

**KENTUCKIANAWORKS BOARD MEETING  
GREATER LOUISVILLE WORKFORCE DEVELOPMENT BOARD  
Thursday, January 25, 2018  
8:30 A.M.  
Seelbach Hilton Hotel**

**Members Present:**

Tony Georges–*Chair*, Derek Bland, Willie Byrd, Tony Carriss, Roger Cude, Steve Cunanan, Kent Oyler, Dr. Marty Pollio, Tom Quick, Vidya Ravichandran, Sadiqa Reynolds, April Troutman, Mary Ellen Wiederwohl

**Greetings and Welcome** – *Tony Georges*

Mr. Georges welcomed everyone @ 8:44 a.m.

**Recognition of Special Guests** – *Michael Gritton*

Mr. Gritton recognized Frankfort colleagues Commissioner Beth Kuhn, Kristi Putnam and Darlene Bussell, Helga Gilbert from the Office for the Blind and Adult Education team members. Rebel Baker Chreste was introduced as the new Wagner–Peysner Board representative.

**Review and Approve Minutes** – *Tony Georges*

Motion was made by Tom Quick to approve the minutes of November 16, 2017 and seconded by April Troutman. Motion carried.

**Update: Medicaid Waiver and Workforce Efforts** – *Beth Kuhn, Kristi Putnam, Michael Gritton*

Mr. Gritton spoke about Kentucky being the first state in the country to receive the Medicaid Waiver that is gaining national attention. He welcomed Ms. Putnam and described her as KentuckianaWorks’ “go to” person on all things Medicaid.

Kristi stated with Kentucky being the first state to receive approval, it comes with repercussions, controversy and negative reactions. The approval letter that came from the Center of Medicare and Medicaid Services to approve Kentucky’s 1115 Medicaid Waiver, to change the way Medicaid is operated in the state of Kentucky and apply a different demonstration project which is to demonstrate different ways of running Medicaid, applying conditions and support services that will have a positive impact. The point is to have positive impact from the demonstration project. The standard terms of conditions governs how Kentucky can and can’t administer the demonstration project that establishes community engagement (not a work requirement) as a condition of continued eligibility for those receiving Medicaid. This is not for everybody receiving Medicaid.

Ms. Putnam acknowledged that with Kentucky being the first state to receive approval for a Medicaid waiver like this one, it comes with repercussions, controversy and negative reactions. She wanted to clarify that the purpose of the Medicaid work is focused on improving the health of Kentucky’s Medicaid population, and the state’s goal is that through community engagement, we’ll be able to get a lot more Medicaid recipients into good jobs. There are many paths to take to complete engagement requirement that include job training, traditional schools, volunteer services, care giving and substance treatment. The intent is for people not participating in any community engagement, to get them engaged, ready, working, and back in school. This is not to cut people off from services.

**Discussion**

Sadiqa Reynolds began the discussion with a number of questions that were answered by Ms. Putnam. Many of these questions were about the basic logistics of how the Medicaid waiver will work in practice, what might cause people to lose their Medicaid coverage, and how long they would then have to wait before re-applying for Medicaid.

*Beth Kuhn* – Reiterated two things Ms. Putman spoke about: 1) it is not a work requirement and it is multiple pathways that include education, volunteering and work, and 2) it really doesn't apply to everyone. A lot of misinformation has been circulated, but if you're medically frail or have a medical condition or a disability that interferes with your ability to work, the requirements do not apply. If someone is pregnant the requirement does not apply. If beyond a certain age (between 49 and 64) whether enrolled in the SNAP program or not, it does not apply. The ultimate goal is to get people into private insurance market, into jobs, and training provided by KentuckianaWorks to get people skilled up and more stable and self-sufficient.

*Steve Cunanan* – From the way the Board understands this it will present the Board opportunities to expand on basic service. Can you speak on this?

*Kristi Putnam* – This is an opportunity for the Board to provide services. There will be people coming in who are ready to be placed in a job. People will come in that will need additional training and educational opportunities. This will challenge us to leverage all kinds of resources available across the state that are already in place to provide these services. How can all the resources be pulled together (the people, location, funding and everything currently in separate silos) to support individuals?

Implementation funding is available from a request made to the federal government. There will be ongoing budget requests made through the state Education and Workforce Cabinet and through the Cabinet for Family Services for what is being called Eligibility and Pre-eligibility Services for Workforce Boards. Because of the establishment of community engagement as a condition of eligibility, they are able to tag the funding for Medicaid as pre-eligibility or eligibility support services (case management in other words). There is a significant amount of funding available for implementation that would be an ongoing part of the annual budget. They are looking at state funds that are currently not designated or could be designated for training dollars and looking at state funding streams to pull things together along with the Medicaid dollars for case management to have an allocation that provides all of the funding needed.

*Beth Kuhn* – Spoke about the process of integrated services and the contracts with 10 workforce boards. She stated the rules of Medicaid implementation funds can be used by workforce boards for eligibility related case management. This is staff costs predominantly and not for tuition and training costs. She hopes over time Workforce Boards will be able to shift some staff costs more heavily onto Medicaid, thereby freeing up WIOA dollars to in turn be used to provide some of the training needed by customers.

*Michael Gritton* – Talked about what we don't know so far. The state is clearly asking us to be ready to do this July 1. They were given a schedule by us for when we would need specific information about funding availability and how it can be used in order for us to move forward to issue RFPs for services to be able to have contractors available to do case management and other things July 1. 1) The schedule is now sliding because we don't yet have the specific information we need regarding funding to move forward on the proposed schedule. This will require us to add a Board meeting in April that isn't currently scheduled. It also makes the timeline extremely tight to have all of this new programming ready by July 1. 2) KentuckianaWorks talked about receiving millions of new dollars of job training dollars. The state was surprised by the letter that came from CMMS that said they cannot use Medicaid dollars for job training. He's making clear in front of the Board and our state colleagues that he's been pushing politely but firmly with Kristi, Beth and others that we need a lot more clarity about the amount of job training dollars that will be available. He also pointed out that the idea that we will be able to redeploy enough WIOA dollars locally to meet this need will not work, as our WIOA dollars have shrunk so much that we did not issue a single new job training scholarship this fiscal year with WIOA funding.

*Beth Kuhn* – Offered for her and Ms. Putnam to return to the February board meeting to build out the numbers. In addition to knowing what the case management dollars are, there are currently \$2 million in the governor's budget for performance incentive dollars for local workforce boards. If the governor's budget makes it through the legislature, they anticipate tying those to some degree of performance around the implementation of these new initiatives. She also explained that they are looking to see how many WIOA dollars controlled by the Governor's office (called "Governor's discretionary dollars" in WIOA parlance) they can use to meet these

training needs as well. They will create a fund for training dollars to attach to this initiative that the workforce boards can apply for with plans that will attach to short-term credential-based training on behalf of the participants.

Community engagement includes training tuition along with direct job placement and volunteering. They will come back next month with numbers attached to what all categories of funding will look like. In addition to WIOA dollars that may apply or eligibility for work ready scholarships (state funds already allocated), they will work with KentuckianaWorks and career center teams to figure out how to meet the vision and requirements for the participants. They had the opportunity sit and talk with the governor and the now Deputy Secretary of the Health and Human Service Department—Eric Hargan, who expressed enthusiasm and commitment toward the vision of integrated services on behalf of getting people out of poverty through training and jobs, and the pathway nature of what Kentucky is trying to do.

*Kristi Putnam* – A reporter asked Deputy Secretary Eric Hargan why Kentucky was first. Deputy Secretary Hargan responded that Kentucky was chosen to do this first because of their level of creativity, enthusiasm and commitment.

*Tony Georges* – In talking about numbers and dollars, we need to know and understand the scope numbers of people on Medicaid and case management numbers.

*Michael Gritton* – Commented on the numbers given by Kristi previously to be a total of 76,000 people, and of that number, we're estimating that 30,000 people will come to the Kentucky Career Centers in our region. If only 10% of those customers request job training services, and we propose to spend \$1,500 per person on their training (a lot less than the \$4,600 maximum we spend on them now), KentuckianaWorks would need \$4.5 million in additional training dollars to meet that new demand. We appreciate that Commissioner Kuhn is trying to use Governor's discretionary WIOA dollars to help cover this need, but there aren't enough of those dollars to come close to meeting the \$4.5 million need (and to cover similar needs in the other 9 WIB areas too). With this in mind, he's been pushing hard for the state to clarify the amount of short-term training dollars that will be available, and how they can be used, before this Board firmly commits to do this work.

*Mary Ellen Wiederwohl* – Asked Dr. Marty Pollio to comment on the discussion. She thanked Sadiqa for her questions that were informative and directly applicable to the situation we're in. They were directly applicable because people are going to need help and will show up wherever they think someone can give them help. In the current scenario we are being asked to be one of those places. We are not staffed for this or even close to it. We are now being told there may or may not be any money for this. While we understand the complexities of all the media and if the legislature doesn't appropriate the money there's no money. The governor's discretionary budget will only go so far. KentuckianaWorks understands Beth and Kristi are trying to make this right. We all want to be helpful but we need a full understanding when talking about the money that's available. The word eligibility was used several times. We are not an eligibility office for Medicaid. We are the community's workforce intermediary by connecting people to work. KentuckianaWorks needs to think about their role and the role they have and also from a compassionate perspective we are going to need to help these folks. We need as much help from Frankfort as we can get otherwise this will not be successful.

*Tom Quick* – Expressed his thoughts on the importance of the Board's understanding of the process that the state is asking them to employ. He suggested there be good process flow maps that everybody can look at as well as all the workforce investment boards in the state on people currently eligible for Medicaid, folks that are not today and want to go on Medicaid.

Secondly, because this is new for everybody and now the 10 workforce investment boards are being asked to play a key administrative role, KentuckianaWorks is at least staffed as one of the larger or largest workforce investment boards in the commonwealth and it's still a huge a challenge for us. Having the ability for the state to pull together all the executive directors in the workforce investment boards on a very frequent basis here whether some of it as a conference call or get together in Frankfort, there needs to be some discussion with a clearinghouse in best practice sharing that needs to happen. And the opportunity for other workforce investment

boards to really learn from each other and ultimately for the state to hear from the workforce investment boards this is what we are experiencing. Help us navigate what we're supposed to do. The danger is this is so new there will be 10 different versions going on and maybe we don't need 10 different versions and it won't be to the benefit of everybody.

*Roger Cude* – We've heard the rough numbers and we already have some processes in place. We need to fully understand what is unique about this if anything and how do we do that. With some things being unique, we can start to match participants with jobs and the only thing that job does is disqualify them from Medicaid. We need to understand what some of the other issues are, particularly those that involve people losing other benefits as they begin a new job or to earn more. Secondly, there are "skills to work" type trainings and very specific trainings about particular jobs or cluster of jobs that are growing in the community. What would the "job training" funds that will be provided to KentuckianaWorks be used for?

*Dr. Marty Pollio* – Will there be children who once had health insurance that will not have health insurance as a result?

*Kristi Putnam* – Children are still covered under the children's insurance plan. That's not impacted by the Kentucky Health initiative at all.

*Kent Oylor* – At the next meeting we need an assessment of the law suit that's been filed, subject to finances that will clearly delay this for a long time. There are a lot of obstacles to work. Telling someone they have to work and get training will not do any good if they don't have transportation or childcare. Don't know how you're dealing with this population with obstacles to work which is very important.

*Kristi Putnam* – In response to Mary Ellen's concern about eligibility, she stated there is a very clear line between eligibility determinations which will be done by folks in the DCBS offices and the work expected to take place in the Career Centers. The verification of all hours will be sent in through a technology system that customers will be able to report directly. We do not have the expectation of people walking into the career centers to apply for anything. They may come in to turn in a piece of paper in which case we are wanting to help them self-serve and redirect to show people how to scan or upload from their phone. There's a very clear line that they are protecting very carefully between career services, workforce services and the eligibility piece of it. The condition of eligibility is community engagement. This is the support they are asking the workforce boards to provide is the support of that participation. It is not the eligibility determination on the other side of it.

*Beth Kuhn* – They did not say you may or may not have funds to do the case management, you will. To be clear on this there was nothing said today that there may or may not be funding. The case management piece there is absolutely no way whether its 30,000 or however many individuals that come into the door for this, there's no one staffed up to respond to serve the customers now. It is our joint commitment to make sure this happens well.

There's no way they expect that the governor's discretionary funds are adequate to the training tuition. They do expect to work jointly with all the sources of funds that they can apply to the tuition needs of the customers we serve and find new ones. They will work hard on this and will come back to the Board to do the same because we're in the work together.

In response to Tom Quick's concern for the need of a process flow, she is having conversations about how the state can set service standards that allow for flexibility across the 10 WIB regions and yet still ensure that customers get what they need to succeed. She invited the Board to help in this process, as the work in brand new and we are all working together to make it a successful effort.

*Derek Bland* – Mr. Bland expressed the need for help and transparency for education. A lot of attention will be on this which could be a good and bad thing but we can make it a great thing. A lot of people will be coming into this extremely stressed. Having all of these frequently asked questions, anticipated questions and making them available will really help. Set a good standard, lessons learned, case studies, etc. will only help us all. The

transparency and the education, documenting that and making it available through electronic communication is extremely important.

**Update and Discussion: Alignment Work and the Academies of Louisville** – *Dr. Marty Pollio, Rider Rodriguez, Michael Gritton*

Dr. Pollio talked about the work to be done in JCPS in things they are having to fix. One of the things that they are doing very well in conjunction with KentuckianaWorks and many partners like GLI is the Academies of Louisville initiative. It started as a high school initiative but now they are looking at expanding it to K-12 work. We are in conversations now to develop a backpack of skills for all kids. It will be tracked along the way so when a kid comes into kindergarten with a backpack that hopefully already has stuff in it. JCPS can't guarantee what will be in the backpack but they can guarantee from K-12 that we begin to fill that backpack and when they graduate as seniors and walk across the stage that backpack is full. In the backpack JCPS wants some key academic skills, literacy and numeracy being the hallmark of those but on the other side of that backpack is what they call "success skills." Some might call them soft skills or employability skills. JCPS is working on making sure they can track that backpack so every kid has it full when they walk across the stage and graduate.

The Academies of Louisville project fits squarely into this. They are working on getting the kids on a pathway in high school in an academy that has a career base to it. Kids will be in a small learning environment where they go to all of their classes with a cohort of students that have that same passion. The Math, English, Science and Social Studies teacher work with the IT teacher as a team to say they have a captive group of kids and now let us make the learning more relevant across all of their classes. And meanwhile as a freshmen they're exploring their options in the freshmen academy, as a sophomore they begin to take field trips into that actual pathway/career, as a junior they might do a job shadow and as a senior they have an apprenticeship opportunity where they go into a company. Maybe an IT student who is passionate about IT, they get to leave school at 11:00 a.m. and go to El Toro and work as an apprentice and get a certification and college credit hours and graduate and walk across the stage.

Eleven high schools started this work and signed on and they have five early adopters that are schools full with wall-to-wall models of great work and kids talking the talk about what academy they are in doing project-based learning.

They are now moving with the help of KentuckianaWorks and GLI to get business partners signed up for each of these academies. They are having a business partners signing event at Moore High School. Thirty companies have signed on with 70 more in the pipeline. KentuckianaWorks and GLI made a pledge at the guiding team level that's guiding the work to try get 41 of these pathways slots filled with businesses by the Super Bowl, and 82 by the August convening, and we're on track to make that first part of the goal!

Mr. Gritton noted that in talking about all the possibilities in this work, it links directly to our SummerWorks effort. He talked about companies who become an academy partner also agree to employ kids in the summer. He named companies at the table that have been partners of SummerWorks. They want to get the rest of the companies involved. When businesses are partnering with a school they are also agreeing to hire a kid as they go along.

At the Strategic Planning Session in January 2016, the Board identified alignment as the number one priority for this Board to focus on. What's really happening now is we're creating an aligned system that we've never had before. The way the school district has done this is invite schools to do it and not force them. Schools were invited to pick their own pathways.

Dr. Pollio clearly stated the power of this is business partnerships. This is giving kids the opportunity to be engaged in more than just go to school for the traditional Math, English, Science and Social Studies as they all are important. But, there's a relevance to it and a career opportunity to it. They have to tap into the kids and get them engaged more. For the companies and businesses, yes, you are providing a great service to our kids and it's a huge part of it. In the same sense there is an opportunity to get a leg up on hiring great talent out there. We want to say when a kid graduates that the backpack is full and we certify them with a work ethic certification.

They have an industry certification and businesses have first crack at the best and the brightest coming out of JCPS. Right now there's 11 academies with three more high schools signing on for next year. This will be a total of 14 out of 15 of their comprehensive high schools that will be involved in this work. He believes JCPS will be known as the model for this particular initiative across the country in a few short years.

**Review and Approve New By-Laws – Michael Gritton**

Michael talked about the lengthy minutes of the last meeting that had a lot of good discussion about the by-laws. He made note there were three things in bold print in the by-laws he felt came directly out of that conversation. Motion was made by Steven Cunanan to approve the amended By-Laws and seconded by Derek Bland. Motion carried.

**Review and Approve New Supplemental Nutrition Assistance Program (SNAP) Employment and Training Contract with Goodwill of Kentucky – Cindy Read**

There was conversation about this at the November meeting. Staff had to move forward with a decision and they were not able to competitively procure this 6-month contract which would have been the normal process. The contract will be competitively procured in the next few months for the following year. Staff worked with Metro Purchasing and the state to make sure everything was in order. It was technically a professional services agreement with Goodwill Industries of Kentucky to operate the SNAP E&T program. This program is funded by USDA and SNAP benefits to help people keep their benefits who are abled body without dependents. They can keep their benefits by getting work, training and volunteering. The decision was made to go with Goodwill because they operate our TANF program that has a different funding stream but has a lot of similar components. Chair Georges and former chair Quick reviewed things and gave quick approvals in a very short timeframe over approaching the holidays. Staff is now asking for formal approval for the work already done which is to sign the contract for Goodwill for 6-months.

Motion was made by Willie Byrd to approve the contract with Goodwill to operate the SNAP E&T program in the KentuckianaWorks Region from January 1 – June 30, 2018 for an amount of \$102,810.72. Motion seconded by Roger Cude. Motion carried.

**Comments**

Cindy publicly gave her appreciation for Goodwill's services and Kimberly Boyd-Lane who operates the TANF program as well as the new program. Goodwill worked with KentuckianaWorks, got state training and mastered it. They have serviced customers since January 2 and have already placed 6 SNAP recipients into employment.

With respect to other programs, Michael asked everyone to review the green sheet about ResCare's team and good work on the project. He talked about their statistics in placing people into jobs in the first six months with an average wage of \$16.82 per hour. The Goodwill team is helping people get off Welfare and into jobs. Brian Luerman is doing a beautiful job in running Code Louisville. The January class was the largest class in Code Louisville history!

**Frame-up – Michael Gritton**

The Board may be asked to give a little more time for the February meeting. He stated the state is giving him a lot of assurances but they haven't given him any numbers. They should give KentuckianaWorks numbers soon because we've been participating in a lot of things to help them. We're signaling to them that you as the Board want to do this work. He's trying to make sure we don't get one of those deals that say, hey we tried our best but it turned out that all we have to give you is X, and all of a sudden you're the tip of the spear, the biggest city and the first state that's doing this and they're giving us peanuts to train people and asking us at the career centers to put people into dead-end jobs because that's the only thing they can get. A lot people on Medicaid don't have a GED or high school diploma. They will have spotty work histories and will need both kinds of training that Roger Cude described, work readiness and employability skills and some sort of specific kind of training.

There are various companies hiring and 20 new hotels are going up. There are all kinds of skills to train people in as long as they give us money to do it. He's pushing people pretty hard at the state level and is defending the

honor of the Board in saying we expect to have real serious seven figure dollar amount in the training budget for this new work. He doesn't want to be asked to write five different applications to get it.

*Steve Cunanan* – The Board supports Michael 100% because they have a big fear that a new unfunded mandate on Medicaid could come down at the expense of our existing programs. This would be unacceptable.

Michael appreciated the comment made by Mr. Cunanan. This will be the signal he will send back to the state which is why we had the conversation. We have a great diverse Board. He appreciated all the questions raised by Ms. Reynolds. This is real stuff and will affect real people. When it does it will generate lots of bad press. So we want to make sure we're in position of saying here's the part that we're doing and it's going to generate good press because of what we're doing for people.

**Wrap up and Next Steps – Tony Georges**

More time may be needed at the next Board meeting or perhaps we need to have another between here and there. It seems there are a lot of unanswered questions and debate about Medicaid. He doesn't want to show up in February to make a decision if there's a lot of unanswered questions. He doesn't know the protocol to do this and there's a lot to learn and talk about before February.

*Sadiqa Reynolds* – She hopes we can extend the February meeting. She wouldn't mind writing questions for discussion. We need to figure out how to work with them whether the questions are answered the way we like or not. We've got to do what we've got to do. We definitely need the money answers, number answer and a little more on kids. She asked if we can extend the February meeting as opposed to trying to find more time to meet. Tony suggested questions be submitted ahead of time from the Board to get conversations flowing. Tom suggested starting at 8, so we might do 8-10 or 8:30-10:30 in downtown Louisville and table the visit to Shelby County.

Michael will start giving the Board more email updates and awareness on conversations in between as things are moving more quickly. Sadiqa suggested changing the order of the business on the agenda to allow conversation at the end for Medicaid.

Adjourned

**Staff**

Michael Gritton  
Almeta Abernathy  
Eric Burnette  
Elizabeth Davis  
Jaime Disney  
Patrick Garvey  
Christopher Locke  
Brian Luerman  
Joi McAtee  
Phil Miller  
Huston Monarch  
Rob Moore  
Laura Paulen  
Regina Phillips  
Cindy Read  
Rider Rodriguez  
Mary Rosenthal  
Alece Smith

**Guest**

Darlene Bussell  
Commissioner Beth Kuhn  
Kristi Putnam

**Observers**

Marsha Berry  
Keni Brown  
Darlene Bussell  
Rebel Baker Chrestre  
Desiree Gill  
Helga Gilbert  
Deb Giordano  
Joyce Griffith  
Kimberly Boyd-Lane  
Natasha Murray  
Rena Sharpe  
Ryan Troutman  
Bridget Wolf