



February 8, 2022

Dear Chair Taylor, Vice Chair Knopp and members of the committee,

My name is Erin Sprando and I serve as Director of Operations for Marquis Companies. Marquis Companies has been a respected long term care provider in Oregon for almost 33 years. We serve an average of 1,000 Oregonians a day and of those, 620 are Medicaid recipients. **I respectfully submit written testimony in support of SB 1549.**

I wanted to provide an overview of the challenges of staffing agency reliance in our sector, for the residents we care for, and for the caregivers we employ.

Agency utilization at Marquis has increased approximately **200% since 2019** due to severe staffing shortages for licensed nurses and Certified Nursing Assistants (CNAs). These are not generally individuals who have come from out-of-state. Instead, much of the staff who are working for the agencies that serve long term care providers have come from long term care facilities themselves. As long term care has been forced to contract more staff through agencies, our staff are then being recruited by agency employees. There are “buy out” clauses to discourage LTC facilities from hiring agency staff but no such protection for the facilities when the agency recruits their staff.

We are also seeing impacts of temporary staff related to inconsistent care for the residents. No training is built in for agency staff who have never worked in that facility. Agency staff should have pre-employment requirements and monthly training requirements provided at the agencies cost, prior to being assigned to a facility.

This cost structure is unsustainable to an industry who relies upon the set rates from Medicare and Medicaid. Marquis paid \$980,000 in agency costs in December 2021 alone. A “high” year in the past was \$2 million for the entire year. An agency nurse may be paid \$80/hr. to work a shift with bonuses and charge nurse on staff working their regular schedule is making \$35/hr. The disparity in compensation naturally breeds animosity amongst staff.

I believe that SB 1549 will help relieve/fix the challenges with agency reliance. It requires temporary staffing agencies to be licensed, meet basic quality and training standards, and increases safety for residents. Setting maximum rates agencies can charge providers would be consistent across all LTC providers to avoid having to be the “highest bidder.”

I urge this committee to pass SB 1549.

Sincerely,

Erin Sprando, Director of Operations, Marquis Companies