



Providing Supports. Empowering People.

Written Testimony

Submitted to: Early Childhood and Human Services Committee Hearing

February 7, 2023

Dear Committee Members:

I am Terri Silvis, CEO of Horizon Project, a nonprofit organization that residential and employment supports individuals experiencing intellectual and development disabilities in Umatilla County. Horizon employs over 180 care team members, the vast majority of which provide direct supports daily to the people we serve. Direct Support Professionals (DSPs) enable people to live and thrive in our communities. I am writing in support of HB 2457. It ensures that DSPs receive the wages they deserve, moving DSP wages to 150% of minimum wage and covering the Paid Leave Oregon Payroll Expenses.

Thanks to previous legislative support, DSP wages rose significantly after the current rate model was funded last session. Thank you for this investment. Providers like Horizon Project across the state would not have survived the pandemic without it. Our resources – both human and financial – were stressed, and your investment ensured we could continue to support our community’s most vulnerable citizens.

We need to protect and enhance this investment going forward. The pandemic and evolving workforce dynamics has continued to erode our progress on wages. Even though average wages are now above the amount funded by the rate model, we still struggle to hire and retain employees. This complicated, critical work is often paid less than fast food employees.

Why is HB 2457 crucial? Current reimbursements for these services were built on cost studies that are now *years* old, so even though service rate models are now fully funded, the costs built into these models are significantly behind the current market. I have attached a flier that highlights these key points and shows how DSP wages consistently trend above the reimbursement rate.

Vote Yes: Please vote yes on HB 2457. DSPs, the people they support and their families are counting on your support! **This link provides more information about the bill:**

<https://oregonresource.box.com/s/of9s49qupwlqozg44qize9w65mxpde4n>

Thank you for your support.

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HB 2457 Value the Work. Raise the Wage.

We must continue to move the Direct Support Professional (DSP) workforce out of crisis.

The 2021 Legislature made a historic investment in services to people with intellectual and developmental disabilities (I/DD) and for the first time the I/DD system was FULLY FUNDED. Even though this investment allowed us to increase wages for DSPs by \$1.25 an hour (current average reimbursement wage for DSPs at \$17.81), providers still report an average DSP vacancy rate of 23%.

Additional increases in wages are needed to address the current workforce shortage. Per a recent ORA survey, 85% of providers are no longer accepting referrals to serve new people and 86% have reduced capacity or closed services and anticipate closing additional services.



ABOUT DSPs: Direct Support Professionals (DSPs) provide crucial supports to adults and children experiencing intellectual and developmental disabilities. Their work includes managing medical needs, challenging behaviors, personal hygiene, and support to maintain employment and make real connections in the community. These incredibly dedicated individuals are not state employees, rather they work for small and medium non-profits and entities that provide community based services across Oregon. While not state employees, their wages (via I/DD rates) are funded almost entirely by state and federally matched funds.

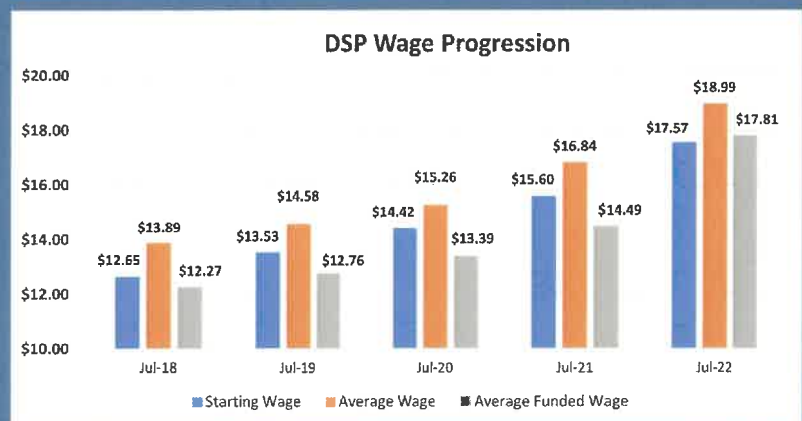


Protect your investment and continue fully funding I/DD rates while prioritizing DSPs!
 In 2023 we must continue to increase DSP wages by supporting HB 2457!

HB 2457 will make two critical long-term investments in Direct Support Professionals:

1. Moves average DSP wage to 150% of the Portland metro minimum wage to recognize the value of the DSP workforce- that this is not a minimum wage workforce. Also ensures this essential workforce receives an annual increase above minimum wage.
2. Covers the costs of employer AND employee contributions for Paid Family & Medical Leave to ensure every dollar directed toward DSP wages stay as wages and supports new recruitment and retention opportunities.

Average Wage Providers Pay Versus Wage That Is Funded:



Amanda Dalton | Amanda@DaltonAdvocacy.com
 Jack Dempsey | Jack@dempseypublicaffairs.com



HB 2457

**Value the Work.
Raise the Wage.**

ODDS POP 132 - Targeted Rate Increase
Includes wage inflation and rate increases that bring DSP wages in payment category 1 to \$19.36, payment category 2 to \$20.38, and to \$22.42 in payment category 4 in the first year of the biennium. Increases the health insurance assumption to \$628.45 (currently \$525) per employee per month and adds the 0.4% employer Paid Leave Oregon payroll tax pick-up.

\$162M

The Math:
General Fund: \$162,144,945
Federal Funds: \$294,067,672
Total Funds: \$456,212,617



HB 2457 - 150% of Minimum Wage + 1% Paid Leave Oregon Pick-up
This bill will make further investments into DSP wages - because DSP work is not minimum wage work! HB 2457 statutorily sets DSP wages at 150% of the metro minimum wage and includes the full 1% Paid Leave Oregon pick up (0.4% Employer + 0.6% Employee pick-up).

\$116.9M

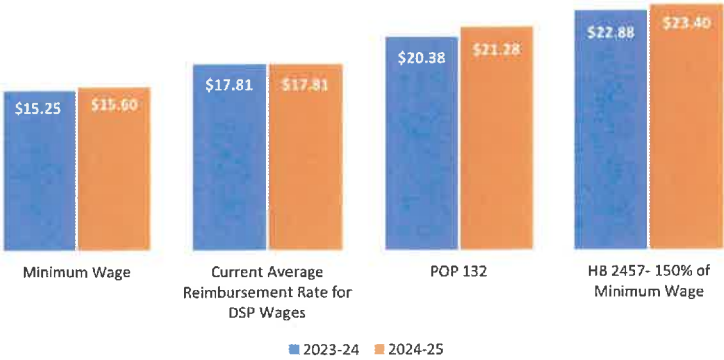
The Math:
General Fund: \$116,913,261
Federal Funds: \$215,343,792
Total Funds: \$324,349,246



What do these investments mean for DSP wages?

Total GF Investment: \$279M

DSP Hourly Wage



Value the Work. Raise the Wage.