

**HB 4012 A STAFF MEASURE SUMMARY****Carrier:** Rep. Williams**House Committee On Human Services****Action Date:** 02/10/22**Action:** Do pass with amendments and rescind subsequent referral to Ways and Means. (Printed A-Eng.)**Vote:** 6-0-1-0**Yeas:** 6 - Nelson, Owens, Ruiz, Scharf, Schouten, Williams**Exc:** 1 - Noble**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Iva Sokolovska, LPRO Analyst**Meeting Dates:** 2/3, 2/10**WHAT THE MEASURE DOES:**

Directs the Department of Human Services (DHS), the Oregon Health Authority (OHA) and the Oregon Youth Authority (OYA) to conduct a comprehensive review of service provider rate structures for child caring agencies and report to the legislature by February 28, 2023. Directs OHA to conduct a labor market study to determine the appropriate Medicaid reimbursement rates for providers of private duty nursing for medically fragile children at least once each biennium. Takes effect on 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

- Facility bed and provider shortages during the COVID-19 pandemic
- Annual staff turnover, retention and recruitment
- Representation of Black, Indigenous and People of Color (BIPOC) among staff and patients
- Structure and provider rates
- Cost prohibitive gaps and accurate cost of care

**EFFECT OF AMENDMENT:**

Directs the DHS to collaborate with OHA and OYA to conduct a comprehensive review of service provider rate structures for child caring agencies. Clarifies that OHA is to conduct a market study for the purpose of determining the appropriate Medicaid reimbursement rates for providers of private duty nursing for medically fragile children instead of providers of children's intensive in-home services.

**BACKGROUND:**

High turnover is common in the child welfare field. High turnover affects not only employers, primarily through higher costs, but also the children and families they serve. For the past 15 years, child welfare turnover rates have been estimated at 20-40 percent nationwide (Child Welfare Information Gateway). In 2022, the Oregon Alliance reported 40-60 percent annual turnover of child welfare staff. A 2017 study by the National Wraparound Initiative found that providers frequently cited low pay as a major cause of turnover: salaries are considered too low for the level of skill required and stress involved, and are often not competitive within the local economy. In 2018, the Secretary of State audited Child Welfare administered by the Department of Human Services (DHS) and found chronic understaffing, overwhelming workloads, and high turnover.

House Bill 4012 A directs DHS to collaborate with the Oregon Health Authority (OHA) and OYA to conduct a comprehensive review of service provider rate structures for child caring agencies and directs OHA to conduct a labor market study for the purpose of determining the appropriate Medicaid reimbursement rates for providers of private duty nursing for medically fragile children.