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Chair Grayber, Vice Chairs Elmer and Munoz, and Members of the House Committee on Labor and Workplace Standards,

I am writing on behalf of Options Counseling and Family Services to express strong opposition to House Bill 3838. While we share the commitment to improving conditions for Oregon's home and community-based services (HCBS) workforce, HB 3838 takes a misguided approach that will create unnecessary bureaucracy, duplicate existing regulations, and divert critical resources away from direct care services.

As a community-based mental health provider, Options Counseling serves some of Oregon's most vulnerable individuals. We understand the importance of supporting and retaining a skilled workforce. However, HB 3838 establishes a Workforce Standards Board that is not only redundant but also imposes significant administrative and financial burdens on providers without addressing the real challenges our workforce faces.

Key Concerns with HB 3838:

1. Unnecessary Bureaucracy and Duplication of Effort

The proposed Workforce Standards Board would duplicate existing regulatory oversight provided by the Oregon Department of Human Services (ODHS), Oregon Health Authority (OHA), Bureau of Labor and Industries (BOLI), and other state and federal agencies. Providers already comply with extensive licensing, labor, and Medicaid reimbursement regulations, which ensure quality of care and fair treatment of workers. Instead of streamlining workforce policies, HB 3838 would add another regulatory layer, creating confusion and inefficiency.

2. Unfunded Mandate: Increased Administrative Burden and Cost

The bill mandates extensive reporting, compliance measures, and new training standards that could conflict with existing provider-based training programs tailored to the specific needs of clients and staff. These requirements would require providers to divert already limited resources from frontline care toward additional administrative oversight. With no dedicated funding for compliance, small and mid-sized providers may face untenable financial strain, ultimately reducing access to services for those in need.

3. Threat to Provider Stability and Flexibility

HB 3838 takes a one-size-fits-all approach to workforce standards, disregarding the diversity of HCBS providers and the specific needs of their staff and clients. The bill's rigid pay and training mandates fail to account for the unique service models

that providers have developed to ensure quality care. By imposing uniform compensation structures and workplace policies, HB 3838 risks destabilizing organizations that have successfully adapted to workforce and client needs within existing regulatory frameworks.

4. **No Clear Funding Mechanism for Implementation**

While HB 3838 proposes new workforce standards, it does not guarantee additional funding to support compliance with these requirements. Many HCBS providers operate within Medicaid reimbursement constraints, which already make it difficult to offer competitive wages and benefits. Without new funding, the cost of implementing HB 3838's mandates will ultimately fall on providers, forcing difficult trade-offs that could impact staff wages, benefits, and overall service capacity.

5. **Privacy and Data Concerns**

The bill requires employers to provide detailed worker information, including contact details, to a newly created board. This raises serious privacy concerns and could expose employee data to misuse or unintended disclosures. Workers should have the right to control their personal information, and this provision sets a troubling precedent for employer-employee data sharing.

A More Effective Path Forward

Rather than creating a new bureaucratic entity, we urge the legislature to focus on direct investments in the HCBS workforce through:

- Increased Medicaid reimbursement rates to allow providers to raise wages and benefits sustainably.
- Direct funding for workforce development, including targeted recruitment and training initiatives.
- Streamlining existing regulatory requirements to reduce administrative burden rather than adding new layers of oversight.

For these reasons, we respectfully urge you to **vote NO on HB 3838** and instead prioritize policies that provide meaningful support for Oregon's HCBS workforce without jeopardizing provider sustainability.

Thank you for your time and consideration. I welcome further discussion on how we can work together to strengthen Oregon's direct care workforce without adding unnecessary burdens to the system.

Sincerely,

Steve Allan, Ph.D.

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