

Substance abuse, unemployment, and lower socioeconomic factors form a depressing and vicious cycle. Individuals who misuse substances are more likely to lose jobs or leave the workforce, leading to a reduction in income and lifestyle and often to the additional misuse of substances. Recognizing that the prime age employment gap (PAEG) of five rural counties in northeastern Kentucky has been negatively affected by the state’s ongoing opioid crisis, St. Claire Medical Center, Inc., dba St. Claire HealthCare (SCH), proposes:

- Expanding its tuition assistance/employment program with post-secondary education;
- Enhancing its treatment services/employment program with behavioral health treatment facilities;
- Developing a Life Learning Center-Morehead location; and
- Enhancing its nursing workforce training initiative.

Regional Conditions and Needs of Underserved Communities

The proposed service area – Bath, Menifee, Montgomery, Morgan, and Rowan counties – has a high PAEG and comprises two Local Labor Markets. Local Labor Market Commuting Zone #239 has a PAEG of 19.79; the Micropolitan Statistical Area’s PAEG is 11.05. In addition, the service area’s unemployment rate is approximately one-fourth higher than the national rate.¹ The region’s primary disparity populations are socioeconomically disadvantaged and underserved rural; the service area is 93.6 percent White; 2.3 percent Hispanic; and 2.2 percent Black.²

The Gateway Area Development District (GADD), which serves the five counties, reports that the area’s per capita income is \$19,547, half that of the national average.³ The Appalachian Regional Commission has designated four of the five counties as distressed and one county as at-risk, which means they are among the most economically depressed counties in the nation.⁴ Due to these economic factors, the service area includes eight opportunity zones, and four of the five counties have been included in the EDA’s 2023 fiscal year list of persistent poverty counties.⁵

Each of the counties in the service area has a poverty rate above the national average of 12.6 percent. Bath County’s poverty rate is 22.5 percent; Menifee County’s is 26.4 percent; Montgomery County’s is 17.8 percent; Morgan County’s is 22.3 percent; and Rowan County’s is 25.4 percent. The poverty rates of four of the counties are at least 1.5 times the US average. The service area also lags behind the nation in educational attainment, with four of the five counties’ bachelor’s degree rates less than half the national average of 33.7 percent. Bath County’s bachelor degree rate is 14.9 percent; Menifee County’s is 11.1 percent, roughly one-third the US rate; Montgomery County’s is 16.7 percent; Morgan County’s is 15.3 percent; and Rowan County’s is 25.8 percent.⁶ Rowan County’s rate is most likely higher due to Morehead State University, which is located in the county. Even taking this into consideration, the county’s college attainment rate is nearly eight points less than the national average.

Although substance abuse affects all socioeconomic levels, individuals who abuse opioids generally have lower levels of academic achievement, higher rates of poverty, and a greater

¹ U.S. Bureau of Labor Statistics’ 24-month average

² Stats America Economic Demographic Characteristics, U.S. Census ACS 5-Year Estimates

³ Comprehensive Economic Development Strategy, Gateway Area Development District, 2022; p.3; 2021 American Community Survey 5-Year Estimates

⁴ County Economic Status and Distressed Areas by State, FY 2023; Appalachian Regional Commission

⁵ Fiscal Year 2023 Persistent Poverty Counties, Economic Development Administration

⁶ 2021 American Community Survey 5-Year Estimates

likelihood of having an arrest record.⁷ This, in turn, has a negative impact on the workforce. The 2022 GADD Comprehensive Economic Development Strategy (CEDS) describes substance abuse and “its ripple effects” as a “hindrance” to workforce development in the proposed service area, with employers reporting that it’s difficult to find workers who can pass drug screenings.⁸

According to studies, the opioid crisis was the cause for up to 20 percent of the workforce decline of Kentucky’s prime working-age men from 1999-2015.⁹ Additionally, University of Kentucky economists reasoned that the crisis led to the loss of up to 55,200 workers.¹⁰

Compared to the national age-adjusted drug overdose death rate of 32.4, Montgomery County’s rate is 85.2, Rowan County’s is 84.5, and Bath County’s is an alarming 185.1. Indeed, in 2022 Bath County had the highest rate of drug overdose deaths in the state.¹¹

During a July press conference, the mayor of Morehead, which is located in Rowan County, said the city experienced 105 overdoses last year. Highlighting the critical need for additional services, she said the city has been averaging 10 overdoses per month this year. At that rate, the city of only 6,734 residents is on track to exceed last year’s total and reach 120 overdoses.¹²

Regional Assets

The region’s assets include the natural beauty of Cave Run Lake and Daniel Boone National Forest. Thousands of individuals visit the tourist attractions each year, dropping millions of dollars into the region’s economy. Other regional assets include six industrial parks. In 2022, the Gateway region presented a proposal for regional site development opportunities to Kentucky’s governor and the Cabinet for Economic Development. The proposal included seven new development sites, more than 750 acres of land, and one “mega-site” of nearly 600 acres, totaling \$25 million in infrastructure. With manufacturing among the top industries, the CEDS identified “large food processing employers such as Nestle and CTI Foods, along with auto manufacturers such as Cooper-Standard, KDMK, and SRG Global (as providing) the most employment in the region for traded clusters. Wood products is another traded cluster that has seen growth in the region with the location and startup of Morehead Wood Products.”¹³

Construction is one of the top five growing industries while health care also ranks among the top five industries. According to the CEDS, “With Saint Claire HealthCare, Appalachian Regional Healthcare, and several private practices located in the region, health care provides the most employment in the region for local clusters.” Education is the second-largest local cluster with five local school districts, Morehead State University (MSU), and two of Maysville Community & Technical College’s (MCTC) campuses located in the region. MCTC’s Rowan County campus includes a Postsecondary Center of Excellence in Advanced Manufacturing.¹⁴

⁷ The Impact of Opioid Use Disorder on Levels of Educational Attainment: Perceived Benefits and Consequences. January 2020

⁸ Comprehensive Economic Development Strategy, Gateway Area Development District, 2022; p.17

⁹ 2020 Overdose Fatality Report, Kentucky Office of Drug Control Policy, 2021

¹⁰ “The Effects of Opioids on Kentucky’s Workforce,” University of Kentucky College of Business and Economics: Center for Business and Economic Research, 2019

¹¹ Age-Adjusted Drug Overdose Mortality Rates, by Kentucky County of Residence, 2022

¹² “Breaking stigmas: How a new Morehead partnership is helping those recovering from addiction,” Miskell, D., July 2023

¹³ Comprehensive Economic Development Strategy, Gateway Area Development District, 2022; pp. 7, 11, 24

¹⁴ Comprehensive Economic Development Strategy, Gateway Area Development District, 2022; pp. 6,7

The TENCO workforce development Career Center in Maysville, which covers Bath, Montgomery, and Rowan counties, houses a Kentucky Federation for Advanced Manufacturing Education (KY FAME) Chapter for northeastern Kentucky. Business, education, and workforce partners come together as part of KY FAME to find solutions to the skill gap of the region's workforce. KY FAME puts individuals directly into the workforce, while providing them with free training in the skills necessary to retain and move up the career ladder. KY FAME industry partners sponsor students in the program, resulting in paid work experience, which includes hands-on application of class concepts and the chance to observe the best practices of a world-class manufacturer.¹⁵

The region also boasts a state-of-the-art, high-tech greenhouse. The 60-acre, 2.76 million square-foot tomato farm in Morehead utilizes sustainable farming – sunshine, rainwater, and up to 90 percent less water than open field growing – while producing yields up to 30 times that of traditional agriculture on the same amount of land without agricultural runoff. Additionally, the CEDS details the area's plans for “widespread access and affordability of broadband,” both of which are vital to the workforce and economic success, and describes the region's transportation network as “robust.”¹⁶

Strategy to Address Needs

a. Targeted geographic approach

b. Partnerships and potential commitments

The GADD's goals and objectives align with SCH's Recompete Plan, specifically Goal 3: Improve workforce readiness/develop, retain, and attract talented people, in which they explain: “A lack of workforce readiness and declining workforce participation diminish the potential for economic growth in the region. It will be necessary to work with our regional partners to employ strategies and programs to fill the gaps.” An objective for Goal 4 supports the “delivery of rural health care and mental health services.”¹⁷

SCH has been proactively responding to the needs of northeastern Kentucky for 60 years. The largest employer in the region, SCH was established in 1963 to bring a hospital to the rural, remote area. Under the umbrella of the Northeast Kentucky Area Health Education Center (AHEC), which SCH hosts, the Northeast Kentucky Substance Use Response Coalition was formed in 2018. With SCH as the fiscal agent, the eight-member coalition is combatting the substance abuse crisis that plagues the region. In recognition of their expertise in the field, as well as their skill managing grants, SCH employees have been chosen to make presentations to Health Resources & Services Administration grantees on best practices for jail reentry projects and second-chance employment. In June, SCH was selected as one of five inaugural Rural Communities Opioid Response Program Champions, primarily for its work with jail reentry, of which linkages to second-chance employment is a huge component. SCH has the experience, leadership, and reputation to undertake, manage, and provide oversight for this project.

This June, SCH developed a partnership with MCTC to provide an Academic Practice Scholarship. The partnership further combats the substance abuse crisis and improves the lives of

¹⁵ Comprehensive Economic Development Strategy, Gateway Area Development District, 2022; p.16

¹⁶ Comprehensive Economic Development Strategy, Gateway Area Development District, 2022; p.18, 23

¹⁷ Comprehensive Economic Development Strategy, Gateway Area Development District, 2022; p. 34

people in the region by offering educational and employment opportunities and by removing economic barriers to education. Although the Academic Practice Scholarship is not limited to individuals in recovery, SCH recognizes the recovery model is most successful when treatment is immediately followed with an employment opportunity. SCH is committed to giving clients referred by their peer support specialists at behavioral treatment centers a chance at employment. This partnership will provide a continuous stream of specialized employees to meet the workforce needs of SCH and the region and serve as an example for other employers. In only three months, SCH has already made approximately 20 hires via the project. SCH's CEO reports the employees are performing well in their new careers.

Students enrolled in the program may utilize a pool of scholarship dollars to cover tuition as well as additional needs including books, fees, and uniforms. Additional scholarship opportunities are available annually through the MCTC Foundation and the St. Claire HealthCare Foundation. Upon acceptance into the program, participants agree to work full-time at SCH for a period of years post-graduation, depending on the following career paths: Clinical opportunities – certified medical assistant, EMT, health science technology, medical lab tech, nursing (nurse aid, LPN, RN), paramedic, phlebotomy, physical therapy assistant, respiratory care; non-clinical opportunities – administrative office technology, computer and information technology, construction technology, HVAC, and medical information technology. Each program participant is assigned an SCH mentor to facilitate learning and provide professional support.

Individuals who participate in SCH's partnership with Edgewater Recovery, a drug and alcohol behavioral health organization, can take advantage of second-chance employment opportunities. Launched in summer 2023, Edgewater clients with advanced health needs are referred to SCH for specialized treatment. Once they are stabilized and returned to Edgewater for substance use disorder treatment, they are partnered with peer support specialists who help them get their lives on track, which can include the potential for employment consideration at SCH. The peer support specialists help clients achieve sustained recovery through shared, lived, or common experiences with substance use, addiction, or mental health conditions. Other outcomes include: providing a welcoming and stigma-free environment for patients living with substance use disorder to have a medical home prior to discharge from recovery; increasing the proportion of people with substance use and mental health disorders to be accepted for acute medical detoxification, medical management, or dual diagnosis referred by facility; providing Edgewater clients scholarship and admission recommendation to partnering MCTC, which increases the number of individuals who have a higher degree of learning; decreasing stigma around substance abuse disorders through community events, which educate and support organizations that are treating those who live with disorders; and providing full turn-key services within seven days for evaluation by a gastroenterology specialist to treat individuals with hepatitis and cirrhosis. In only three months of the partnership, 23 of Edgewater's clients have been referred to SCH for services.

Starting a nonprofit Life Learning Center (LLC) in Morehead will serve as the lynchpin for SCH's Recompete plan. Established in 2005 in urban northern Kentucky to deliver a holistic, integrated continuum of education and care to help at-risk citizens learn, secure, and sustain a better way of living through gainful employment, LLC addresses underlying barriers including a lack of education, financial resources, and applicable skills.

LLC came to SCH's attention when Sr. Judine Lambert, vice president of mission at SCH, toured LLC, meeting with administrators, candidates, and members. Seeing individuals with substance use disorders working to improve their lives by actively engaging in LLC's programs convinced Sr. Judine that SCH should explore a partnership with the organization. This led to other SCH administrators researching LLC and agreeing its model could not only be replicated in a rural setting, but could engender transformative and positive change in a region ravaged by the substance abuse epidemic. In partnering with LLC, SCH will make introductions to stakeholders in the region as the organization gains a foothold in the rural setting. Opening an LLC site in Morehead will also require either the renovation of a current site or the purchase of land and construction of a facility to house the LLC.

LLC's trademarked 12-week Foundations for a Better Life Curriculum focuses on five domains of life: physical, financial, spiritual, emotional, and relational. LLC helps its candidates/members find sustainable and meaningful employment while teaching soft skills, hosting mock interviews, and helping to craft resumes. LLC has been designated as a local Recovery Community Center by the federal grant-funded Kentucky Opioid Response Effort (KORE). LLC serves as a focal point of resources for community-based recovery support and includes peer support, mutual aid groups, employment, and skills training.

Upon acceptance into the program, applicants are identified as candidates. A new cohort of candidates begins monthly; they can choose to participate in the day or evening classes. Before, during, and after the program, candidates access a plethora of care continuum services to mitigate barriers as deemed appropriate. Following completion of the transformational skills program, candidates who commit to a substance-free lifestyle and secure full-time employment become members.

By triaging their fundamental needs, candidates have the opportunity and environment to focus on their higher-level needs, supporting their educational success. Candidates also participate in regular individualized meetings with an assigned peer support specialist. The peer support specialists at LLC are dispersed throughout the five domains to provide extended support and accountability as candidates are setting personal and career goals. Peer support specialists continue tracking and monitoring progress for three years after graduation from LLC. Additionally, candidates and members have on-site access to a variety of specialized services including: mental health counseling, recovery support, medical insurance, health screenings, clothing closet, fitness center, café, tattoo removal, etc.

After substance use treatment and maintenance programming is complete, LLC's educational curriculum is designed to give individuals dignity, skills, and open not just employment opportunities but career mobility. LLC focuses efforts to partner with local employers to develop career opportunities that include advancement prospects, health insurance, and more than just a living wage. In other words, the essence of the Department of Labor's Good Jobs Principles. Additionally, LLC considers anyone who completes the program a member for life, granting access to employment opportunities, peer support assistance, and food or care resources.

LLC experienced exponential growth in 2019 through its reentry partnerships with a local detention center and commonwealth's attorney office. In 2019, LLC created the

Multidisciplinary Recovery Reentry Team (MRRT) model to activate communication among reentry stakeholders that provide care interventions and resources to individuals being released from incarceration. MRRT has become a community focused initiative, supporting systemic change for justice-involved individuals as they access and receive the appropriate level of care. LLC and the MRRT spearhead jail population reduction while providing aftercare and treatment pathways to individuals released from incarceration.

According to LLC's 2022 annual report, individuals who completed Foundations for a Better Life had only an eight percent recidivism rate, which is in stark contrast to the national average of 83 percent. In addition, 78 percent of participants lacked a resume when beginning the program, 60 percent lacked work history or had a gap in employment, and 85 percent had a criminal background. Having a criminal background can be an obstacle to employment. One study found that unemployment among formerly incarcerated individuals is five times higher than the general public.¹⁸ Other challenges for individuals in recovery to find employment include stigma, discrimination, treatment-related constraints, mental or physical health problems, and limited education and job skills.

SCH has experience addressing these obstacles through the grant-funded First Day Forward, a holistic jail reentry program operating in several Kentucky counties. In First Day Forward, peer support specialists (individuals who've navigated the systems and are in sustained recovery) screen candidates for program criteria. When a candidate is accepted into the program, the peer support specialist begins providing cognitive life skills education and working with the individual on personalized pre-release and post-release case plans. Within the pre-release plan, the peer sets individualized goals with the participant based on specific needs. Peers also help with expungement information, social security card applications, birth certificate requisition form, applications for medical cards, Medicaid, an ID card, Supplemental Nutrition Assistance Program, etc., naloxone training, local resource guides, employment opportunities, and treatment options. Following release, the peer support specialist may provide a safe ride from the facility to the participant's discharge address (or to treatment), make sure the individual's basic needs are met, and connect the individual to community resources. To facilitate the success of the LLC project and the Recompete Plan, SCH will leverage the partnerships made with criminal justice, behavioral health, and community organizations as part of First Day Forward.

SCH, via the Northeast Kentucky AHEC, also has a strong pipeline of health careers programming, from high school (e.g., the two-year Rural Health Scholars program) to college (e.g., the Summer Health Internship Program and Successfully Training and Educating Pre-medical Students "STEPS") to professional-level students (e.g., AHEC Scholars and medical student "clinical hub sites" for the University of Kentucky's Rural Physician Leadership Program and the Kentucky College of Osteopathic Medicine).

In 2018 the Northeast Kentucky AHEC received the National AHEC Organization's "Center of Excellence Award in Distribution" for STEPS; this award, given biennially, recognizes a program "that is improving health care workforce distribution throughout the nation, particularly

¹⁸ "Out of Prison & Out of Work: Unemployment among formerly incarcerated people," Couloute, L., Kopf, D.; Prison Policy Initiative; 2018

among rural and underserved areas and populations.” Since its development in 2014, more than 70 percent of STEPS’ participants have matriculated to medical school, with the vast majority staying in Kentucky. The program has been so successful that for the past six years the Kentucky Primary Care Office has funded replication of STEPS to all of the state’s regional AHECs.

Despite this strong track record of health careers programming success, the service region continues to experience health care access struggles, with health professions shortage areas (dental, mental, and primary care) across the five counties in the service area. According to the 2022 Kentucky Hospital Association (KHA) Workforce Survey Report, the highest vacancy rates for hospitals are for registered and licensed practical nurses and certified nursing assistants. (As mentioned previously, SCH’s partnership with MCTC includes pathways into these three clinical careers.) The registered nurse vacancy rate in the GADD service area is 33.5 percent, the second highest rate in the state.¹⁹ The KHA also reports a “significant gap between the number of vacancies and the number of new nurses coming into the profession.” The KHA further notes, “Not only is there a severe shortage of nurses, but the nurses working in hospitals are caring for far more complex patients. Because so many delayed care during the pandemic, hospital patients are sicker and require longer times in the hospital. There has been a 10 percent rise in the average length of stay. This puts a greater burden on caregivers in hospitals and takes a toll on the entire healthcare workforce.”²⁰

A healthy workforce is an active workforce. Through partnerships with institutions of higher education, SCH will aim to increase the number of students who choose nursing as a career, as well as those who choose to work in the service area, by offering stipends to recruit students into the nursing workforce. SCH also has experience in this area. In 2022, the Northeast Kentucky AHEC started Creating Healthcare Advancement opportunities to promote Rural Kentucky under-Graduate nursing Excellence (CHARGE), which provides high school and college students interested in pursuing a nursing career additional educational and learning opportunities.

The Recompete Plan will create a mentorship program in which experienced nurses act as mentors to newly-hired nurses. The American Nurses Association identifies benefits to mentees who participate in mentorship programs including gaining more career satisfaction, feeling less overwhelmed on the job, and refining problem-solving skills. The mentor can benefit from the program by gaining a fresh perspective on the latest nursing trends, re-energizing a passion for nursing, and contributing toward a positive work culture. What’s more, the organization can benefit as well by improving nurse recruitment and retention, contributing to high-quality patient care and better patient outcomes, and identifying and nurturing future nurse leaders.²¹

The components of the Recompete Plan’s projects cohesively support one another. All four projects feature a peer support or mentorship program and support the workforce of the health care industry, which the CEDS identified as a top regional industry. Our collaboration with Edgewater required SCH to hire two pharmacy technicians and two pharmacists to, respectively,

¹⁹ Workforce Survey Report, The Status of Kentucky’s Hospital Workforce, Kentucky Hospital Association, 2022, pp. 4, 15

²⁰ Kentucky’s Nursing Workforce Crisis, Kentucky Hospital Association, n.d.

²¹ Mentorship in Nursing: Benefits & Why It’s Essential, American Nurses Association, n.d.

fill prescriptions and perform medication counseling for individuals taking mental health medications and/or treatments for HIV, hepatitis C, and cirrhosis. We expect partnerships with other behavioral health organizations to require the employment of additional staff.

Health care will not be the only industry that benefits from the project. Individuals participating in First Day Forward have articulated that before developing substance use disorders, they worked in construction and other vocational fields that required specialized skills. Therefore, getting such individuals through recovery and into a second-chance employment program will benefit them and the regional workforce, especially considering construction has been identified as one of the top five growing industries in the region. Partnering with organizations that offer vocational training skills will be a key to helping individuals with an interest or talent for this work develop skills and find meaningful employment.

SCH will hire a Recompete Plan Coordinator (RPC) who will provide oversight and management of the project as well as collaborate with and identify other partners. The RPC will work closely with the LLC as well as our identified partners including those representing economic development (GADD); behavioral health (Pathways, Inc., Edgewater Recovery); education (MCTC); detention centers; and other private, public, and nonprofit organizations.

LLC will add to the regional workforce and stimulate economic development by creating new jobs in the area. In addition to employing full-time team members to implement licensing agreements, LLC will hire coordinators to support their respective divisions with tasks such as candidate support, data tracking, and program delivery. This staffing model will support 200 candidates annually, with the opportunity to scale operations as LLC's referral census grows. Each team member will have specific roles within the project and will be cross-trained to provide access to services as needed. At least two team members will be certified peer support specialists. In addition to costs associated with employing personnel, establishing an LLC in Morehead will include technology start up, care allocation and training, and team member transportation to address barrier removal with basic care provision, to equip the team to teach the Foundations for a Better Life, and to utilize data sources for team members and participants.

SCH values the residents of the region it serves and will utilize their voices and experiences as mentors and peer support specialists in the plan's projects. The Recompete Plan also aligns with Good Jobs Principles by actively recruiting and empowering qualified applicants and workers from underserved communities who will seek careers that offer fair pay and benefits in safe, healthy, and accessible workplaces with opportunities for career and skills advancement.

As our letters of support demonstrate, private, public, and civic leaders from various organizations throughout the service area endorse our Recompete Plan, which has the potential to revitalize the region by stimulating the economy, closing the prime age employment gap, and improving individuals' health and educational outcomes.