



ALC-Hospital, Medicaid, Developmental Disabilities  
Subcommittee Report:

# Safety Net and Workforce

For the ALC Subcommittee  
Presentation January 12, 2026

Mason Bishop and Les Ford,  
Senior Fellows, Alliance for Opportunity



## Who we are:

The Alliance for Opportunity (A4O) is a collaborative project of the Georgia Center for Opportunity (GCO). A4O researches and implements policy reforms to **help people move from dependence to the dignity of work and a flourishing life.**

A4O and GCO's work includes **assessing state workforce and safety net outcomes, identifying successful models of workforce and social services delivery, and adapting evidence-based approaches for state implementation.**

## Study Objectives:

- 1. Evaluate participation, costs, and outcomes for certain workforce development and public assistance programs in the state.**
- 2. Identify areas for improved coordination among certain workforce development and public assistance programs.**

## Methodology:

A4O traveled to Arkansas and conducted site visits and interviews with all levels of staff in 3 DHS county office sites and 3 workforce offices. Staff also conducted virtual interviews with key agency leadership. We gathered public data and asked agencies for specific reports.

# Arkansas Workforce By Key Numbers

**58.5% Labor Force Participation Rate**

*AR consistently ranks in the bottom 10 states*

**68,000 unfilled positions**

*with a job openings rate of 4.7%*

**15.2% disconnected youth**

*47th worst rate in the nation*

**202,000 prime-working-age adults**

*are not engaged in the workforce at all*

**239,748 Arkansans dependent on SNAP**  
*(~8% of the pop)*

**810,357 Arkansans on Medicaid and CHIP**  
*(~27% of the pop)*

# Now is the Time for Arkansas

**LEARNS Act  
education reforms**

**Foundational work  
on Civiform**

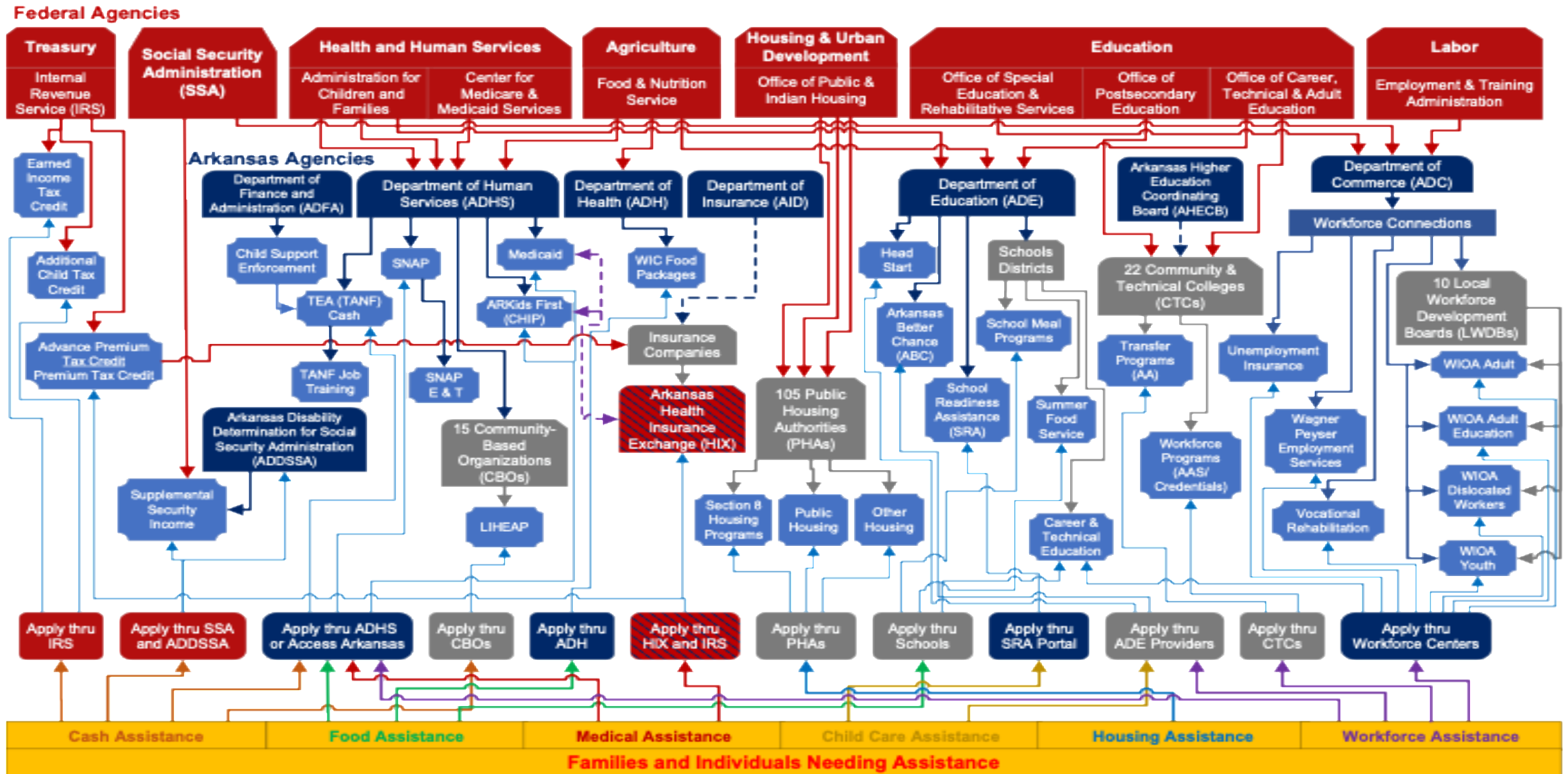
**Inbound migration  
to Arkansas**

**Data-sharing  
infrastructure is  
exceptional**

**Governor Sanders'  
10:33 Initiative &  
Workforce Cabinet**

**DC is friendly to  
state workforce  
innovation**

# Arkansas Doesn't Have a People-First, Work-Centered System



# Observations from Site Visits & Research

## Customers of the “System” are Stuck in Silos

- “One-Stop Centers” contain services funded **primarily through WIOA and Wagner Peyser**. In one-stop centers visited, the typical customer was an **unemployment insurance claimant**.
- **Individuals with disabilities, people seeking public assistance, and people needing skills upgrading** seek such assistance through other means. Human service clients have no referrals to workforce services outside of SNAP E&T.
- **Referrals** between agencies/programs are **informal**, at best, and tracking of “what happens” to the customer does not occur.

**RESULT:** Customers needing an array of workforce services and supports do not receive them and are **limited in exposure to upward mobility possibilities**.

**RISK:** Arkansas does not have a comprehensive workforce system to address significant challenges, such as improving labor force participation or addressing impacts of AI and new technologies.



# Observations from Site Visits & Research

## Human Services Approach DOES NOT Focus on Work

- During site visits, DHS DCO staff informed our team members that SNAP clients potentially eligible for voluntary Employment and Training services often **show little to no interest in participating.**
- In FY2024 there were 2,561 SNAP E&T participants – **only 1% of the SNAP population.**
- Social services front line workers **do not typically ask clients about a plan for work.**

**RESULT:** Customers are “**trapped**” in poverty while on government assistance as caseloads and expenditures remain unnecessarily elevated.

**RISK:** As Arkansas implements work requirements, customers in the human services programs have no direct line to workforce programs. State agencies address these requirements on a program-by-program basis versus comprehensively.



# Observations from Site Visits & Research

## Significant Inherent Inefficiencies

- While challenging to fully quantify without a forensic audit, duplication in physical infrastructure and systems support (case management and eligibility systems) likely means that Arkansas is losing millions of dollars in funds that could support customers.
- For PY24, Arkansas had an allotment of \$14.8 million in WIOA Title I dollars and **only served 1,273 people**.
- For PY24, local workforce areas received **\$14.8 million in total allotments**, of which **\$1.7 million was spent on training**.
- For PY24, the state also received \$5 mil for Wagner Peyser.

**RESULT:** Arkansas is “leaking” millions of dollars that could be redirected from administration to customer services for both business and worker populations.

**RISK:** As federal resource constraints grow, Arkansas will be saddled with overhead and forced to implement dramatic reductions in staffing and services to Arkansas business and worker populations.

# Observations from Site Visits & Research

## Significant Inherent Inefficiencies

- **SNAP E&T** providers include Adult Education (\$2.7 m), an HBCU (\$97K), and a Community College (\$470K).
- **Perkins and the new Workforce Pell dollars** to cover high-quality, short-term workforce training programs administered by Arkansas Division of Higher Education.
- **91.4% (\$47 m) of TANF** spent on funding subgrantees—including the Division of Career & Technical Education’s Career Pathways Initiative, Human Development Corp, Department of Workforce Services, Employment & Training Services Inc.

**RESULT:** Arkansas is “leaking” millions of dollars that could be redirected from administration to customer services for both business and worker populations.

**RISK:** As federal resource constraints grow, Arkansas will be saddled with overhead and forced to implement dramatic reductions in staffing and services to Arkansas business and worker populations.

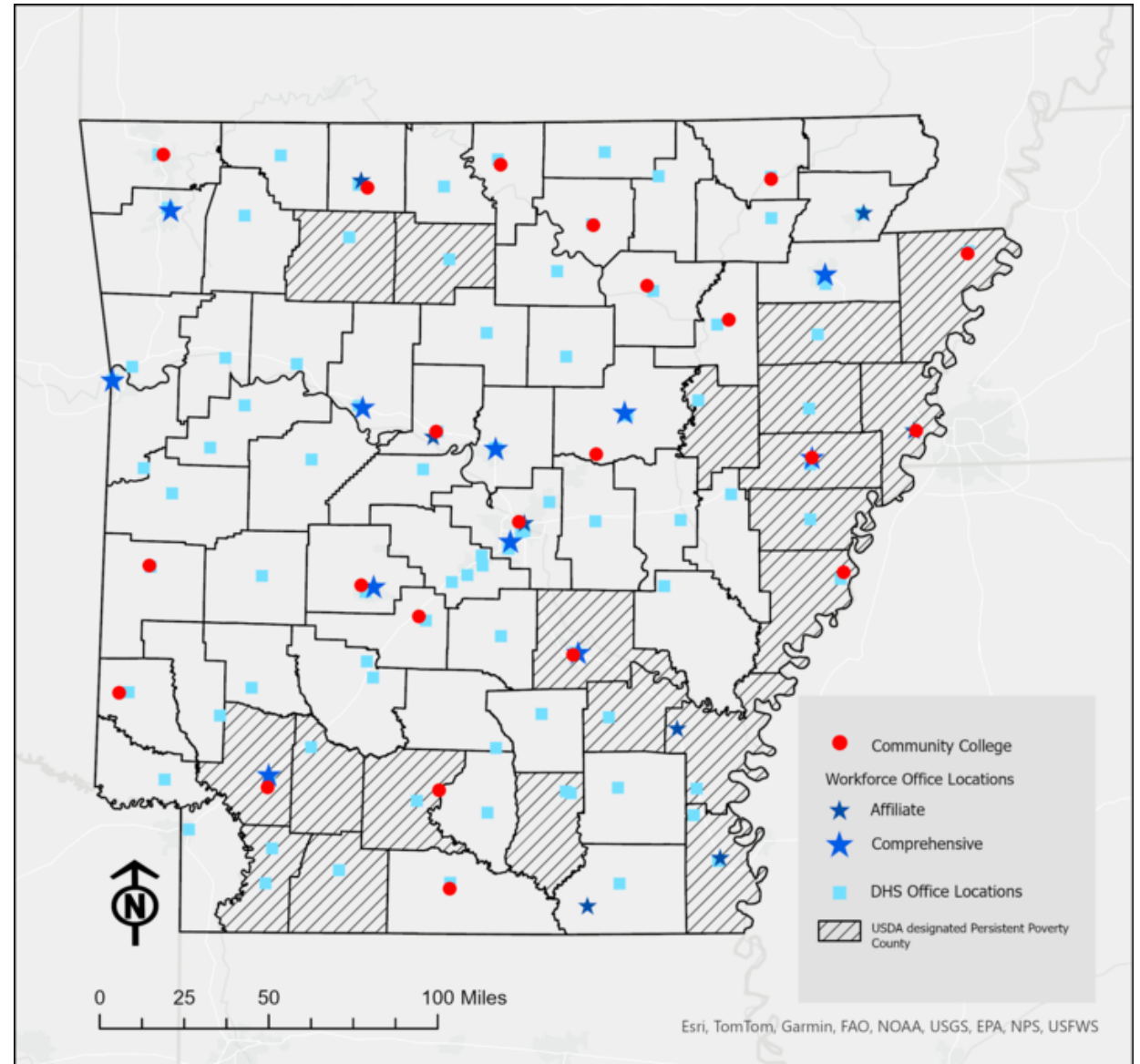
## Physical Locations:

The only office in many counties is a human services county office—where there are no direct services or staff for work search, education, or work training.

Clients currently need to navigate different offices for different programs.

**NOTE:** This does NOT include 105 Public Housing Authorities, 95 health department offices for WIC, 26 child support enforcement offices, 15 orgs administering LIHEAP.

(DRAFT MAP)



## Arkansas Can Create A “One Door to Work” System

### 1. Integrated Administrative Structure

**Consolidate employment, training, and social service programs into an integrated state workforce agency.** Co-locate services physically under this structure.

### 2. Integrated Service Delivery

**A. Regional Alignment:** All programs are delivered with a consistent regional approach where the state operationalizes service delivery coordinated locally.

**B. Integrated Eligibility and Intake:** All appropriate eligibility functions are consolidated into a dedicated eligibility division.

**C. Work-First Case Management:** Because programs are administratively integrated, deploy employment-first case management consistently utilized by all workers.

### 3. Integrated Finances

**Develop a Statewide Cost Allocation Model or Administrative Arrangements** that braid funds statewide to support a system instead of individual programs.

## Component 1: Integrated Administrative Structure

### How do we get there?

- 1. Legislative:** Draft and pass legislation to create a cabinet-level state workforce agency with commensurate appropriations effective July 1, 2027.
  - a. Provide for transition and further data collection during 2026 to inform the 2027 legislative session.
  - b. During transition provide Governor with opportunity to name a Secretary and create work groups.
- 2. Legislative/Executive:** Governor's Workforce Cabinet & legislators develop and implement a plan to move toward a single administrative agency focused on work, including a plan for physical location integration.
- 3. Executive:** As part of WIOA mid-cycle State Plan updates, develop and submit a waiver package to realign local workforce development areas into a statewide planning region and move toward a statewide service delivery model.

## Component 2: Integrated Service Delivery

**Part 1: Consolidate various service delivery structures into a single regional approach.**

**How do we get there?**

- 1. Legislature:** Workforce legislation designates Arkansas as a single state area and provides assurances that all regions of the state will receive appropriate resource allocations.
- 2. Legislature:** Fund transition process to consolidate physical locations and transition staff, as needed.
- 3. Executive:** Utilize planning region and other waivers, execute statewide integrated service delivery implementation and transition approach.

## Component 2: Integrated Service Delivery

**Part 2: Consolidate customer intake and eligibility into a single eligibility division.**

**How do we get there?**

- 1. Legislature:** Include in enacting legislation language requiring the new agency to utilize LAUNCH and Civiform and train all staff on these common intake forms and common culture of work.
- 2. Executive:** Implement statewide master client index number.
- 3. Legislature/Executive:** Bring financial eligibility for all programs in one shared backend system into a single agency. Expand the integrated eligibility system (currently Medicaid, SNAP, TEA) to include WIC, LIHEAP, Childcare, WIOA.



## Component 2: Integrated Service Delivery

**Part 3: Deploy an integrated, employment-first case management system focused on self-sufficiency and outcomes.**

**How do we get there?**

- 1. Executive:** Create a common case management process, similar to Hope Hope across all programs administered by the new agency.
- 2. Executive:** Outcomes defined, captured, tracked, and reported to legislature and executive staff by case management (including after exit of the system).

## Component 3: Integrated Finances

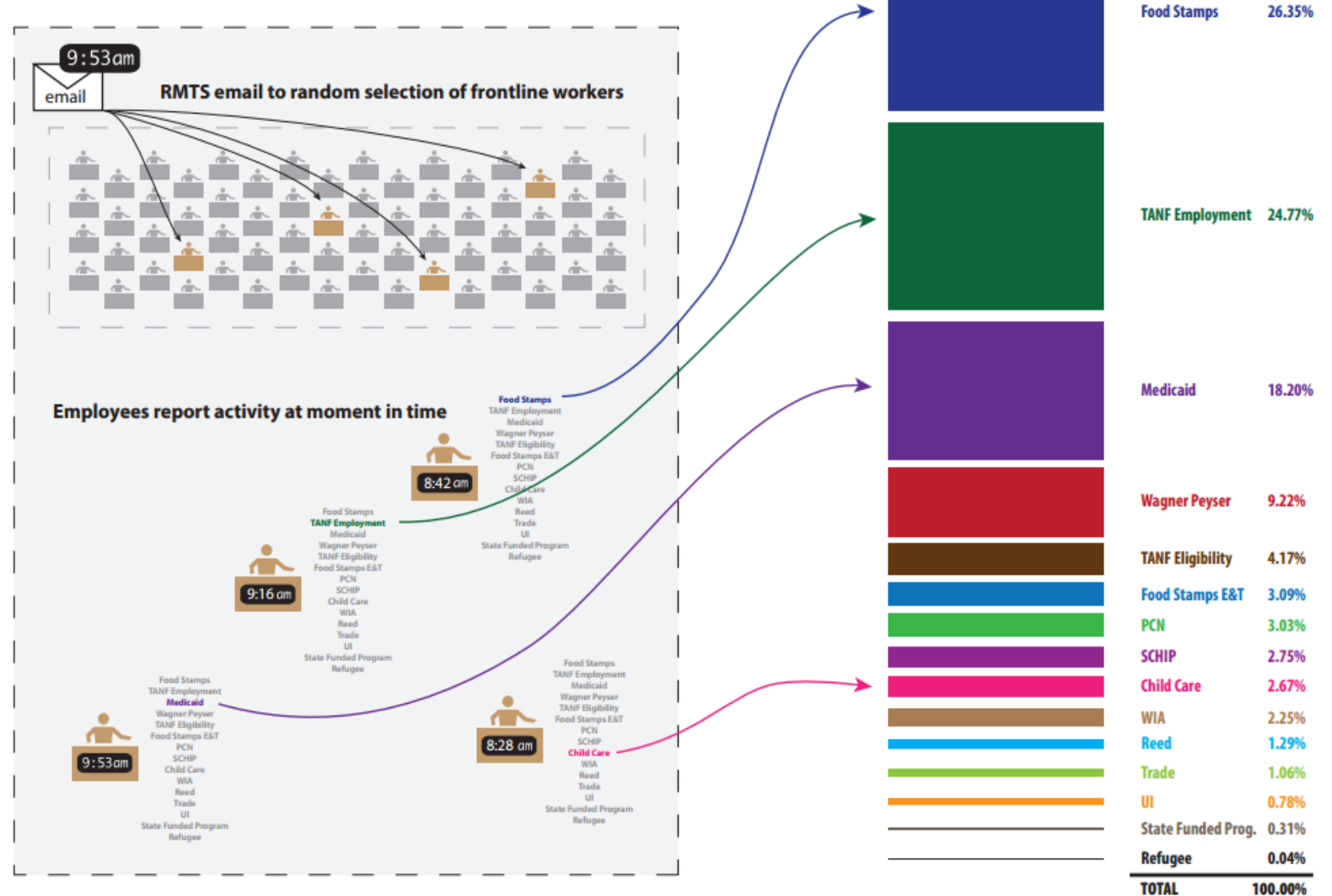
### How do we get there?

- 1. Executive/Legislative:** Governor's Workforce Cabinet assesses agency expenditures and build upon initial asset mapping to eliminate inefficiencies. Make recommendations to Legislature to align appropriations.
- 2. Executive:** Submit request to OMB to approve a Cost Allocation Model.
- 3. Legislative/Executive:** Implement Cost Allocation Model as a part of new agency creation and Legislature aligns appropriations to the new agency.

# How does the Utah Department of Workforce Services run its Cost Allocation Model?



## Department of Workforce Services Random Moment Time Study



1. Integrated Administrative Structure

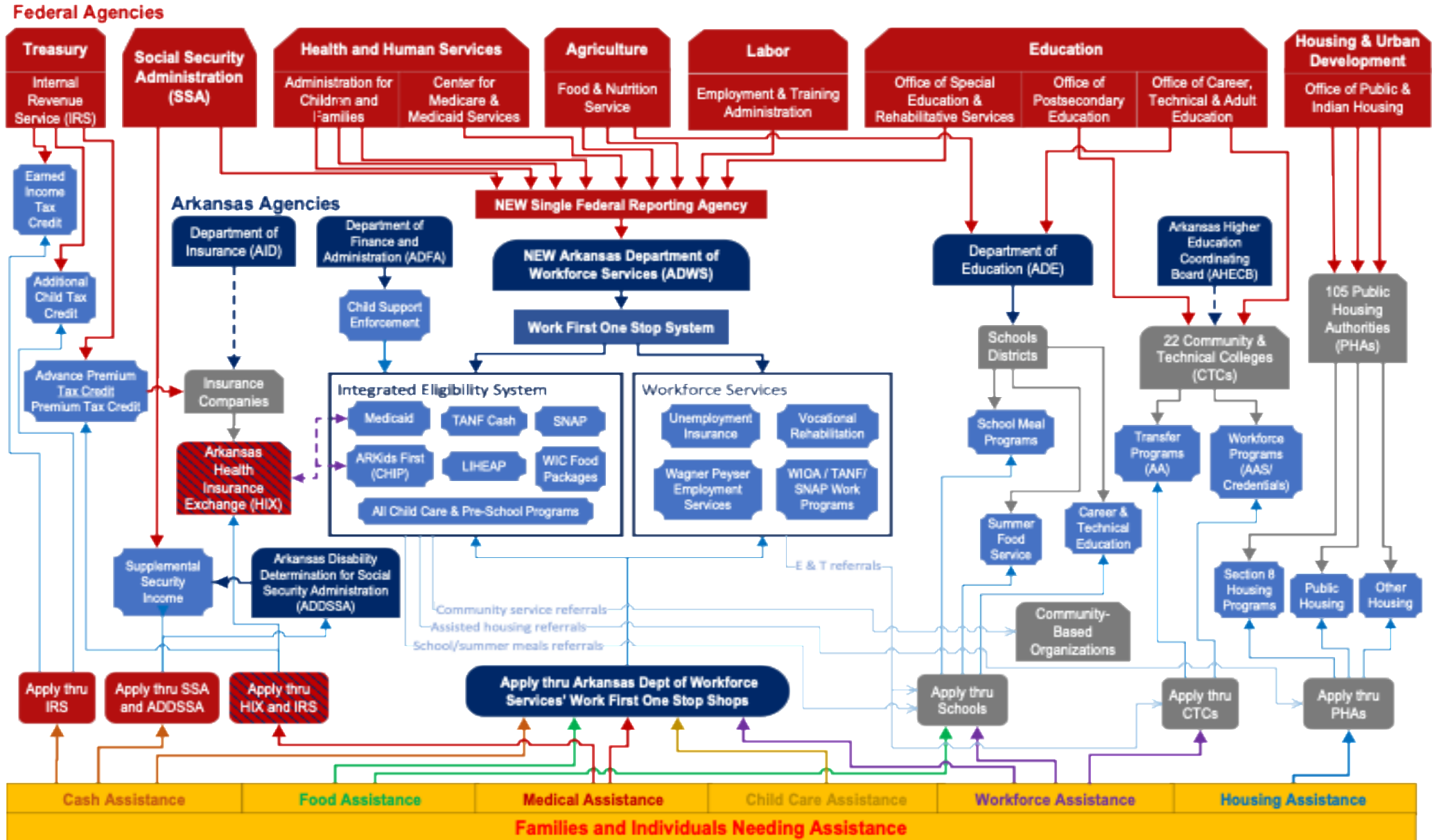


2. Integrated Service Delivery



3. Integrated Finances

# Future State: How Could it Look?



## Team

Rachel Barkley, Executive Director

Mason Bishop, Senior Fellow

Les Ford, Senior Fellow

Erik Randolph, Director of Research

Ray Packer, Eligibility and Operations Expert