The Department of Human Services is pleased to submit this report on capacity of residential care facilities and adult foster homes under ORS 443.424.

Access to community based care remains strong. Since the last report, the number of individuals served in community based care is basically flat. This is an encouraging sign as the private pay market for community based care is improving. A strong private pay market has historically been the cause for decreased access for Medicaid residents.

We continue to see warning signs of decreased participation by adult foster homes. The reasons identified include:

- A preference to serve individuals in the Intellectual/ Developmental Disabilities program and the Addictions and Mental Health program.
- A generational gap. Anecdotally, we are hearing reports that adult foster homes providers are retiring and are not being replaced by younger owners.
- Housing has become less affordable.

As of this report, we are serving forty-nine fewer individuals in adult foster care. There is a strong downward trend that does not appear to be reversing. The Department hopes to address this trend during collective bargaining.

Please let me know if you have any questions or concerns.