

January 10, 2022

House Interim Committee on Human Services Oregon State Legislature 900 Court St. NE Salem, Oregon 97301

Re: Support for Legislative Concept 212

Regency Pacific LLC, founded in 1977, is one of the oldest and largest long term care provider companies in Oregon. We currently manage 17 Skilled Nursing, Assisted Living and Memory Care facilities located throughout the state. Our facilities care for an average of 22,000 residents per month and of that number 59% are low income Medicaid recipients in our Skilled Nursing facilities and 43% are Medicaid recipients in our Assisted Living facilities.

Thanks to the Committee for the opportunity to comment one Legislative Concept (LC) 212, relating to regulation of temporary staffing agencies. Securing properly trained and experienced staff is a constant challenge for long term care providers, but even more so with the onset of COVID. LC 212 is important to us because it would help control the spiraling cost of temporary staffing, as well as help to ensure that temporary staff are licensed, trained, experienced and compliant with all state rules and regulations. Throughout most of 2021 Regency Pacific has been paying out to temporary staffing agencies approximately \$145,000 to \$399,000 per month for staff to keep our skilled nursing facilities operational and our residents safe and healthy. Similar payments greater than \$100,000 per month were paid for Assisted Living staff.

The need to employ temporary staff is problematic in many ways. By way of example, let me share with you our experience over the past year in one facility, Pilot Butte Rehabilitation Center. Because we have not been able to recruit permanent staff from the central Oregon area, we must use temporary staffing for caregivers, CNAs and skilled nurses. CNAs are the most used temporary staff. The price for temporary staff CNAs runs anywhere from \$70 to \$104 per hour. If there are COVID cases in the building, temporary agency staff are more willing to come in because they get COVID crisis pay which is over \$100 per hour. Staffing agencies keep raising wages because they can simply pass the cost on to facilities who are desperate for workers. Beyond salary, costs for temporary staff can include mileage compensation, meals, bonuses, lodging, etc.

The situation at Pilot Butte has an obvious impact on the morale of permanent staff who are being paid significantly less than temporary staff even though the facility did raise wages in the past year. Despite permanent wage increases, some facility based staff

have left to go to work for the temporary staffing agency for better wages and benefits.

Employing temporary staff means bringing in caregivers who do not have long standing relationships with residents. The loss of continuity of care for residents who may see different staff from week to week is not the outcome we want. The increased use of temporary staff has an obvious exposure risk for COVID, flu and other illnesses. Without clear performance standards applied to temporary staffing employees, there is not adequate assurance that they have the competency and skill need to provide the highest level of care.

LC 212 is a critical tool to help manage the cost of necessary temporary staffing and to ensure that when such staff are hired they have the experience, training and licensure required to provide safe and appropriate care to our residents. We urge your support of this legislation and thank the Committee again for the opportunity to comment.

Gary K. Weeks Vice-President for Legislative Affairs