

Date: April 2, 2015

Re: HB 2009

Dear Legislators;

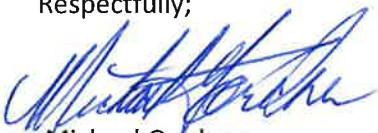
I am the owner of History Makers Inc. in Roseburg, an in home care agency. At present 60% of our business is under a DHS (Department of Human Services) contract. This department sets the rate we are paid to provide care for elderly and disabled persons in our area. Our employees are hired commensurate with experience and training, usually between \$9.50 and \$10.50 for the first 90 days and increased from there, depending on job performance. At this time we have a number of employees making \$14.50 per hour. As an employer, final cost per hour totals approximately \$17.00 per hour plus overheads. Daily operations require a support staff of 5 full time people, including myself and an average of 70 caregivers, providing 1,500 to 2,500 hours of care per week. Also, as in any business with government contracts, the insurances, licenses and other mandated requirements put an extreme pressure on me to meet payroll every month.

I do realize that the people trying to pass this bill have very little idea about operating a business with a 2.5% to 3.5% margin. We are struggling to stay afloat and care for an average of 35 DHS clients and 20 VA clients and 20 private pay clients.

I would like to have the opportunity to address the committee prior to the vote and offer testimony as to the impact to government supported businesses in the state of Oregon. I have heard that a \$1.50 increase will be implemented upon the passage of HB 2009 and increases each year after. If this does in fact happen, our agency and others in the state will be forced to close the doors. In my case 80 people will be out of work and 75 clients will be without care. We are not able to pass the increase on to the customer like some of the retail businesses since DHS sets the rate with no intention of an increase. In my opinion, more effort should be put into education, training and work ethic. People need to work their way up to a better life, it should not be handed to them.

Thank you very much for your attention to this important matter and if there is a procedure to speak at a hearing please send me a schedule as to time, place and any other required information.

Respectfully;



Michael Gardner

Owner / President of History Makers Inc.

mgardner@historymakersinc.com

541-229-2273

5:00 PM – 900 Court St. Salem

Hearing Room F

Committee Chair; Halvey; committee members; I am Michael Gardner, owner of History Makers Inc. an In Home Care Agency, licensed in the state of Oregon, located at 220 Cinbar Dr. in Roseburg.

History Makers is classified sometimes as a small business or sometimes big business, depending on who is making the determination.

In front of you is a letter that explains my interpretation of HB-2009's impact on my business and many other small businesses in the state. It is true, that some retail businesses may be able to pass labor increases of this magnitude on the consumer with little impact, but my In Home Care Agency cannot.

Agencies were set up by DHS with a multitude of regulations and mandates to protect our seniors and disabled citizens. The majority of History Makers clients care is paid for with DHS funding.

In order to comply with DHS regulations and mandates, extensive facilities and staff are a required expense, with minimal compensation included for these overheads. Also, Agency regulations apply to clients referred by the Veterans Administration, Long Term Insurance companies and private pay clients.

As far as I know, there is no plan to increase the rate being paid by the VA or DHS, which needs to be even more of an increase than the minimum wage. All insurance rates are based on pay roll, so that would be an additional increase to the Agencies.

At this time, I employ a total of 46 full time and 34 part time people. My wife is a full time nurse and I operate History Makers Inc. with a very tight margin, we in no way, live a life like the rich and famous.

If this bill is implemented, History Makers Inc. will be forced to close it's doors, 80 people will be unemployed and 90 clients will be without the care they need so desperately.

Please find another way to assist people to a better life; that needs to be earned, not given.

Thank you for the opportunity to come before you this evening; and also for your attention to this important matter. I would be happy to answer any questions you might have.

Respectfully;

Michael Gardner

Addition : Please refer to the upcoming bill HB-3145 pertaining to registry caregivers vs. agencies.