



May 3rd, 2023

To the Joint Committee on Ways and Means:

My name is Kayla Seideman. I am currently the Training and Development Manager for the Shangri-La Corporation, but I started in this field as a Direct Support Professional just over five years ago. Here at Shangri-La, we employ around 350 staff and support nearly 1,000 individuals with disabilities and disadvantages every year. I am here to speak in support of POP 132, which would not only support an increase in the wages of Direct Support Professionals but would also serve as a crucial steppingstone to **valuing the work we do**.

Last session, we saw an outpouring of providers, family, and individuals supported testifying in support of these same goals. Thanks to those of you who **heard** our voices, we saw a significant increase in DSP wages which helped to provide much needed stability in our workforce. None of us knew what we would soon face with the pandemic, and we would not have survived without your support.

During the pandemic, I faced some of the most challenging days while supporting individuals in the I/DD community, and I know I am not alone. However, what was truly surprising to me is that the hardships we see in our workforce today are **far from new**. The DSPs we employ provide crucial support every single day, ranging from mealtime support to crisis intervention – support which individuals rely on to live **safe, healthy, and happy lives**. Unfortunately, we continue to see high DSPs turnover rates - currently these rates are 45-50%. This turnover leads to further instability in the lives and support systems of the vulnerable population we support.

July 1st is fast approaching, which is when minimum wage will take another large step up. Provider agencies across the state have come so far in creating a standard quality of care and support for individuals living with disabilities or disadvantages, but we are often faced with the reality of competing with minimum wage jobs. This is due to state and federal funding providing reimbursements for DSPs wages at a lower rate that what we pay.

Please continue to **Value the Work and Raise the Wage** by including POP 132 in the budget. Some of Oregon's most vulnerable citizens and most essential employees are relying on your support.

Sincerely,

Kayla Seideman

Training and Development Manager

Shangri-La Corporation

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# 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.



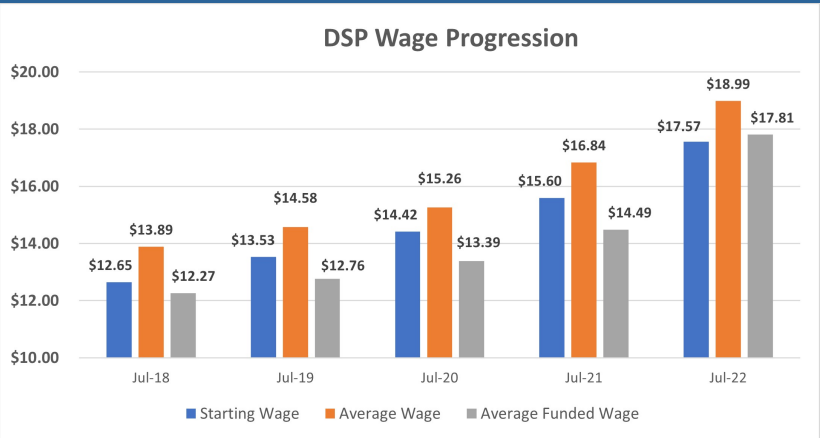
**Protect your investment and continue fully funding I/DD rates while prioritizing DSPs!**

**In 2023 we must continue to increase DSP wages!**

**ODDS Pop 132 makes two critical long-term investments in Direct Support Professionals:**

- Includes wage inflation and rate increases that bring DSP wages in payment category 1 to \$19.36, payment category 2 and 3 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.

## Average Wage Providers Pay Versus Wage That Is Funded:



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# Value the Work. Raise the Wage.

## \$188M

### 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 and 3 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.

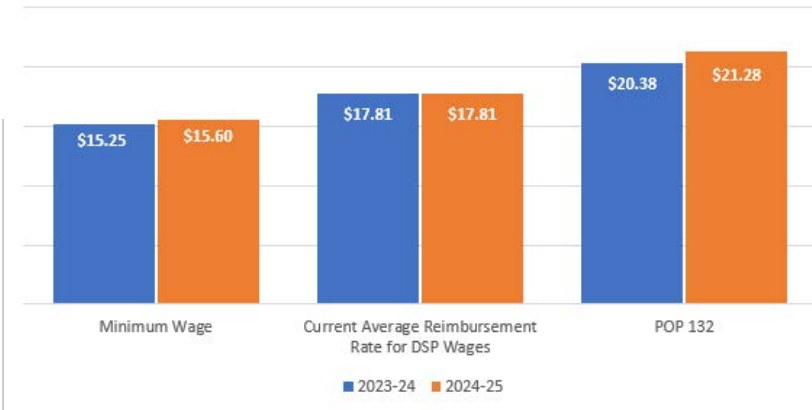
### The Math:

General Fund:	\$188,140,231
Federal Funds:	\$342,515,679
Total Funds:	\$530,655,910

What do these investments mean for DSP wages?

Total GF Investment: \$188M

### DSP Hourly Wage



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