

February 11, 2026

Joint Committee on Ways & Means Subcommittee on Human Services
Senator Campos, Co-Chair
Representative Valderrama, Co-Chair
900 Court Street NE
State Capitol
Salem, OR 97301

SUBJECT: 2/9/26 Committee Questions Regarding Agency with Choice

Dear Co-Chairs and Committee Members:

Please find below information requested by members of the Joint Ways and Means Human Services Subcommittee at the February 9, 2026, meeting on the Agency with Choice Update.

1. Did the Centers for Medicare and Medicaid-approved State Plan Amendments recently submitted for Agency with Choice include youth?

The Oregon Health Authority (OHA) will offer in-home personal care services through the Agency with Choice program under CMS-approved State Plan Amendments (SPA) for the State Plan Personal Care (SPPC) program and the CMS-approved 1915(i) State Plan option. Both are primarily structured to serve adults, and care workers are generally trained to meet adult population needs.

The CMS-approved State Plan Amendment (SPA) for OHA State Plan Personal Care (SPPC) program allows individuals of all ages, including

youth, to apply for limited in-home personal care services, based on functional need and a qualifying mental health symptom(s). These services are capped at up to 20 hours per month.

In practice, children under age 18 rarely access in-home care through the SPPC program. SPPC is one of several programs within Oregon's broader strategy to support children and youth, alongside Early, Periodic, Screening, Diagnostic, and Treatment (EPSDT) and other programs. OHA has been working with community partners to define the gaps and needs in services and is currently receiving technical assistance from CMS to design Home and Community-Based Services (HCBS) tailored to children with mental health needs.

The 1915(i) HCBS program, which offers more extensive in-home personal care hours and additional HCBS services, is limited to individuals who are 21 and older.

ODHS's Office of Aging and People with Disabilities (APD) serves individuals who are 18 and older through the 1915(k), State Plan Personal Care and an 1115 Demonstration waiver.

2. How do we ensure alignment and parity in rates between OHA and ODHS programs? There should be a ceiling rate, given the referenced recent budget cuts.

For the Agency with Choice program, APD and OHA will be using the same hourly rate across agencies. Establishing a uniform rate between programs will support consistent access to Agency with Choice services across programs regardless of whether the individual is served through APD or OHA. The shared rate structure also simplifies administration and aligns

the state's broader goal of reducing fragmentation across HCBS programs. Rate negotiations are currently confidential between the state agencies and the vendor, GTI, but they will not go above the approved legislative rate of \$42.12.

The legislatively approved rate was based on the pricing provided by the department and the authority in HB 4129's Fiscal Impact Statement (FIS). That FIS, in turn, took into account the very specific requirements of the bill and the rate that it directed the department and the authority to establish. (See ORS 443.360(7).) For example, the bill required that the rate "be sufficient to ... allow an agency to pay direct support workers wages and benefits at least equal to the wages and benefits provided to home care workers..." Notably, SB 1521, the bill establishing agency with choice services for people with intellectual and developmental disabilities, did not contain the same rate-setting requirements. Thus, the Office of Developmental Disabilities Services' rate for its Agency with Choice providers ("Employer Model Agencies") is \$35.44.

3. How did the department and the authority investigate the background of the Agency with Choice vendor? Did you consider as part of the procurement process the fact that the vendor is an out-of-state company with private equity support?

GuardianTrac Independence (GTI) was selected through a competitive request for proposal (RFP) procurement for participation in Oregon's Agency with Choice (AwC) program. The RFP evaluation included review of:

- Demonstrated operational capacity;
- Compliance and performance history;
- Organization and staffing;
- Implementation plan and technical approach;
- Access to service/equity;

- Electronic verification system demonstration;
- Financial stability specific to Oregon operations; and
- Ability to meet relevant Oregon Administrative Rules (OARs), including support for direct support workers and consumers

GTI's ownership structure and experience as a private equity-backed, for-profit entity operating in multiple states was considered during procurement. Selection was based primarily on GTI's ability to operate within Oregon's regulatory, contractual, and oversight framework, and not on its for-profit status, ownership structure, or investor background.

As part of due diligence, ODHS and OHA sought references from six states (California, Ohio, Missouri, Washington, Arizona, Colorado, and New Jersey) in which GTI currently provides services. States that responded did not provide specific concerns or detailed performance information regarding GTI's operations. This reference review was considered alongside the RFP evaluation and Oregon specific oversight requirements. Notably, the entire scoring committee during the procurement process was impressed by GTI's commitment to workers and to consumers. The combined score for GTI's bid was significantly higher than for their nearest competitor.

Importantly, GTI's participation in Oregon is not governed by out of state practices. In Oregon, GTI will be accountable solely under Oregon laws, rules, contracts, and enforcement.

Oregon's AwC model includes strong safeguards regardless of provider ownership structure, which are:

- GTI must comply with ODHS OAR chapter 411, division 039, and OHA OAR chapter 309, division 045;
- GTI must report financial information every quarter including wages and benefits;

- ODHS and OHA retain authority to conduct monitoring, audits, corrective actions, and enforcement, up to and including contract termination;
- Payroll, service authorization, and billing are subject to MMIS and oversight from the state; and
- Direct Support Workers and GTI must submit Electronic Visit Verification.

Whether a provider is for-profit, nonprofit, or Oregon-based, they are held to the same standards and accountability requirements.

4. As part of its regulatory review, will GTI be required to show how much profit they are passing along to their investors?

The department and the authority will only be reviewing Medicaid payments and financial reports for the Oregon program, not the entire multistate entity. However, it is worth noting that Oregon Administrative Rules governing Agency with Choice providers require quarterly financial reporting, and also limit overhead and administrative expenses to no more than 15% of the total rate paid.

5. What are the reasons for the various different names for care providers across both agencies? Are there substantive distinctions that warrant different terms?

Different terms are used because the programs reflect distinct employment and service delivery models, choice of language among individuals receiving services, and in some cases, statutory requirements.

The use of the term Direct Support Worker (DSW) in the AwC model is mandated by House Bill 4129, which established statutory direction for the

program. This terminology aligns with the AwC employment structure and distinguishes it from the Consumer Employer Program (CEP) model.

Because there were multiple questions about the different nomenclature in different programs, we have prepared the attached infographic for the committee's reference.

Please do not hesitate to reach out to ODHS Legislative Coordinator Justin Withem at justin.withem2@odhs.oregon.gov if there are any further questions. Thank you.

In-home support worker types in Oregon Department of Human Services (ODHS) and Oregon Health Authority (OHA)

	ODHS Office of Aging and People with Disabilities (APD)	ODHS Office of Developmental Disabilities Services (ODDS)	Oregon Health Authority, Medicaid Division
Who we serve	Older adults, age 60+ and adults age 18+ with physical disabilities	Children and adults with intellectual and developmental disabilities, and children who are medically involved or medically fragile	Adults and, in limited cases, children with mental health needs
Individual as employer	<p>Homecare Worker: Employed by the consumer with Oregon Home Care Commission acting as employer of record. APD pays wages, taxes and benefits.</p> <p>Personal Support Worker: Employed by the consumer through the Independent Choices Program with the consumer receiving cash benefits to pay for their services.</p>	<p>Personal Support Worker: Employed directly by an individual or their representative. ODDS provides support with pay, taxes and benefits via a fiscal intermediary.</p>	<p>Personal Care Attendant: Employed by the consumer with Oregon Home Care Commission acting as employer of record. OHA pays wages, taxes and benefits.</p>
Employed by an agency	<p>Direct Support Worker: Employed by an Agency with Choice and co-managed by consumer.</p> <p>Caregiver: Employed by an In-Home Care Agency.</p>	<p>Direct Support Professional: Employed by a certified Medicaid provider agency — Standard Model Agency or Employer Model Agency.</p>	<p>Direct Support Worker: Employed by an Agency with Choice and co-managed by consumer</p>