aims to help.

### **The Bottom Line**

HB 3838 does not raise wages. It does not improve access to care. It does not strengthen the workforce. Instead, it imposes costly and unnecessary regulations that jeopardize the sustainability of community-based care in Oregon.

Our Association respectfully urges the committee to oppose HB 3838 and focus instead on supporting the state's existing regulatory agencies, investing in Medicaid, and strengthening the providers who are already delivering high-quality care with limited resources.

Sincerely,

*Petronella Donovan*

President, IACHA