



# GROWTH & OPPORTUNITY IN EACH REGION

## HEALTHCARE TASKFORCE

January 31, 2024 Virtual Meeting



COgro Labs at Virginia Tech Corporate Research Center (Source: GO Virginia Region 2 Annual Report)







#### . OPENING

a) Call to order Chair
b) Roll Call Billy Gammel

Chair

Sara Dunnigan

Sara Dunnigan

Sara Dunnigan

c) Public Comment

### II. DISCUSSION ITEMS

a) Taskforce Goals and Objectivesb) Review Board Policy #4ChairSara Dunnigan

c) Considerations for Future Healthcare Workforce Investments – Eligibility

d) Desired Outcomes

e) Path Forward and Recommended Process for Implementation

#### III. ADJOURNMENT





## **Healthcare Taskforce**

#### A. GOALS and OBJECTIVES

In Sept 2023, the Board directed a taskforce to be formed to review Board Policy #4 Scholarships and Non-Traded Sectors and to evaluate future GO Virginia investments to support the healthcare sector.

The Board approved an application at that meeting for a Talent Pathways Initiative Planning grant that stated that Southern Virginia had a competitive disadvantage when recruiting and retaining traded sector business investment because of their low healthcare outcomes, diminishing access to healthcare providers, and the availability of healthcare workers.

The JLARC report recommended that Board revise its policies to allow grants for healthcare projects.

Staff recommends that this taskforce deliberate and advance a recommendation to the GO Virginia State Board at the March meeting.



## PROGRAM MISSION STATEMENT



GO Virginia will create more higher-paying jobs through incentivized collaboration, primarily through out-of-state revenue, which diversifies and strengthens the economy in every region.





## WHY TRADED SECTORS? TRADED SECTOR INDUSTRY CHARACTERISTICS

- "Traded sector" means industries in which member firms sell their goods or services into markets for which national or international competition exists.
- These sales generate a flow of dollars back into the region, which support additional business growth and local jobs.
- Businesses that connect and learn through global value chains grow faster, create more jobs with better wages and are more resilient to economic downturns.
- Research demonstrates that a one percentage point increase in traded sector business activity raises real income per capita by between 2 and 5 percent.



## RSHIPS AND

## Board Policy #4 USE OF GO VIRGINIA FUNDS FOR SCHOLARSHIPS AND NONTRADED SECTORS

### **B. POLICY REVIEW**

**EFFECTIVE DATE: 12/12/2017** 

AUTHORITY: §2.2-2486 - §2.2-2489 of the Code of Virginia

**POLICY STATEMENT:** It is the policy of the Virginia Growth and Opportunity Board that funds shall not be used for projects in non-traded sectors where median wages fall below regional averages.

The Board will consider future applications from these sectors that can demonstrate that the project will create higher paying jobs across the industry sector and that the project will generate out-of-state revenue despite being a non-traded sector, such as a center of excellence or specialized/innovative model.

Furthermore, it is the policy of the Virginia Growth and Opportunity Board that funds shall not be used for initiatives that are unsustainable beyond GO Virginia funds, such as scholarships.







#### RECOMMENDED JLARC ELIGIBILITY CRITERIA

- Consistent with Region's Growth and Diversification Plans
- Provide Evidence That Project Will Help Address an Unmet Healthcare Need in The Region
- Provide Evidence That Addressing the Healthcare Need Will Benefit the Regional Workforce or Economy







PROPOSED JLARC ELIGIBILITY CRITERIA

Consistent with Region's Growth and Diversification Plans

Current Growth and Diversification Plan guidelines disallow the inclusion of non-traded industry clusters.





#### PROPOSED JLARC ELIGIBILITY CRITERIA

Provide Evidence That Project Will Help Address an Unmet Healthcare Need in The Region

### Virginia Office of Education Economics

- High Demand Occupations Dashboard
- <u>Education & Workforce Alignment Dashboard</u>
- Employment Concentration Location Quotient Customized Research





#### PROPOSED JLARC ELIGIBILITY CRITERIA

• Provide Evidence That Addressing the Healthcare Need Will Benefit the Regional Workforce or Economy

Discussion - What evidence would the taskforce recommend as acceptable to meet this threshold?







OTHER (HYBRID) CRITERIA

 Provide Evidence that There is an Unmet Healthcare Need, and it is Limiting the Region's Ability to Attract/Grow or Retain Traded Sector Business





## **Desired Outcomes**

- Address Defined Unmet Healthcare Need by Expanding the Pool of Qualified Workers
- Address the Grant Evaluation Criteria
  - Regional Collaboration
  - Economic Impact
  - Project Readiness
  - Sustainability
- Deliver in Core Program Outcome Areas
  - Use GO Virginia Core Performance Measures for Workforce Development Projects (under review)







## Path Forward and Recommended Process for Implementation

- Amend Board Policy #4 (scholarships ineligibility to be transferred to program manual, establish stand alone policy defining traded sector industries)
- Determine Resource Allocation to Effort
  - Per Capita Funds
  - Statewide Competitive Funds
- Develop Healthcare Subprogram Guidelines
- Launch and Track Outcomes/Impact

Discussion and Next Steps