

Senator Kate Lieber & Representative Tawna Sanchez
Co-Chairs, Joint Ways & Means Committee
900 Court St NE
Salem, OR 97301

SENT ELECTRONICALLY

August 5, 2024

Dear Senator Lieber & Representative Sanchez,

We are writing to bring to your attention a pressing issue that affects the Adult Foster Home (AFH) providers in our community. Despite being an integral part of our continuum of community-based supports, AFH Providers were the only provider type not to receive a cost-of-living adjustment or rate increase in the July 1st, 2024, announcement of new Aging & People with Disabilities (APD) program rates.

Adult foster care providers play a crucial role in our long-term care system. We offer personalized and compassionate care to some of our most vulnerable citizens. We ensure that elderly and disabled individuals receive the attention and support they need in a home-like setting, significantly improving their quality of life. However, the financial strain on being an Adult Foster Home Provider is increasing, and without appropriate funding adjustments, our ability to maintain high-quality care is at risk.

We are closely following the Hospital Discharge Task Force with hopes that their recommendations will include much needed relief for AFH providers. But we know they do not have the authority to allocate funding for AFH rate increases, and wanted to make sure legislators with budget roles understand that while most stakeholders agree that AFH providers need investment to survive, no agency or leader has taken responsibility for ensuring that financial help is on the way.

The lack of a cost-of-living adjustment or rate increase for AFH providers is particularly concerning given the rising costs associated with caregiving, including wages, healthcare benefits, and general living expenses. This oversight not only undervalues but threatens the sustainability of the essential services we provide. Many providers are struggling to make ends meet, which is causing closures and a reduction in available care options for those who need it most. While we are responsible for ensuring that vulnerable residents are alive and well, we close our homes when reimbursement rates do not afford us to pay our caregivers more than McDonald's wages. The system does not work when our staff must turn to fast food wages over a career in caregiving. AFH Providers must be able to afford to stay open. By not including us in the cost-of-living increases given to other CBC settings, the legislature inadvertently discriminates against elderly and disabled individuals who live in a home-like environment.

We thought about this in previous bargaining sessions and have had related discussions with state leadership, reflected in Article 4.5 of our [Collective Bargaining Agreement](#), outlining that AFH “shall be included in any rate increases for CBC Providers if allowed or directed by the legislature.”

I urge you to consider the following points:

1. **Equity in Funding:** Ensure that AFH providers receive the same cost of living adjustments and rate increases as other provider types within the Aging and People with Disabilities Program. This equity is essential for maintaining a balanced and fair system. This should extend to all other programs that license AFH providers.
2. **Sustainability of Services:** Adequate funding is crucial for the sustainability of AFH services. Without it, providers may be forced to reduce services or shut down, leaving many elderly individuals and those with disabilities without the care they rely on or the home setting they prefer. ODHS & OHA must find a better way to fund AFH with regular rate increases.
3. **Recognizing the Value of Caregivers:** AFH providers are dedicated professionals who deserve recognition and fair compensation for our hard work. Adjusting rates accordingly is a step toward acknowledging our contributions to our community.

We respectfully request your immediate attention to this matter and urge you to advocate for the necessary funding adjustments for Adult Foster Care providers in the coming legislative session. Ensuring that we receive appropriate financial support is not only a matter of fairness but also a crucial step in safeguarding the well-being of our elderly and disabled population.

Thank you for your time and consideration. We look forward to your positive response and are available for any further discussion or clarification on this issue.

Sincerely,

SEIU 503 Adult Foster Home Sublocal 858

Cc: Hospital Discharge Task Force, Governor Tina Kotek, Senator Jeffrey Merkley