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The Honorable Wes Moore, Governor The Honorable Pamela Beidle, Chair, Senate Finance Committee The Honorable Joseline Pena-Melnyk, Chair, House Health and Government Operations Committee

Re: Maryland Senate Bill 518; MSAR 14023

Dear Governor Moore and Chairs Beidle and Pena-Melnyk:

The Maryland Department of Labor is pleased to provide the following update related to the implementation of the Career Pathways for Healthcare Workers Program. Passed during the 2022 Legislative Session, the program provides matching grants to eligible healthcare employers to train incumbent workers. To date, the Department has dispersed more than \$330,000 to six employers across the State. Current investments have helped 61 workers receive training with 90 more workers expected to receive training by the end of FY 25. As the state continues to see a high need for healthcare workers, this program supports the recruitment and retention of a highly-skilled workforce.

Sincerely,

Portia Wu Secretary



Background

In 2022, the Maryland General Assembly enacted Senate Bill 518 which established the Career Pathways for Healthcare Workers Program (CPHWP). The Maryland Department of Labor (MD Labor) Division of Workforce Development and Adult Learning (DWDAL) is responsible for administering the program, which provides matching grants to eligible employers who pay for training programs attended by health care workers, resulting in increased opportunities for health care workers to receive training across the State.

The statute allocates at least \$1,000,000 annually for MD Labor to disburse as matching grants for the Program. MD Labor may award grants for a maximum of \$50,000. Eligible employers must partner with a Maryland-based Historically Black College or University (HBCU) or community college to provide training that helps upskill and increases the skill sets for the healthcare workforce.

These investments are particularly timely given the current state of the healthcare workforce in Maryland following the COVID-19 pandemic. When compared with other states in the mid-Atlantic region, Maryland has been slower in restoring its pre-pandemic healthcare workforce. Maryland's slow growth in health care employment is due in large part to unmet demand for qualified healthcare professionals. According to data from the Maryland Workforce Exchange, there were 26,904 active job postings for health care positions in December 2024, the most of any industry.

MD Labor projections show that the current gap is only expected to widen. Each year through 2032, MD Labor forecasts an additional 27,491 job openings for health-related occupations to accommodate growth, retirements, and workers changing roles. With healthcare roles among those with the highest growth rate, targeted investments in training for new and incumbent workers to enter or advance in the field are necessary to keep up with demand.

Solicitation Process

MD Labor issued two calls for proposals in 2024. In January, the Department issued a press release announcing the availability of funds through the CPHWP. The opportunity was also shared with relevant stakeholder groups. The Department received four proposals that went through a thorough review process and all four were granted funding. Grants began on June 1, 2024.

In August, MD Labor released a second call for proposals. The Department received one response that did not meet the technical requirements of the program and was not funded.

Active Grants

1. Amount of Funds Dispersed:

The table below lists the CPHWP grants funds disbursed in FY24. This includes grants awarded through the Spring 2023 and Winter 2024 solicitations.

GRANTS DISPERSED IN FY24	
Grantee	Grant Amount
Sinai Hospital of Baltimore, Inc.	\$50,000
Shore Health System 1, Inc.	\$32,325
Holy Cross Health, Inc.	\$49,943
University of Maryland St. Joseph Medical Center	\$50,000
Howard County General Hospital, Inc.	\$49,504
Shore Health System 2, Inc.	\$50,000
UM Baltimore Washington Medical Center	\$49,860
Total	\$331,632

- 2. Community Colleges Participating:
 - Baltimore City Community College
 - Community College of Baltimore County
 - Chesapeake Community College
 - Montgomery College
 - Anne Arundel Community College
 - Howard Community College
 - Wor-Wic Community College

There are currently no HBCUs participating in the grant program. Feedback indicates that the statutory requirement that requires training programs to be less than 12 months in length make it difficult for HBCU's to apply, since their healthcare training programs typically exceed 12 months. The Department plans to conduct additional outreach to HBCUs to better understand the barriers to HBCU participation and how the Department can address the barriers to increase their participation.

3. As of November 2024, 61 workers have received training since the program began.

Grantees

University of Maryland St. Joseph Medical Center

The University of Maryland St. Joseph Medical Center (UM SJMC) was awarded just under \$50,000 in June of 2024 to provide training to 30 current employees. The project will focus on training individuals in entry-level, non-direct care roles, including those working in environmental services and patient transport. The Community College of Baltimore County (CCBC) will provide Certified Nursing Assistant (CNA) training onsite at UM SJMC, which will prepare

workers with the skills and education to provide more complex care to patients. Information sessions for prospective participants were held in November 2024 with plans to launch an initial cohort in the winter of 2025.

Howard County General Hospital, Inc.

Recognizing the need for Surgical Technologists, Howard County General Hospital developed a Registered Apprenticeship program which was approved by the Maryland Apprenticeship and Training Council in July 2022. 15 surgical courses will be provided by Howard Community College over a twelve month period. Initially, CPHWP funds were intended to support related instruction costs for four Registered Apprentices, however, November 2024, only two apprentices had begun coursework.

UM Baltimore Washington Medical Center

In partnership with Anne Arundel Community College (AACC), UM Baltimore Washington Medical Center will provide CNA training to 24 non-clinical, entry level workers, setting them on a career pathway that will yield higher wages and earning potential. Upon completion of the program, workers will earn their CNA license and a wage increase. The first training cohort began in October 2024 with 12 participants enrolled.

Shore Health System, Inc.

Shore Health System Inc., received grant awards from the Spring 2023 Solicitation and Winter 2024 Solicitation. In their initial grant, Shore Health System, Inc. partnered with Chesapeake College to provide CNA training to 23 of their current employees and has since amended their project to include partners from Wor-Wic Community College and AACC. This has allowed Shore Health System, Inc. to engage participants from a broader geographic area to increase enrollment. As of November 2024, eight of the 23 individuals have completed their CNA training.

Shore Health System, Inc. has used their second grant from the Winter 2024 Solicitation award to continue their efforts on the Eastern Shore and train an additional 20 workers. While their first grant focused primarily on CNA training, the additional funds will expand training to prepare workers for a variety of occupations including phlebotomists, radiology technicians, and surgical technicians. As of November 2024, Shore Health System, Inc. has enrolled two workers into CNA training and two workers into phlebotomy training.

Holy Cross Health, Inc.

In partnership with Montgomery College and AACC, Holy Cross Health, Inc. has held two training cohorts, successfully enrolling half of the 20 workers they are seeking to train with CPHWP funds. As of November 2024, ten workers have completed coursework in a variety of topics including phlebotomy and healthcare access. Nine workers earned a credential and are in the process of transitioning to new roles. A third cohort is expected to begin training in the spring of 2025.

Sinai Hospital of Baltimore

Sinai Hospital of Baltimore plans to train 30 current employees who earn less than \$20 per hour. To date, 20 workers have enrolled in CNA/GNA and pharmacy technician training. Sinai recently expanded the list of training programs to better align with their evolving workforce needs and based on feedback and interest from their employees. Training is provided by CCBC and Baltimore City Community College.

Future Plans

As noted above, in FY24, MD Labor awarded approximately 33% of the available \$1 million and the first call for proposals in FY25 yielded no awardees. The Department expects to release a second call for proposals for FY25 funds in January 2025. MD Labor has been actively engaged in conversations with the Maryland Department of Health to increase applications. We anticipate continuing this collaboration with a renewed focus on partnership and maximizing our respective networks to promote grants. The Department also plans to conduct additional outreach to community colleges and HBCUs to better understand potential barriers and challenges to applying for the CPHWP funding, how to better structure the CPHWP program to increase applications, and how the Department can better support prospective grantees in the application process.

Although the twelve-month period of performance has been challenging to align with college course offerings, MD Labor has taken a flexible approach by allowing grantees to extend their award end date so that participants can complete the entirety of their training. Additionally, MD Labor will solicit feedback from stakeholders and current grantees to understand if there are statutory changes that would make CPHWP more attractive to employers.

Conclusion

Ongoing investment in career advancement opportunities, such as those made available through the CPHWP, can help address the healthcare worker shortage by creating opportunities for worker advancement and increase worker retention. By the end of FY 25, MD Labor expects 150 healthcare workers will receive training through the CPHWP.

However, only a third of the total annual allocation for CPHWP was disbursed in FY 2024. The Department has solicited feedback to better understand the program's limitations. Initial conversations with grantees suggest that the 12-month timeframe during which training is to be completed can be challenging to meet when partnering with community colleges, which largely operate on a two-semester academic calendar. The yearlong training window has also limited HBCUs' participation, since their healthcare training programs typically exceed 12 months. To address this barrier, if a grantee can demonstrate that an additional six months is needed in order for participants to complete college coursework, MD Labor has decided to extend the grant period of performance.

The Department plans to solicit additional feedback from community colleges, HBCU's, and other organizations that did not apply for CPHWP funding to better understand and address program barriers.

