Consumer Directed Employer Rate Setting Board

August 24, 2026
9:00 am – 12:00 pm

Minutes

ATTENDANCE

Online or Onsite	Name	Role	*Voting Member	^Advisory Member	Notes
Online	Bledsoe, Ben	CDE	*		
Onsite	Brannan, Pam	RSB Staff			
Online	Cleveland, Annette	Senator		^	
Onsite	Declet, Sonya	RSB Staff			
Online	Erickson, Eric	Licensed HCA		^	
Online	Gantala, Mike	Int. or Dev. Disabilities Org.		^	
Onsite	Glickman, Adam	SEIU	*		
Onsite	Goodfellow, Gwen	Home Care Worker		^	
Online	Harris, Paul	Senator		^	
Onsite	Hollimon, Cynthia	OFM	*		
Online	Friscia, David	State Council on Aging		^	
Online	Rector, Bea	DSHS	*		
Onsite	Schlesselman, Diana	RSB Staff			
Online	Schmick, Joe	Representative		^	
Onsite	Strange, Cheryl	Board Chair			
	Tharinger, Steve	Representative		^	
	Williams, Courtney	Phys. Disabilities Org.		^	

Public attendees (Note: not all attendees present for entire meeting.)

AGENDA MINUTES

Topic	Discussion Highlight	Action items/Outcomes
Welcome	Chair	Welcome by Board Chair to all attendees.
Approval of Minutes for August 05, 2026	Chair and Facilitator	Vote of yes by the voting board members. 4 Ayes*, 0 Nays.
Old Business	Chair and Facilitator	No old business.
Public Comment	Online attendee and home care aide shared comments on no wage increase for two years and how as a mentor, they see caregivers having to decide whether to purchase food or medicine. There needs to be a livable wage if the state wants to retain caregivers Online attendee and caregiver, shared comments on being disappointed by the wage freeze and doing more than what is on the care plan. They are trying to recruit other caregivers and back-up is needed so caregivers can take time off. Wants to keep doing this job but costs keep increasing and will have to find another way to pay bills. First online attendee shared additional comments that caregivers were deemed essential during the pandemic and remain essential. The cost to the state of shifting clients to facilities would be huge and there are not enough facilities to provide care. In-room attendee and caregiver shared comments on the prices of everything are going up and caregivers will have to look for other jobs if there is no wage increase. The people who make the decisions won't know how much work a caregiver does until they need a caregiver.	
Rate Discussion		
SEIU Rate Proposal	**Adam Glickman**, discussed new labor rate proposal shared with the board. Shared how a 2% shift of clients from in-home to nursing facilities would cost more than a wage increase for caregivers. In-home is the most cost-effective service and if the state fails to invest in the workforce there is a meaningful risk of greater cost to the state New proposal maintains wages with a rate increase of 3% and 5%, otherwise the proposal is mostly the same. The cost of retirement benefit goes down and overall wage proposal goes down.	

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CDWA Rate Proposal	**Ben Bledsoe**, presented on B&O tax proposal shared with the board. Shared how the prospective B&O is appreciated but there is a gap of about $20M still for the 2025-2027 biennium. If not resolved there will be about 120 staff that will have to be let go due to lack of funds. If the state counts the unused $3.9M funds from the $12M funded by the legislature in SFY26, the amount needed is $8,8M. Jobs and services are at risk as this is CDWA's only source of income. The B&O is a pass-through cost, is written into RCW, and unlike other costs, no cost add to the state. Not funding the SFY27 B&O amounts to a cut to CDWA and creates a risk of cuts to staff and potential decline in services, which are important. Shared that home care agencies have some asks for B&O also. **Eric Erickson**, discussed the letter shared with the board. The letter states that statutory required not being passed on, such as the B&O and L&I. Home care agencies are requesting the board reconsider the 0% vendor increase. They originally requested 4% and the letter changes the request to 2%. Facilitator commented that L&I is still being discussed by DSHS staff. DSHS staff discussed how the B&O is calculated at incremental, which was in the proposal and approved by OFM. The recent bill (2026 session) did not change the fundamental way of doing parity but added a section of what may be included in agency rate. The first draft of bill did drive a fiscal note, and changes were made to the bill language, so it did not drive a fiscal note. Board member question about the parity only including B&O rate on increment. If the baseline labor rate funding is 10M and 1M is added, the home care agencies are being reimbursed the old B&O rate for first 10M and new B&O rate for new 1M? And are paying new B&O rate on all 11M? Yes, that is the approach taken when drafting the language for the bill. Comment that the parity should go up on all revenue.	

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State Proposal & Rate Discussion	**Cynthia Hollimon**, discussed the new state labor rate proposal that was shared with the board. The new proposal is similar to the first one, no wage increase, maintains healthcare and includes funding testing in training, and adds funding for the CareBack cash program. The state is still looking at L&I component **Qs** • No rate increase? No, no rate increase • Does the state understand the cost of the alternative, of client moving to a nursing facility? Yes, and it's a very compelling piece of information. When building a budget, it's not quantifiable until it occurs and the state can't build a budget based on cost avoidance. Board member shared that the testimony presented by caregivers is compelling. It's a difficult budget year and it's a struggle. The state board members are not the decision makers but they continue to bring information from the board forward to get to the best place the state can get to. • To clarify, the state board members are going to continue to work with OFM to see if there's anything more that can be put on the table by next Monday? Next Monday is not the end of the Board's path, only the end for consensus voting. After September 1, the labor rate shifts from the four voting members to the chair. Chair commented that the state still has a very tight budget and there is a very challenging environment on the home care side. There is still work to do. Board member commented that there should be ways to offer more education as both the labor and admin rates feel short-sighted. The budget can't be based on cost avoidance but there have been lots of studies showing what happens. The board should leverage those resources. On the admin rate, want to be clear that this is zero cost to the state. Board member, and client, commented on knowing the state is in trouble but caregiving does not stop. Even if caregivers don't get money, caregiving does not stop. When	

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	making the final decision, everyone needs to think how they would like it if no caregivers came when needed. Chair commented on meeting again on Monday and trying to pull both sides together more actively. If the board can't get to agreement by the end of the month, we need to find a way to not put the program at risk. There is a concern that suggesting a rate that won't be approved by the legislature will keep the rate the exact same. It's incumbent to keep working this and see where it is next Monday. • Does the state agree that the B&O ask is statutory or not? It is listed as a component and is explicitly called out but don't see a back payment as part of it. This RSB is not about setting rates for the past. • There is a mechanism to fund changes like this, a 2% threshold for change between RSB sessions. CDWA was told to go to the legislature to get the back payment and the legislature said to go back to the RSB. Comment on having precedent for the mid-biennium increase without having to go to the RSB. Board member commented that it seems unlikely that the board will get to agreement by 8/31, so the labor rate statutorily falls to the Chair alone after 9/1. The board can and should continue to have conversations to get as close as possible. Wonder if additional meetings in September are needed. CareBack cash is a good program; it gave out money to Spokane area caregivers, but it feels like freezing wages and throwing money at charity fund to pick up damage. Board member commented on attending all three sessions of RSB and hearing a lot about B&O. Why doesn't the state waive the requirement for CDWA and home care agencies to pay it. CDWA is top 10 employer, there are 60,000 IPs and that's how many people aren't going to get raises. Cost avoidance can't be built into the budget but DSHS has data that shows when caregivers earn more money, nursing facility client numbers decline. There should be ways to estimate what the cost could be based on that data. And caregivers will need to have other jobs if there is no wage increase, it's not an idle threat. This workforce is incredibly important, and they will have to leave because an	

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	emergency can mean the difference between losing their car or home. Board member explained that having CDWA and home care agencies pay B&O makes sense because of match. • If it's no cost to the state, why not make sure employers are funded? It's really challenging in this biennium. When the B&O bill passed, it assumed revenue but not state payment.	
Adjourn	Chair thanked everyone for being here. The board knows that there are lives at stake and this is very serious business.	Meeting adjourned at 10:16 am.