



# National Direct Service Workforce Resource Center

## Funding Direct Service Workforce Development Activities

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This document describes, in brief, the range of funding sources available to State Medicaid agencies and other agencies and stakeholders to support the development of a high quality direct service labor force. You may use it as a checklist while seeking funding for a continuing or new DSW project.

- Review Current Federal Grants in your State:** Make sure you know which federal grants your state has already received. Identify possible connections to DSW issues and collaborate on an existing project.
- Consider State Governments as a Source of Federal Money:** Federal grant money often flows to states through formula or block grants. The best way to access certain federal monies may be through your state government.
- Weigh Short-term Grants versus More Long-term Funding:** For certain projects, short-term funding such as demonstration grants or research project funding is ideal. More constant sources of funding like a Medicaid home and community based services waiver may be more appropriate to your project.
- Research Civil Monetary Penalties:** While these funds must generally be used for nursing home related purposes, and not for home and community based services, at least one state, Michigan, has used these funds for a nursing home transition program.
- Consider Legislative Appropriations:** State legislatures can designate Medicaid reimbursement funds for increasing the wages of direct service workers by requiring providers to spend a percentage of funding on wage increases or by specifying dollar amount to be spent on increases.
- Approach Private Foundations, Businesses, and Associations:** The type and amount of funding, what entities are eligible to apply for funding, and the application process itself vary widely between organizations. Stakeholders should also remember to look at state and local foundations, businesses, and associations, as well as national organizations.
- Investigate Public-Private Partnerships:** Government-business training partnerships have primarily taken three forms; incumbent worker and customized training, career ladders or pathways, and state skills certificates and panels. Consider corporations, unions, or other organizations in your state that might be open to funding a workforce project, or providing in-kind support and resources.
- Expand Your Search:** Grants that have a different main focus may include opportunities for workforce development. Consider partnering with other organizations to have access to such grants.