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Oregon Rehabilitation Association (ORA) Testimony
Testimony to the Joint Ways and Means Sub-Committee on Human Services
RE: DHS Budget - HB 5026
Chris Burnett, Executive Director
February 19, 2015, 8:30 am

My name is Chris Burnett and I am the Executive Director of the Oregon Rehabilitation Association (ORA). ORA is a professional membership association that represents the full spectrum of community IDD providers across the state of Oregon.

The concerns we have to share with you today cut across all provider types - from metro to rural locations in Oregon. Both of our concerns threaten the stability of those agencies, their ability to expand capacity to meet the needs of the K Plan (Community First Choice) rollout, to comply with new employment policy directives and rate changes, new federal Home and Community Based Services (HCBS) CMS regulations. The nature of what has been historically cutting edge, community focused services in Oregon based on individual choice is in struggling under multiple system changes occurring at the same time.

The Direct Support Professional (DSP) is on the frontline of change. In 1996, the National Alliance of Direct Support Professionals (NADSP) ideological founder, John F. Kennedy Jr. wrote "*Quality is defined at the point of interaction between the staff member and the individual with a disability*".

There are an estimated 14,000 DSPs in Oregon who provide essential care and support for over 6,000 individuals with intellectual and developmental disabilities. That data shows that we will need to significantly increase the number of DSPs to meet future needs if we are to maintain a quality support system.

The nation is experiencing a direct care worker crisis that has long been predicted and that Oregon is now beginning to feel in a dramatic way. According to the Paraprofessional Healthcare Institute's occupational growth projections for Oregon between 2012 and 2022 we

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can expect a 22% increase in the need for direct care workers such as Direct Support Professionals (DSP). Demand for such specialized support workers are in direct competition with the long term services and supports for the aging population as well as other employment options that offer a higher wage for less specialized work. The unique skills required of a DSP will be articulated well by Maren Gibson so I won't cover that in my testimony.

According to the 2014 study by Dr. Amy Hewitt of the University of MN and other subject matter experts -

“The wage rates of direct support workers are tracked by the U.S. Bureau of Labor Statistics in three distinct occupational categories. Of those three categories, Personal Care Aides includes the majority of DSPs working in community settings with individuals with IDD, as well as DSPs from other service sectors. Based on data from mid-2012, the mean wage for personal care aides nationwide was \$10.01 per hour, translating to about \$20,830 annually (U.S. Bureau of Labor Statistics, 2012). For many DSPs, such low wage rates mean living below 200% of the federal poverty guideline (PHI, 2013), making some turn to government welfare support programs despite full-time work.”

There have been multiple studies done on what it would take to help remedy this workforce crisis. One funded by the Centers for Medicare and Medicaid Services (CMS) done by the Lewin Group in 2009, *“What We Know about What Works, What Doesn't and Research Gaps”* includes a list of strategies including improving wages and benefits. Their study, and others, conclude that, *“Higher wages and better benefits significantly reduced turnover and increased job satisfaction and intent to stay...”* I am happy to share with the Committee the studies and data on this issue that offer detailed and comprehensive ideas for consideration.

My ask today, however, is a significant and critical first step to address the problem.

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We ask that funding be added to the DHS budget in the amount (based on a DHS projection of cost) of \$36.8M for an increase to DSP wages.

The inability to pay DSP's a living wage is resulting in high cost turnover and new hire training, disruption of an individuals' supports and the need to acclimate to multiple new support workers.

Examples of the impact and cost of DSP vacancies and turnover are shown below from three agencies in different areas of the state:

Agency 1 -

- **Current DSP vacancies - 16 out of 54 positions**
- **Overtime costs for the agency have reached an all-time high of \$6,000 for one pay period (2 weeks)**
- **Average for the last 4 years was \$1500.**
2013 overall turnover rate was 38.38% with 71 people either terminated or resigned.
2014, overall turnover rate is 51.50% with a total of 103 people either terminated or resigned.

Agency 2 -

- **Current DSP vacancies - 55 out of 620 positions**
- **Over time costs (12/21/14- 1/20/15) - 6,393.25 hour = \$109,908.77**
- **Over time costs (12/21/13 - 1/20/14) - 5189.75 hours = \$85,879.32**
- **Turnover 2013 = 28%**
- **Turnover 2014 = 24%**

Agency 3 -

- **Current DSP vacancies - 67 open positions (54 in the metro area)**
- **Over time costs from 7/1-1/30/15= \$576,415.00 (January alone- \$72,303.00)**
- **Turnover rate in metro = 48%**

This cost is unsustainable for the agency and represents reduced quality of care for the individual supported.



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We will continue to engage with DHS/ODDS on other strategies, including a comprehensive training and professional career ladder plan for DSPs, as we work to stabilize DSP workforce, but **the critical and immediate need at this point is paying DSPs a living wage.**

Our second issue of grave concern is the inability of community providers to get paid via an overly burdensome, slow and unstable online billing system call eXPRS.

I have heard testimony in prior hearings this week that seem to indicate all is well and that the system “works” with hundreds of thousands bills submitted without issue. I beg to differ that it works well for everyone and this process has increased administrative costs by as much as 400% for some agencies and required the hiring of additional FTE’s to manage the workload. Details of this unreimbursed cost was shared in the testimony and data provided by myself and others at the hearing convened by Senator Sara Gelser in the Senate Committee on Human Services and Early Childhood. I've attached my testimony as reference.

So our ask on this issue is as we work with DHS to develop a useful and effective IT solution (expected to be months away), that the DHS budget include the capacity to provide time limited fiscal relief for the agencies who through no fault of their own and as the result of DHS policy directives, are now bearing the burden of not being able to submit their bills and are months behind in payment for services provided.

Thank you for the opportunity to share our concerns and ask for your help in resolving both of this critical system support needs.



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**Oregon Rehabilitation Association (ORA) Testimony
Senate Committee on Human Services and Early Childhood
Invited Testimony on eXPRS billing
Chris Burnett, Executive Director
February 10, 2015, 3: pm, HR B**

Who is ORA and why do we care about this issue? The Oregon Rehabilitation Association (ORA) is a professional membership association that represents, supports and advocates for members as they partner with families and individuals with intellectual and developmental disabilities to lead full and inclusive lives. ORA members include Albertina Kerr, Eastco Diversified Services and Sunrise Enterprises. We represent the full spectrum of Oregon providers – Community Developmental Disabilities Programs (CDDP's), Brokerages, comprehensive services, employment and small community inclusion and housing providers.

We have a list of priority goals we are working on in 2015 but **the inability of providers to efficiently and effectively submit bills for the services they provide is one of our primary concerns.** It's what we hear about most from our members. The crisis cuts across all types of providers large and small, metro and rural.

Thank you for your interest in addressing an issue that has been developing over years, as you will hear in others testimony, but it has escalated to the point of endangering the sustainability of providers and their ability to continue providing an array of supports to individuals with developmental/intellectual disabilities.

It has taken a painfully long time to get DHS's attention on this issue. If you had not received an impassioned plea for help from Seth Johnson, Executive Director of Opportunity Foundation and an ORA Board member, we might not be here today. His communication to you was clear and well stated.

"...agencies have increased administrative staff by as many as 3 new full time staff to be able to bill for their delivered services. Agencies report that a process which used to take 4-8 hours per month now takes as many as 400 hours, depending on the number of people served and the number of new staff hired to enter data. ALL agencies have seen enormous increases in the administrative time and burden associated with billing. There is a simple solution. If the state ODDS/DHS would enable the system to accept uploaded spreadsheets, all the same required data could be gathered and entered in the same 4-8 hours while meeting the new mandated levels of data delivery."

Providers are being asked to use an outdated, overloaded software tool that was never meant to carry the workload of today's system. It is also concerning that while DHS knows the billing system is broken there is no backup. Providers have no alternative but to stumble along with a dysfunctional IT system and wait months to be paid.

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Why is the workload different? As you may know, the entire system of supports has been upended and changed at nearly every level. It is the implementation of the Community First Choice Plan (also call the "K Plan"), Home and Community Based Services (HCBS) Waiver changes, significant changes to Oregon Administrative Rules for virtually every service delivery element, employment policy changes, changes to service definitions, billing increment changes (from monthly to daily to hourly to 15 minute increments) are keeping providers in a state of chaos. Providers have accepted that change is at hand but the difficulties of billing in eXPRS are making it difficult to implement them and stay in business. They have been challenged by inconsistent information, frequently changing policy direction and what seems like a lack of understanding of the ripple effect of disjointed system changes.

We raised this issue in November of 2014 in a letter (attached to my testimony) to then ODDS Director Trisha Baxter and incoming Office of Developmental Disabilities (ODDS) Director Lilia Teninty that included a list of possible remedies. Both Trisha and Lilia, and now Don Erickson, inherited this system wide problem and have shown an interest in resolving it but remain hindered by the bureaucratic process of DHS. We secured a meeting with DHS Director Kelley-Siel, ODDS Director Teninty and COO Erickson late in 2014 to discuss concerns and to request as an interim step that time limited fiscal relief be provided while a solution to the billing bottleneck was developed.

While Director Kelley-Siel indicated every resource would be dedicated to solving the problem we have yet to see any proposals for time limited fiscal relief for providers. The issue also never made it to her list of priorities shared in a recent overview given at a recent House Human Services and Housing Committee.

We did, however, spend a half day in January meeting with DHS IT staff and provider IT and billing staff to walk through the problems they are experiencing. While that meeting was helpful it also revealed that DHS IT staff had not fully investigated our first ask – the option of a spreadsheet upload. This was disappointing, but a few days later we were informed that after further discussion an upload might be an option, but it would be months away and require pilot testing, etc. While a step in the right direction, it is still doesn't address the significant investment providers are making in trying to get paid – something that time limited fiscal relief could address.

Hopefully I provided a broad view of the depth and urgency of this issue. Those testifying after me will drill down to the details of this long standing problem so you might better understand why we need help.

I sincerely appreciate your willingness to shine a light on this problem. Thank you for this opportunity and I'm happy to answer any questions you may have.

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