

HB 2457 -1 STAFF MEASURE SUMMARY

House Committee On Early Childhood and Human Services

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Meeting Dates: 2/8, 3/20

WHAT THE MEASURE DOES:

Requires Department of Human Services to reimburse provider agencies for cost of care provided by direct support professionals that would be sufficient for agencies to compensate direct support professionals at least 150 percent of minimum wage for Portland region as adjusted for inflation. Defines "provider agency" as entity that provides services in residential training facilities or homes, in-home services, supported living services, employment services, day support activities, or community living support. Requires that reimbursement paid to provider agencies include the cost of contributions made to Paid Family and Medical Leave Insurance Fund. Declares emergency, effective on passage.

REVENUE: No revenue impact

FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

- Impact of COVID-19 public health emergency on direct support professional (DSP) workforce
- Compensation and turnover in DSP workforce
- Inclusion of other types of caregiving professionals

EFFECT OF AMENDMENT:

-1 Removes requirement that reimbursement include employee contributions made to Paid Family and Medical Leave Insurance Fund. Appropriates unspecified General Fund moneys to Department of Human Services for upcoming biennium.

REVENUE: No revenue impact

FISCAL: Fiscal impact issued

BACKGROUND:

Direct support professionals (DSPs) work closely with people who have intellectual and developmental disabilities (I/DD) to support their needs and ability to live in their communities. DSPs provide a wide range of services, including attendant care, such as assistance with bathing, dressing, grooming, eating, and taking medication; employment coaching, training, and transportation; and support and advocacy for the person's needs in their communities and jobs.

Services provided by DSPs are available through approved agencies at residential training and care facilities, day support facilities, or in a person's own home. Agencies receive funding from the Department of Human Services (DHS) through Medicaid, which is largely federally funded and regulated. Compensation for DSPs through agencies is dependent on the level of support required by a person with I/DD. According to DHS, the average wage for a DSP in Oregon is \$17.81 per hour.

Oregon law defines three tiers of minimum wage, which differ according to geographic region. The minimum allowable wage for employers in the Portland region, defined as employers located within the urban growth boundary set by Metro, is \$14.75. Starting on June 30, 2023, all minimum wage tiers will increase annually to

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adjust for inflation.

House Bill 2457 requires DHS to reimburse agencies that employ DSPs at a sufficient rate to allow DSPs to earn at least 150 percent of the Portland area minimum wage.

PRELIMINARY