

HMA

**Overview of Proposed
Employer-Model Agency
Rate Model**

– on behalf of –

**Oregon Office of
Developmental
Disabilities Services**

October 8, 2025

BURNS & ASSOCIATES

A DIVISION OF
HEALTH MANAGEMENT ASSOCIATES

PURPOSE OF PRESENTATION

- Provide overview of the *proposed* rate model for agency with choice services delivered by employer model agencies
 - ODDS will accept comments on the proposed rate through November 8, 2025
- Presentation does not cover standards or requirements for employer model agencies and standard model agencies
- All materials are posted at <https://www.healthmanagement.com/burns-reports/oregon-odds-review-of-payment-rates-for-attendant-care-employer-model-agency-services/>

BACKGROUND

- Pursuant to legislative direction (from Senate Bill 1521 in 2024), ODDS is developing a new agency model for providing in-home services
- The “agency with choice” model will be delivered by employer model agencies
 - Designed for individuals who want to direct their services and help manage their worker(s), but who do not want to be the legal employer of their support worker(s)
- Other service delivery models – hiring a personal support worker directly and getting services from a standard model agency – remain available

BACKGROUND (CONT.)

- ODDS is establishing a payment rate for agencies providing agency with choice services based on the requirements for these services
- Burns & Associates, a division of Health Management Associates (HMA-Burns), is assisting ODDS in the rate development
 - HMA-Burns has worked with ODDS since 2015 to develop provider rates and provide other supports

RATE DEVELOPMENT

- Proposed rate based on the rate model framework for standard model agencies
 - Standard model agency rate model is adjusted to reflect differing expectations for employer model agencies
- Proposed rate reflects existing cost assumptions rather than the assumptions recommended as part of the 2024 wage and rate study
 - As other ODDS rate models are adjusted, updates to the agency with choice model can also be considered
 - Details for the wage and rate study can be found at <https://www.healthmanagement.com/burns-reports/or-dhs-wage-and-rate-study/>

RATE DEVELOPMENT (CONT.)

- Wage assumptions based on Oregon-specific data from the Bureau of Labor Statistics
 - Reflect the May 2017 dataset with adjustments to reflect the state's minimum wage
 - Same wage assumption as the standard model agency rate
- Benefit assumptions account for payroll taxes, health insurance, and other benefits
 - Considered provider survey results conducted as part of the original rate study as well as Oregon-specific benchmarks
 - Model does not include an assumed 2 percent contribution to a retirement plan that is part of the standard model agency rate
- Productivity assumptions account for workers' non-billable responsibilities
 - Based on service requirements and provider survey results
 - Model assumes higher productivity (less time spent on non-billable tasks) than the standard model agency rate

RATE DEVELOPMENT (CONT.)

- Model includes less mileage than the standard model agency rate
- Model assumes one supervisor for every 20 workers compared to one for every 8 in the standard model agency rate
 - Wage and benefit assumptions for supervisors are the same
- Models include 15 percent of the total rate for agency administration and overhead
 - Same overhead rate as in the standard model agency rate, but since the cost base is lower, administrative funding is less
- Resulting rate is 16 percent lower than the standard model agency rate

PROPOSED RATE MODEL WITH COMPARISON TO STANDARD MODEL RATE

Attendant Care, Employer Model Agency

		Employer Model	Standard Model
Unit of Service		Hour	Hour
Direct Support Staff Wages and Benefits	- Direct Staff Hourly Wage	\$18.38	\$18.38
	- Employee Benefit Rate (as a percent of wages)	27.9%	29.9%
	Hourly Staff Cost Before Productivity Adj. (wages + benefits)	\$23.51	\$23.88
	Productivity Assumptions		
	Total Hours	40.00	40.00
	- Travel Time (Between Members)	0.89	1.76
	- Participating in Assessments/ Person-Centered Planning	0.00	0.22
	- Progress Notes/ Medical Records	0.45	0.88
	- Employer and One-on-One Supervision Time	0.34	0.66
	- Time Lost Due to Missed Appointments	0.45	0.44
- Training	0.58	1.15	
- Paid Time Off	3.69	3.69	
"Billable" Hours	33.60	31.20	
Productivity Adjustment Factor	1.19	1.28	
Staff Cost per Billable Hour	\$27.98	\$30.62	
Mileage	- Number of Miles Traveled per Week	35	70
	- Amount per Mile	\$0.580	\$0.580
	Weekly Mileage Cost	\$20.30	\$40.60
	Mileage Cost per Billable Hour	\$0.60	\$1.30
Supervision	- Supervisor Hourly Wage	\$20.21	\$20.21
	- Supervisor Benefit Rate	28.1%	28.1%
	Weekly Cost of Supervisor	\$1,035.56	\$1,035.56
	- Number of DSPs per Supervisor	20.0	8.0
Supervisor Cost per Billable Hour	\$1.54	\$4.15	
Admin./Overhead	Cost per Billable Hour Before Admin. and Other Overhead	\$30.12	\$36.07
	- Administration and Other Overhead Rate	15.0%	15.0%
	Admin. and Other Overhead Cost per Billable Hour	\$5.32	\$6.17
Rate per Member per Hour		\$35.44	\$42.24

PUBLIC COMMENT PROCESS

- ODDS is accepting public comments on the proposed rate model
- Comments will be accepted through November 8th, 2025
 - Submit in writing to OregonRates@healthmanagement.com
 - Commenters are encouraged to be as detailed as possible, to make specific recommendations for changes, and to provide supportive documentation
- All received comments will be reviewed and summarized
 - Proposed rate model will be revised based on public comments as warranted
 - A document summarizing submitted comments with responses will be published