Dear Senator Blouin,

You have long supported Oregonians with disabilities, which is why it was a shock to read the language in SB 1532.

Title II of the Americans with Disabilities Act provides that:

"No qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by any such entity."
42 U.S.C. § 12132.

The Department of Human Services is a public entity. Its Medicaid rate-setting and service programs are "services, programs, or activities" within the meaning of Title II. Federal regulations further prohibit public entities from:

"utiliz[ing] criteria or methods of administration… that have the effect of subjecting qualified individuals with disabilities to discrimination."
28 C.F.R. § 35.130(b)(3).

They also require services to be administered:

"in the most integrated setting appropriate to the needs of qualified individuals with disabilities."
28 C.F.R. § 35.130(d).

SB 1532 authorizes DHS to adopt a "differentiated rate model" for agencies that employ a direct support professional who resides with a client, based on an asserted reduction in "overhead costs." The differentiated rate is triggered solely by a housing arrangement connected to disability-related support needs.

People without disabilities may choose their housemates without the government adjusting their roommate's employer's compensation. SB 1532 leaves that freedom intact for individuals with disabilities who can live independently. But for individuals whose severity of disabilities require caregiver support, the bill authorizes lower reimbursement rates based exclusively on where and with whom they live.

That distinction is tied directly to disability severity. It risks using a method of administration that burdens individuals who require integrated, live-in support — precisely the population Title II was enacted to protect.

The Fair Housing Act raises parallel concerns. The Act makes it unlawful:

"To discriminate in the sale or rental, or to otherwise make unavailable or deny, a dwelling to any buyer or renter because of a handicap."
42 U.S.C. § 3604(f)(1).

It further prohibits:

"Discriminat[ion] against any person in the terms, conditions, or privileges of sale or rental of a dwelling… because of a handicap."
42 U.S.C. § 3604(f)(2).

And it defines discrimination to include:

"a refusal to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford [a person with a disability] equal opportunity to use and enjoy a dwelling."
42 U.S.C. § 3604(f)(3)(B).

When the State creates financial disincentives for agencies to support live-in caregiving arrangements, it risks "otherwise mak[ing] unavailable" housing to individuals with disabilities who rely on those arrangements to obtain and maintain stable housing. Policies that financially burden disability-related housing configurations can function as discriminatory "terms" or "conditions" of housing access under § 3604(f).

SB 1532 as proposed states:

In setting agency payment rates, the Department of Human Services shall *adopt a differentiated rate model* for an agency *that employs a direct support professional who resides with a client.* The differentiated rate model adopted under this section:

(1) *Shall reflect the reduced overhead costs to the agency as a result of the direct support professional residing with the client*;

(2) May not reduce the hours of service for which the client is eligible; and
(3) May not reduce the wages of the direct support professional.

Although the bill states that service hours and DSP wages may not be reduced, it expressly authorizes DHS to reduce agency reimbursement based solely on a housing arrangement linked to disability support needs. That creates a financial penalty tied directly to disability-related living arrangements.

Rather than discouraging cost-effective, stabilizing live-in support models that promote community integration, Oregon should ensure that housing choices do not result in financial penalties that implicate ADA integration mandates or Fair Housing Act protections.

For these reasons, I respectfully urge reconsideration of SB 1532. To protect the interests of people with disabilities, the language should read:

SECTION 10. In setting agency payment rates, the Department of Human Services shall not discriminate against or distinguish between agencies based on whether a direct support professional resides with a client.

1. **The hourly service rate paid by DHS for each individual must be disclosed in every program.**
2. **DHS may not reduce a client's authorized service hours based on housing arrangements.**
3. **Agencies may not reduce direct support professional wages based on housing arrangements.**
4. **Any modification of authorized service hours must be accompanied by a Notice of Planned Action.**
5. **DHS shall designate an ADA and Fair Housing Act coordinator to ensure compliance with 42 U.S.C. § 12132 and 42 U.S.C. § 3604(f), and to engage in a meaningful interactive process when accommodations are requested.**

These revisions would protect housing rights, preserve community-based care options, and align Oregon policy with federal civil-rights law.