

SB 602 STAFF MEASURE SUMMARY

Senate Committee On Human Services

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Meeting Dates: 3/13

WHAT THE MEASURE DOES:

Directs the Commissioner of the Bureau of Labor and Industries (the Commissioner) to appoint a long term care wage board (the board) to study challenges to recruiting and retaining long term care employees and specifies duties of the board. Specifies board membership, term length, and new member appointment process. Requires the Commissioner to consider the board's recommendations for compensation of long term care employees and establish by rule a minimum pay rate for long term care employees. Requires the board to report to the Commissioner yearly on its findings and recommendations with the first report due by December 31, 2024.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In Oregon, home and community-based services (HCBS) provide long term services and supports (LTSS) instead of institutional care. In 1981, Oregon received one of the first waivers from the Centers for Medicare & Medicaid Services (CMS) to provide HCBS in place of institutional care. Oregonians can receive LTSS in: senior retirement housing; community based care communities (assisted living, residential care, and memory care); skilled nursing facilities; adult foster homes; or in their own homes. About 53 percent (18,910) of all Oregon Medicaid LTSS beneficiaries receive services through the state's in-home care program, while about 12 percent (4,453) of Medicaid LTSS beneficiaries are served in skilled nursing facilities. About 40,000 Oregonians reside in licensed long term care settings and nearly 9,500 Oregonians receive services and supports in their homes provided by licensed in-home care agencies ([2022 Oregon Long Term Care State Report](#)). Across the US, 60 percent of nursing homes report that staffing situations had worsened since earlier in 2022, with 98 percent of nursing homes facing difficulties hiring new staff ([American Health Care Association, 2022 survey](#)). In Oregon, nursing facilities, assisted living, and residential care have seen more than a 5 percent drop in total workers since 2019 (Oregon Employment Department, 2022). More than 70,000 Oregonians receive long term care services across the state each day, and that number will grow as Oregon's population continues to age ([Population Research Center, Portland State University, 2021](#)) - [studies show](#) that about 70 percent of adults who survive to age 65 develop severe LTSS needs before they die and 48 percent receive some paid care over their lifetime. More than 65,000 Oregonians are employed in the long-term care sector. This includes approximately 49,600 Oregonians employed in assisted living, residential care, and nursing facilities (Oregon Employment Department, 2022). In Oregon, women make up a majority of the long-term care workforce. Recruiting and retaining the large number of professionals required to provide high quality care for aging Oregonians is a major challenge. [By 2028, the demand](#) for home health aides and personal care aides is expected to increase by 29 percent, while the demand for registered nurses will increase by 15 percent.

Senate Bill 602 establishes a long term care wage board to study the challenges to recruiting and retaining long term care employees and make recommendations to the Commissioner of the Bureau of Labor and Industries.