

ALC-HOSPITAL, MEDICAID, & DEVELOPMENTAL DISABILITIES STUDY SUBCOMMITTEE

Building a Workforce and Social Services Integrated Service Delivery System "One Door" Approach

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Important Foundational Facts

- ➤ In Arkansas, **16**% of people live below the poverty level, and an additional **28**% earn above the Federal Poverty Level but less than the cost of living in their county (ALICE household)
- ➤ Labor Force Participation in Arkansas is **58.4%** (43rd) as compared to a rate of 62.3% nationally.
- ➤ The Arkansas unemployment rate is **3.7%**.



Important Foundational Facts

- ➤ In 2023-24, **32,689** students graduated from high school in Arkansas.
- In June 2025, there were **52,681** unemployed workers in Arkansas.
- There are an additional estimated **41,000** underemployed workers in Arkansas.
- ➤ In February 2025, Arkansas employer had **86,000** unfilled jobs. In September 2024, the total number of job openings was **102,000** and a job openings rate of **6.9%**, tied for the highest in the nation that month.



What are the Goals of Reform?

- ✓ Promote upward mobility
- ✓ Provide greater access to services that promote longer term employment and labor force attachment
- ✓ Maintain a strategic approach to helping employers access sources of talent of well paying jobs
- ✓ Create efficiencies that promote effective government services, outcomes, and impact
- ✓ Innovate to meet rapid changes in employment, labor markets, skills needed for jobs, and deployment of technology



Identifying the Problem

- The federally-funded public workforce "system" is broken.
- It is not an issue of funding—level of appropriations does not overcome inefficient and poorly designed governance and system delivery architecture.
- State education, workforce, and social services agencies receive billions in appropriations for dozens of programs from a multitude of federal agencies.



Identifying the Problem

- The core workforce and job training law is the Workforce Innovation and Opportunity Act (WIOA).
- WIOA is the culmination of decades of failed laws:
 - Comprehensive Employment and Training Act (CETA) in 1973
 - ➤ Job Training Partnership Act (JTPA) in 1982
 - ➤ Workforce Investment Act (WIA) in 1998
 - Workforce Innovation and Opportunity Act (WIOA) in 2014
- Last year, Congress almost enacted "A Stronger Workforce for America" Act (ASWA) implementing further reforms.



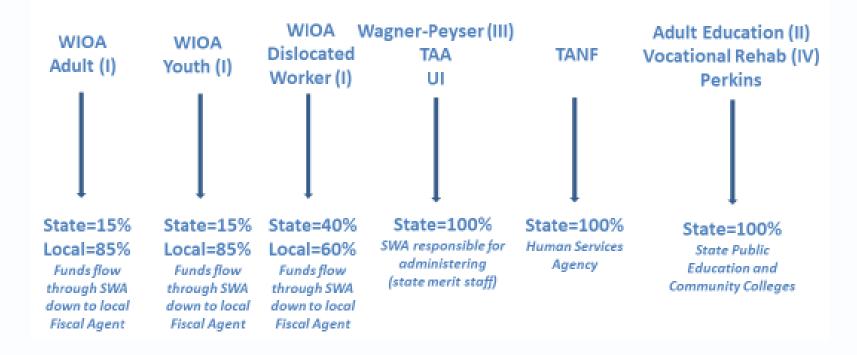
"The Workforce System"

- WIOA Title I has two fundamental purposes:
 - 1. It creates the framework for the "one-stop" service delivery system
 - 2. It authorizes funding for 3 programs—Adult, Dislocated Workers, and Youth
- You will hear that employment, career services, and "training" are locally run, managed, and delivered...
 - ...but that is only true in a very limited sense.



The Public Workforce Investment System Program Overview

Separate Programs, Separate Funding Distribution





"The Workforce System"

> WIOA identifies 6 Core Partner Programs and additional Required Partner Programs

"Core" Partner Programs

WIOA Adult
WIOA Dislocated Workers
WIOA Youth
Wagner Peyser ES
Adult Education
Vocational Rehabilitation

"Required" Partner Programs

UI
TANF
Job Corps
Trade Adjustment Assistance
Veterans Employment and Training
Perkins Vocational Education



The Challenge for States:

- ✓ How to deliver these programs through a system that promotes exceptional customer service and performance
 - > Each program has its own federal authorizing statute and appropriations
 - > Each program has its own rules, stakeholder and interest groups, and organizational/program culture



Additional Complexity:

- ✓ Most of the WIOA title I funds-Adult, Dislocated Worker, and Youth-must be delivered through local workforce development boards
- ✓ Almost all other workforce and social services programs are delivered through state systems running parallel to the local WIOA title I system
- ✓ Even if "coordination" and referrals are occurring, to what extent are employers and workers going through additional administrative hoops or accessing the services they need?



What Would We Do Today?

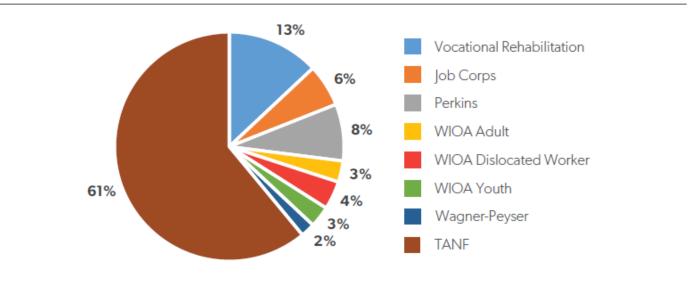
✓ If you were starting from "scratch," the system as it exists today would not be what anyone would design or implement.

We are operating New Deal and Great Society programs in an iPhone economy.



Federal Appropriations





Source: Federal appropriations statutes.



Work Requirements

Program	Who's Subject	Federal Work Standard	Exemptions	Sanctions/Enforcement
TANF	Most adult recipients with children	Single parents: at least 30 hours/week; two-parent families: at least 35 hours/week. States must meet overall 50% and two-parent 90% work participation rates.	States may exempt for disability, caring for young children, or other good cause.	Benefits can be reduced or terminated; states have flexibility in enforcement.
SNAP	Able-bodied adults 16–59 generally; Able-Bodied Adults Without Dependents (ABAWDs) ages 18–49 (increasing to 54 under new law)	Must register for work, accept suitable employment, not quit without good cause. ABAWDs: limited to 3 months of benefits in a 36-month period unless working or training at least 80 hours/month.	Exemptions for age, disability, caregivers of young children, students, and certain other situations.	Disqualification until requirements are met; ABAWDs lose eligibility after 3 months unless meeting work/training rules.
Medicaid	Starting 2027, non- exempt adults ages 19–64	Must complete at least 80 hours/month of work or community engagement (employment, job training, volunteering).	Likely exemptions for children, seniors, people with disabilities, pregnant individuals, and caregivers of young children.	Loss of Medicaid coverage for noncompliance; enforcement details will be set by states.



Three Areas to Examine

- ✓ Workforce Program Administration: How are programs organized and functioning at the state level?
- ✓ **Service Delivery Integration:** How are services to businesses and workers/job seekers conducted using a "one door" approach?
- ✓ **Financial Integration:** How can funds be blended/braided to efficiently serve customers?



Why Interest in the Utah Governance and Service Delivery Model?

- 1. Integrates the myriad of federal and state resources to focus strategically on upskilling workers for growing industries and jobs
- 2. Creates cost efficiencies that focus resources on employer and job seeker/worker customers
- 3. Provides enhanced access and "one door" in communities for job seeker/worker customers



Integrated Governance

"Single State Area"-WIOA and USDOL do NOT allow true single state areas. However, there are opportunities to streamline local workforce development areas to better align to state priorities.

- Easier to allocate resources across the state based upon emergencies, emerging economic development growth, worker upskilling priorities
- Consistent and integrated service delivery across programs



Integrated Governance

Board Governance-In Utah, regional planning areas and local board governance are all defined/authorized in <u>state</u> law. For federal purposes, the state board also serves as the local board for the entire state.



Integrated Service Delivery

One "True One-Stop Door" in Communities-In Utah, all one-stop centers and virtual service delivery is provided by DWS. Job seekers/workers only have to go to one place to receive services

- In most communities in U.S., there are up to three or more doors—(1) "one-stop WIOA/WP center"; (2) social services office-TANF, SNAP, Medicaid, etc. (3) Vocational Rehabilitation
- Utah has single, integrated case management system whereby all case managers, regardless of program, manage a participant's case file. Employer services are integrated, as well.



Financial Integration

Inclusion of More Resources for Cost Sharing: Typically, WIOA title I programs and WP bear the primary costs of operating the one-stop system.

- ➤ Impacts funds available for training—resources primarily pay for costs of infrastructure, administration, and career services staffing
- ➤ Cost sharing determined by local MOU process—cost sharing looks different local area to local area



Financial Integration

Utah utilizes a system knows as "Random Moment Time Sampling." They have sign-off from multiple federal agencies.

- ➤ Utah only deals with US HHS on cost allocation updates/amendments. HHS works with the other federal agencies.
- Cost sharing occurs through multiple programs—spreads costs and doesn't disproportionally impact WIOA title I and WP for bulk of workforce development costs.



Discussion/Questions

