



TO: ARPA Economic Transformation and Stabilization and Workforce Development Advisory Commission
FROM: Laurie Esau, DLI Commissioner
DATE: December 16, 2022
RE: Utilization of Funds Allocated for Healthcare Worker Recruitment Program

At its October 27, 2021 meeting, this Commission approved \$4 million to fund an employer-based incentive program to reimburse relocation expenses for qualified health care workers moving to Montana. This program, known as CARE in Montana, was operational by January of 2022.

To date, some 100 health care professionals from 30 different states have relocated to Montana and utilized the program. Workers benefiting from the program are active in 16 Montana counties. Approximately \$675,000 in reimbursement payments have been made.

As we approach a full year of operating the program, DLI believes that a portion of the resources originally dedicated to CARE can be repurposed for other beneficial uses. DLI proposes that funding for reimbursements through the CARE program be capped at \$1 million, leaving \$3 million available.

DLI understands that the Department of Public Health and Human Services seeks \$500,000 of the remaining funds for use in a health care worker incentive program. Of the \$2.5 million remaining, DLI proposes that \$500,000 be allocated to the Department's existing Rapid Retraining program, and \$2 million be allocated in support of the Department's partnership with Accelerate Montana in support of its workforce training and upskilling initiatives.

Both programs have proven to be highly successful in enrolling Montana workers in training programs that enable them to upskill quickly in critical sectors such as health care, manufacturing and construction.

DLI's Rapid Retraining program has been exceedingly popular. To date, more than 550 Montanans have enrolled in training programs in a variety of fields, including health care-specific occupations like Certified Nurse Assistants and Emergency Medical Technicians. Of the initial \$2 million allocated to the program, essentially all of it is obligated, and demand by training providers and workers remains high. An additional \$750,000+ is expected to be transferred to DLI from DPHHS, which has seen less utilization of its own \$2 million allocation. DLI expects this additional funding to finance enrollments through the first six months of 2023, but additional funding is needed to continue enrollments after that.

Similarly, DLI's partnership with Accelerate Montana has shown impressive results. Training cohorts are underway, and Accelerate projects more than 1,500 training completions by the end of 2023. Additional funds will enable Accelerate to further expand its course offerings and enroll more workers into its programs. A separate, attached memo describes Accelerate's success so far and how it would utilize additional funding.

While DLI recognizes the many competing demands for use of ARPA funds, we believe further investment in these two proven, successful programs is warranted and will pay significant dividends for Montana's workforce in the years to come.