

SB 570 A STAFF MEASURE SUMMARY

Senate Committee On Rules

Action Date: 05/11/23

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Vote: 4-0-0-1

Yeas: 4 - Hansell, Lieber, Manning Jr, Steiner

Abs: 1 - Knopp

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Iva Sokolovska

Meeting Dates: 5/11

WHAT THE MEASURE DOES:

Defines "agency with choice services" (AWC) and related terms. Directs Department of Human Services (DHS) to contract with up to two consumer-directed employers to provide AWC and specifies criteria employers must meet. Directs DHS to complete rulemaking for contracting with consumer-directed employers to provide AWC by December 31, 2024. Directs DHS to contract with consumer-directed employers by issuing a request for proposal by July 1, 2025; specifies application process requirements and duties of consumer-directed employers that contract with DHS. Directs DHS to offer program for licensed nurses to provide training and instruction to care workers on performance of nursing tasks. Permits qualified and willing person to apply for employment as care worker with consumer-directed employer. Requires care workers to have active identification number assigned by consumer-directed employer. Directs DHS to establish by rule hourly rates for consumer-directed employers, and annually adjust rates. Directs DHS to establish maximum percentage of rates that may be used for administrative costs or overhead costs and minimum percentage of rates that must be used for care worker compensation. Requires consumer-directed employers to demonstrate increases in rates passed through to care workers in wages and benefits and provide full financial transparency by reporting to DHS. Specifies reporting requirements. Requires consumer-directed employers to provide labor peace agreement when seeking to contract with DHS. Specifies agreement requirements and allows for exemptions. Directs DHS to study barriers to implementation of private pay home care worker program and report to Legislative Assembly by January 1, 2026. Repeals requirements on January 2, 2027. Directs DHS to report to Legislative Assembly by January 1, 2027, on contracting with consumer-directed employers to provide AWC. Repeals requirements on January 2, 2027. Permits consumer-directed employers to serve clients not enrolled in medical assistance program two years after employer starts providing agency with choice services. Repeals requirements on January 2, 2029.

ISSUES DISCUSSED:

- Barriers to workforce retention
- Supports available for the workforce in current system
- Agency with choice model overview and implementation
- Self-services legislation and model implementation in other states
- Accountability and quality improvements
- Reimbursement rate setting system and expansion to private pay consumers

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

An employer of record for direct support professionals who are providing in-home services and supports to an individual can provide certain agency with choice services: coordinating the schedules and responsibilities of direct support professionals who are providing in-home services and supports to the individual; for each direct support professional providing in-home services and supports to the individual, withholding, filing and paying income and employment-related taxes, including workers' compensation premiums and unemployment taxes; verifying the qualifications of each direct support professional; and providing other administrative and employment-related supports. The Department of Human Service (DHS) can certify agencies to deliver agency with choice services as a community-based services option under [ORS 427.007](#). DHS cannot certify consumer-directed employers if the owner of the agency or an executive officer of the agency has been convicted of Medicaid fraud in any state within the 25-year period prior to the certification. Agencies that contract with the Department of Human Services to provide agency with choice services are called consumer-directed employers.

Senate Bill 570 A requires DHS to contract with up to two consumer-directed employers to provide agency with choice services and specifies requirements for consumer-directed employers.