

Submitter: Kelsea Phillips
On Behalf Of:
Committee: House Committee On Labor and Workplace Standards
Measure, Appointment or Topic: HB3838

Dear House Committee On Labor and Workplace Standards Members,

I am writing as a fundraising and development professional for a nonprofit organization dedicated to providing high-quality, person-centered support to people with intellectual and developmental disabilities (IDD) in Oregon. While the intent behind HB 3838—to strengthen workforce standards in home and community-based services (HCBS)—is commendable, the bill presents significant and harmful consequences for IDD service providers and the people we serve.

Key Concerns:

- One-Size-Fits-All Regulations Will Undermine Individualized Care

The bill groups all HCBS providers under a single workforce board, failing to recognize the vast differences in service needs between populations (e.g., memory care, complex medical needs, IDD support). Blanket training requirements would remove the flexibility organizations like ours need to tailor DSP (Direct Support Professional) training to each person's unique support needs, ultimately reducing the quality of care provided to people with IDD.

- Unfunded Minimum Wage Mandates Will Force Closures

IDD support organizations are already underfunded, relying primarily on Medicaid reimbursements to pay DSP wages. Currently, we pay above Medicaid reimbursement rates to ensure our staff earn a livable wage—relying on fundraising and financial reserves to cover the gap. This is not sustainable. If the state imposes minimum wage increases without increasing Medicaid reimbursement rates, many IDD organizations will be forced to shut down, leaving people with IDD without critical services. Oregon has no backup plan to provide these supports if private nonprofits like ours cannot continue operating.

- Adding Bureaucracy Instead of Solutions

Our industry is already heavily regulated by multiple state agencies, ensuring workplace accountability, safe environments, and quality care. Additional layers of bureaucracy will increase compliance costs, create conflicting regulations, and limit our ability to provide individualized, flexible support for people with IDD.

- Increased Financial Strain on a Severely Underfunded Sector

Unlike other marginalized groups, people with IDD do not receive the same level of

public advocacy, social attention, or donor support. This makes it exceedingly difficult for organizations like ours to fundraise, despite the immense need. The financial burden this bill would impose is simply not sustainable—and the people who will suffer most are those with IDD who rely on these services.

The Real Solution: Increase Medicaid Reimbursement Rates

The answer to the workforce challenges in HCBS is not additional regulation—it is higher Medicaid reimbursement rates. Raising reimbursements would allow providers to:

- Offer competitive wages without risking closure.
- Strengthen existing DSP education and leadership programs tailored to IDD support.
- Invest in workforce development while maintaining person-centered, flexible care models.

If the Legislature is committed to addressing the workforce crisis in home and community-based services, it must prioritize funding solutions over bureaucratic mandates.

I urge you to oppose HB 3838 in its current form and instead work toward a Medicaid funding solution that will truly support the workforce, the providers, and—most importantly—the people with disabilities who rely on these essential services.

Please do not move this bill forward.