A-Engrossed House Bill 4129

Ordered by the House February 15 Including House Amendments dated February 15

Sponsored by Representative BOWMAN, Senator PATTERSON, Representatives VALDERRAMA, SMITH G, Senator GELSER BLOUIN; Representatives ANDERSEN, DEXTER, EVANS, GAMBA, GOMBERG, GRAYBER, HARTMAN, NELSON, NGUYEN H, NOSSE, PHAM K, Senators DEMBROW, FREDERICK (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act requires OHA and DHS to contract with no more than two agencies to provide agency with choice services. The Act defines the services that must be provided and the rights of individuals who receive the services. The Act requires the OHA and DHS to adopt certain rules.

The Act requires people who provide agency with choice services to report any suspected

child abuse or neglect to the proper powers that be. (Flesch Readability Score: 61.9).

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[The Act requires people who provide agency with choice services to report any suspected child abuse or neglect to the proper powers that be. (Flesch Readability Score: 60.9).]

Requires the Department of Human Services and the Oregon Health Authority to contract with [up to] no more than two agencies to provide agency with choice services to individuals who are older adults or who have disabilities. Specifies the duties of the agency providing agency with choice services and rights of the individuals who are receiving agency with choice services. Requires the department and the authority to adopt rules that contain specified provisions.

Specifies that all agency with choice providers are mandatory reporters of abuse or neglect.

A BILL FOR AN ACT

Relating to in-home service providers; creating new provisions; and amending ORS 124.050 and 443.305.

Whereas quality long term in-home care services allow Oregon seniors, persons with disabilities and their families the choice of remaining in their own homes and communities, including the choice of whether to receive residential services, use licensed home care agencies or employ individual providers; and

Whereas long term in-home care services are a less costly alternative to institutional care, saving Oregon taxpayers significant amounts through lower reimbursement rates; and

Whereas thousands of Oregon seniors and persons with disabilities exercise their choice to live in their own homes and receive needed assistance through in-home services; and

Whereas many Oregon seniors and persons with disabilities currently receive long term in-home care services from individual providers hired directly by them under programs authorized through the Medicaid state plan or Medicaid waiver authorities and similar state-funded in-home care programs; and

Whereas establishing a consumer-directed employer program will support the state's intent for consumers to direct their own services, enhance the capacity of the home-based service system by adding an entity that provides the administrative functions of an employer and supports consumers

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to manage the services provided in their own homes, prevent or reduce unnecessary and costly utilization of hospitals and institutions by taking a step toward integration of home care workers into a coordinated delivery system, and support the development of new technology and interventions to enhance the skills of home care workers and services provided to consumers; and

Whereas labor and management conflicts jeopardize the state's proprietary interests as a purchaser of self-directed home care services by substantially interfering with the quality, consistency and reliability of the provision of self-directed home care services in the state; and

Whereas a disruption in the provision of self-directed home care services results in additional costs and otherwise avoidable expenditures of public funds; and

Whereas the lack of a mutual agreement to resolve labor and management conflicts through processes that avoid disruption in the provision of self-directed home care services increases the likelihood that labor and management conflicts will interfere with the provision of self-directed home care services; and

Whereas the Legislative Assembly declares that it is the policy of this state to promote labor peace in state contracts for self-directed home care services by encouraging the resolution of labor disputes in a manner that reduces the likelihood of work stoppages that interrupt the provision of self-directed home care services; and

Whereas the Legislative Assembly does not intend for the consumer-directed employer program to replace the consumers' options to select an individual provider to provide in-home care from a qualified home care agency or through the Home Care Commission; now, therefore,

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) As used in this section:

- (a) "Agency" means an organization that provides agency with choice services.
- (b) "Agency with choice services" means services described in subsection (3) of this section that are provided to an individual by an agency using a self-directed service delivery model.
- (c) "Authorized representative" means a person designated by an individual or the individual's legal representative to act on behalf of the individual in making decisions on matters pertaining to the planning and implementation of an in-home service plan or an individual support plan.
- (d)(A) "Direct support worker" means a person providing attendant or personal care services identified in an individual's individualized service plan as an employee of the agency.
- (B) "Direct support worker" does not mean a home care worker or a personal support worker as those terms are defined in ORS 410.600.
- (e) "Individual" means an individual, or the authorized representative of an individual, who receives in-home services and supports through the Department of Human Services or the Oregon Health Authority and who is:
 - (A) An older adult;

- (B) An individual with a physical disability; or
- (C) An individual with behavioral health needs.
- (f) "Nurse delegation" means arranging for tasks that are normally performed only by licensed nurses to be performed by nursing assistants or other care providers subject to the instruction and supervision of a licensed nurse.
- (g) "Self-directed service delivery model" means a model in which an individual is supported by an agency that functions as the common law employer of direct support workers

recruited by the individual and provides financial management services and tasks in place of the individual. The individual directs the direct support workers and is considered a coemployer with the agency.

- (2)(a) The Department of Human Services shall adopt rules for the licensing of agencies providing services to older adults or individuals with physical disabilities.
- (b) The Oregon Health Authority shall adopt rules for the licensing of agencies to provide personal care services to individuals with behavioral health needs through a state plan amendment authorized by 42 U.S.C. 1396n(i) and under the state's 42 U.S.C. 1396n(k) plan.
 - (3) An agency licensed under subsection (2) of this section shall:
 - (a) Assist individuals with the following tasks:

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- (A) Recruiting and selecting direct support workers to be employed by the agency to provide the individual's attendant and personal care services or removing direct support workers from the individual's care team;
- (B) Coordinating the schedules of direct support workers, establishing the responsibilities of direct support workers and ensuring that direct support workers do not work more than the hours authorized by the department or the authority;
- (C) Training direct support workers with respect to the individual's unique needs and preferences in how the services and supports are delivered;
- (D) Supporting the individual in maintaining a safe workplace, in self-direction and in the roles and responsibilities of co-employer; and
 - (E) Performing other tasks prescribed by the department or the authority by rule.
- (b) Be responsible for hiring and terminating direct support workers who are employed by the agency.
 - (c) Perform the following functions:
- (A) Submit claims for reimbursement to the department or the authority and pay direct support workers for authorized hours worked and billed in accordance with the electronic visit verification requirements for providers of services;
- (B) Withhold, file and pay income taxes and all employment-related taxes, including but not limited to workers' compensation premiums and unemployment taxes;
- (C) Verify the qualifications of each direct support worker as required by federal and state laws, including by ensuring that each direct support worker passes a background check;
- (D) Ensure that direct support workers employed by the agency have access to support coordination;
 - (E) Establish a process for:
 - (i) Identifying, analyzing and correcting adverse events;
- (ii) Ensuring the timely reporting of any allegation of abuse, neglect or fiscal improprieties involving an individual or a direct support worker, immediately responding to the allegation and reporting the allegation to the appropriate authorities;
- (iii) Selecting and tracking indicators of quality by high-risk, high-volume and problemprone areas and indicators of individual safety and the quality of care; and
 - (iv) Conducting and documenting quality improvement activities;
- (F) Meet with individuals at least every six months, with at least one in-home visit with the individual each 12 months, as determined jointly with the individual based on the preferences and needs of the individual;

- (G) Provide basic, standardized training to direct support workers and ensure that direct support workers complete and are current with all training prescribed by the department and the authority by rule;
- (H) Retain a personnel record for each direct support worker that includes, at a minimum:
 - (i) Documentation of completed required training and ongoing education;
 - (ii) Required criminal background checks; and

- (iii) Evidence that any health care related license or certificate held by a direct support worker is current and that the direct support worker has not committed any action that would prevent the direct support worker from providing services; and
 - (I) Provide other administrative and employment-related supports.
- (d) Have in place a process to access and respond to a complaint or grievance submitted by an individual about the services provided to the individual by a direct support worker.
- (e) Pay any fines or penalties that may be assessed against an individual if the agency fails to withhold the correct amounts of taxes or pay the appropriate employment-related taxes to mitigate the risk to the individual.
- (f) Indemnify an individual for any employment or wage-related claims, damages, fines or penalties arising from the individual's relationship with the agency.
- (g) Maintain a drug-free workplace that prohibits direct support workers from being under the influence of drugs or alcohol when providing services to an individual.
- (h) Commit to involving direct support workers employed by the agency and individuals served by the agency in the development of and decision-making about work processes, performance standards, quality improvement strategies, training, technology use and workplace safety.
- (i) Commit to minimizing the impact of the loss of pay and work hours for direct support workers resulting from the hospitalization or death of an individual or the dismissal of the direct support worker by the individual.
- (j) Commit to engage and work closely with individuals in designing and implementing agency with choice services by appointing individuals to an advisory board, using focus groups of individuals or employing other methods, approved by the department or the authority, for working with individuals.
- (k) Promote each individual's self-direction and choice and maximize an individual's autonomy and control over the decisions regarding the individual's daily service needs, including by:
- (A) Using a person-centered approach so that the individual is at the center of the decision-making process regarding:
- (i) Which attendant and personal care services are needed to assist the individual in activities of daily living, instrumental activities of daily living and health-related tasks, as defined by the department or the authority by rule;
- (ii) Which services are consistent with the individual's personal and cultural values and preferences;
 - (iii) Where and how the services are delivered;
 - (iv) When the services are delivered; and
- (v) Who provides the services;
 - (B) Enhancing the role of direct support workers as members of the individual's care

team, as desired and authorized by the individual and reflected in the individual's individualized service plan developed in accordance with rules adopted by the department or the authority; and

- (C) Complying with other requirements as prescribed by the department or the authority, as applicable, by rule.
- (L) Have in place a plan for recruiting and retaining qualified direct support workers to meet the growing need for direct support workers in this state.
- (m) Assist an individual in planning for direct support worker absences or similar situations which call for replacement workers, consistent with the individual's choice of direct support workers to provide the services.
- (n) Have in place a quality assurance system and a performance improvement plan to evaluate and monitor the quality, safety and appropriateness of the services provided by direct support workers.
- (4) Each agency must enter into a provider agreement with the department or the authority to submit billings to and receive payments from the department or the authority for the services furnished by the direct support workers.
 - (5) An individual has the right to:

- (a) Select or otherwise approve the direct support workers who provide services to the individual before the direct support workers begin providing the services;
- (b) Train direct support workers in the individual's specific service needs and in the provision of services to the individual;
 - (c) Direct the individual's own services that are provided by direct support workers;
 - (d) Require an agency to remove a direct support worker from the individual's care team;
- (e) Report concerns and submit grievances about a direct support worker to the agency, the relevant licensing agency or any other appropriate third party, such as law enforcement in cases of abuse, neglect or financial misappropriation or improprieties;
- (f) Schedule a direct support worker's time in accordance with the individual's desires, needs and authorized hours; and
 - (g) Receive employer-related training, as required by federal rules, from a third party.
- (6) An individual's exercise of any of the functions described in subsection (5) of this section does not create an employer-employee relationship between the direct support workers and the individual except as a co-employer with the agency.
- (7) The department and the authority shall establish reimbursement rates for agencies in accordance with rate methodologies approved by the Centers for Medicare and Medicaid Services. The baseline rates established by the department and the authority must be sufficient to:
- (a) Support substitute staffing needs due to canceled shifts, planned and unplanned absences of direct support workers, respite care for individuals' unpaid caregivers and other similar needs;
- (b) Allow an agency to pay direct support workers wages and benefits at least equal to the wages and benefits provided to home care workers in the collective bargaining agreement under ORS 410.612; and
- (c) Meet the requirements for training and supports for direct support workers and for individuals as prescribed by the department or the authority by rule.
- (8) The department and the authority shall establish by rule financial transparency re-

quirements for agencies that include but are not limited to:

- (a) Establishing a maximum allowable percentage of the hourly reimbursement rate paid to the agency that may be spent on overhead and administrative costs;
- (b) Requiring agencies to submit to the department or the authority detailed cost reports that include, at a minimum, actual spending by the agency on direct support worker wages, benefits and other personnel expenses; and
- (c) Requiring agencies to pass through to direct support workers reimbursement rate increases that are targeted for wages and benefits of direct support workers.
- (9) Nurse delegation is the responsibility of the department or the authority and not the responsibility of an agency and shall be operated in the same manner as nurse delegation for home care workers, as defined in ORS 410.600.
- (10) The department and the authority shall conduct a competitive procurement process to select agency with choice services providers. The department and the authority may contract with no more than two agencies in total to provide agency with choice services.
- (11) Except as provided in subsection (13) of this section, an agency that seeks to contract with the department or the authority to provide agency with choice services must first provide a labor peace agreement that:
- (a) Is signed or certified by an authorized representative of a labor organization that represents employees in this state or a neighboring state who provide services similar to the direct support worker services provided by the direct support workers employed by the agency and that seeks to represent the direct support workers employed by the agency; and
- (b) Includes a process for the resolution of labor disputes with the direct support workers employed by the agency.
- (12) The department or the authority may contract with an agency that has not provided a labor peace agreement described in subsection (11) of this section if:
- (a)(A) A labor organization is currently certified to represent the direct support workers employed by the agency and the labor organization informs the agency that the labor organization does not wish to enter into a labor peace agreement with the agency; and
- (B) The agency demonstrates to the satisfaction of the department or the authority that the agency has processes in place to ensure the uninterrupted delivery of direct support worker services in the event of a labor dispute; or
- (b)(A) The agency notifies in writing all labor organizations certified to represent employees in this state who provide services similar to the services to be provided by the direct support workers employed by the consumer-directed employer that the agency wishes to enter into a labor peace agreement; and
 - (B) Three weeks following the date on which the notice was given:
 - (i) No labor organization responds to the notice; or
- (ii) No labor organization expresses an interest in representing the direct support workers employed by the agency.
- (13) The department or the authority may deny, suspend or revoke the license, certificate or endorsement, as applicable, of an agency or may impose a civil penalty, in accordance with ORS 183.745, on an agency for the agency's failure to comply with this section or rules adopted in accordance with this section. A failure to comply includes but is not limited to a:
 - (a) Failure by the agency to provide required agency with choice services;

- (b) Failure by the agency to correct deficiencies identified during a program review or an investigation by the department or authority;
- (c) Demonstrated pattern, over the previous two years, of significant and substantiated violations of employment or wage laws in the state by:
 - (A) An agency as an employer of direct support workers; or
- (B) A person applying to become an agency providing agency with choice services in any business owned or operated by the person; or
 - (d) Failure of an agency to comply with ORS 443.004.

- (14) This section does not supersede or limit any other authority of the department or the authority with regard to oversight of contracting entities or the imposition of civil penalties.
- <u>SECTION 2.</u> The Oregon Health Authority and the Department of Human Services shall contract with up to two agencies to provide agency with choice services in accordance with section 1 of this 2024 Act no later than January 1, 2026.
- SECTION 3. (1) As used in this section "agency with choice services" and "self-directed service delivery model" have the meanings given those terms in section 1 of this 2024 Act.
- (2) After the self-directed service delivery model of providing agency with choice services under section 1 of this 2024 Act has been in operation for at least two years serving individuals receiving medical assistance:
- (a) The Department of Human Services may expand the categories of individuals who can be served by an agency with choice services provider under section 1 of this 2024 Act to include clients of the Oregon Project Independence program described in ORS 410.430, 410.435, 410.440 and 410.450.
- (b) Subject to subsection (3) of this section, the Home Care Commission, created under ORS 410.602, may expand the categories of individuals who can be served by an agency with choice services provider under section 1 of this 2024 Act to include clients of the private pay home care worker program described in ORS 410.605.
- (3) Before the commission may choose to expand the categories of individuals to include private pay home care worker clients, the department shall convene a group of stakeholders to assist the department in conducting an analysis of data to inform the commission's decision. The data must be collected from the prior two years, at least, of operation of the self-directed service delivery model of providing agency with choice services to medical assistance recipients and must include:
- (a) The options accessible to Oregonians for receiving in-home care and services, including the cost of the care and trends in the supply and demand for in-home services;
- (b) The feasibility of and process for contracting with a third party to administer, in whole or in part, a program to provide agency with choice services to private pay home care worker clients;
- (c) Whether new regulatory or oversight structures need to be put in place to ensure the safety of private pay home care worker clients and the quality of care; and
- (d) The costs and benefits to the state for expanding agency with choice services to private pay home care worker clients and the options for funding the expansion.
 - **SECTION 4.** ORS 124.050 is amended to read:
- 44 124.050. As used in ORS 124.050 to 124.095:
 - (1) "Abuse" means one or more of the following:

- 1 (a) Any physical injury to an elderly person caused by other than accidental means, or which 2 appears to be at variance with the explanation given of the injury.
 - (b) Neglect.

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- 4 (c) Abandonment, including desertion or willful forsaking of an elderly person or the withdrawal 5 or neglect of duties and obligations owed an elderly person by a caretaker or other person.
 - (d) Willful infliction of physical pain or injury upon an elderly person.
- 7 (e) An act that constitutes a crime under ORS 163.375, 163.405, 163.411, 163.415, 163.425, 163.427, 8 163.465, 163.467 or 163.525.
 - (f) Verbal abuse.
- 10 (g) Financial exploitation.
- 11 (h) Sexual abuse.
- 12 (i) Involuntary seclusion of an elderly person for the convenience of a caregiver or to discipline 13 the person.
 - (j) A wrongful use of a physical or chemical restraint of an elderly person, excluding an act of restraint prescribed by a physician licensed under ORS chapter 677 and any treatment activities that are consistent with an approved treatment plan or in connection with a court order.
- 17 (2) "Elderly person" means any person 65 years of age or older who is not subject to the pro-18 visions of ORS 441.640 to 441.665.
 - (3) "Facility" means:
- 20 (a) A long term care facility as that term is defined in ORS 442.015.
- 21 (b) A residential facility as that term is defined in ORS 443.400, including but not limited to an 22 assisted living facility.
 - (c) An adult foster home as that term is defined in ORS 443.705.
 - (4) "Financial exploitation" means:
- 25 (a) Wrongfully taking the assets, funds or property belonging to or intended for the use of an 26 elderly person or a person with a disability.
 - (b) Alarming an elderly person or a person with a disability by conveying a threat to wrongfully take or appropriate money or property of the person if the person would reasonably believe that the threat conveyed would be carried out.
 - (c) Misappropriating, misusing or transferring without authorization any money from any account held jointly or singly by an elderly person or a person with a disability.
- 32 (d) Failing to use the income or assets of an elderly person or a person with a disability effec-33 tively for the support and maintenance of the person.
 - (5) "Intimidation" means compelling or deterring conduct by threat.
 - (6) "Law enforcement agency" means:
- 36 (a) Any city or municipal police department.
- 37 (b) Any county sheriff's office.
- 38 (c) The Oregon State Police.
- 39 (d) Any district attorney.
 - (e) A police department established by a university under ORS 352.121 or 353.125.
- 41 (7) "Neglect" means failure to provide basic care or services that are necessary to maintain the 42 health or safety of an elderly person.
- 43 (8) "Person with a disability" means a person described in:
- 44 (a) ORS 410.040 (7); or
- 45 (b) ORS 410.715.

- 1 (9) "Public or private official" means:
 - (a) Physician or physician assistant licensed under ORS chapter 677, naturopathic physician or chiropractor, including any intern or resident.
- 4 (b) Licensed practical nurse, registered nurse, nurse practitioner, nurse's aide, home health aide 5 or employee of an in-home health service.
- 6 (c) Employee of the Department of Human Services or community developmental disabilities 7 program.
- 8 (d) Employee of the Oregon Health Authority, local health department or community mental 9 health program.
- 10 (e) Peace officer.

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- 11 (f) Member of the clergy.
- 12 (g) Regulated social worker.
- 13 (h) Physical, speech or occupational therapist.
- 14 (i) Senior center employee.
- 15 (j) Information and referral or outreach worker.
- 16 (k) Licensed professional counselor or licensed marriage and family therapist.
- 17 (L) Elected official of a branch of government of this state or a state agency, board, commission 18 or department of a branch of government of this state or of a city, county or other political subdi-19 vision in this state.
- 20 (m) Firefighter or emergency medical services provider.
- 21 (n) Psychologist.
- (o) Provider of adult foster care or an employee of the provider.
- 23 (p) Audiologist.
- 24 (q) Speech-language pathologist.
- 25 (r) Attorney.
- 26 (s) Dentist.

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- 27 (t) Optometrist.
- 28 (u) Chiropractor.
- 29 (v) Personal support worker, as defined in ORS 410.600.
- 30 (w) Home care worker, as defined in ORS 410.600.
- 31 (x) Referral agent, as defined in ORS 443.370.
- 32 (y) A person providing agency with choice services under ORS 427.181 or section 1 of this 2024 33 Act.
 - (10) "Services" includes but is not limited to the provision of food, clothing, medicine, housing, medical services, assistance with bathing or personal hygiene or any other service essential to the well-being of an elderly person.
 - (11)(a) "Sexual abuse" means:
 - (A) Sexual contact with an elderly person who does not consent or is considered incapable of consenting to a sexual act under ORS 163.315;
- 40 (B) Verbal or physical harassment of a sexual nature, including but not limited to severe or 41 pervasive exposure to sexually explicit material or language;
 - (C) Sexual exploitation;
- 43 (D) Any sexual contact between an employee of a facility or paid caregiver and an elderly per-44 son served by the facility or caregiver; or
- 45 (E) Any sexual contact that is achieved through force, trickery, threat or coercion.

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- 1 (b) "Sexual abuse" does not mean consensual sexual contact between an elderly person and:
- 2 (A) An employee of a facility who is also the spouse of the elderly person; or
- 3 (B) A paid caregiver.
- (12) "Sexual contact" has the meaning given that term in ORS 163.305.
 - (13) "Verbal abuse" means to threaten significant physical or emotional harm to an elderly person or a person with a disability through the use of:
 - (a) Derogatory or inappropriate names, insults, verbal assaults, profanity or ridicule; or
- (b) Harassment, coercion, threats, intimidation, humiliation, mental cruelty or inappropriate sexual comments.

SECTION 5. ORS 443.305 is amended to read:

443.305. As used in ORS 443.305 to 443.350:

- (1) "In-home care agency" means an agency primarily engaged in providing in-home care services for compensation to an individual in that individual's place of residence. "In-home care agency" does not include a home health agency as defined in ORS 443.014 or an agency with choice services provider under ORS 427.181.
- (2) "In-home care services" means personal care services furnished by an in-home care agency, or an individual under an arrangement or contract with an in-home care agency, that are necessary to assist an individual in meeting the individual's daily needs, but does not include curative or rehabilitative services.
- (3) "Subunit" means an in-home care agency that provides services for a parent agency in a geographic area different from that of the parent agency and more than 60 miles from the location of the parent agency.

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