Reemployment and Eligibility Assessment (REA)

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In 2005, ETA awarded grants to 21 states to pilot the Unemployment Insurance (UI) Reemployment Eligibility Assessment (REA) Initiative.

FY 2005 REA funding was $18 million

FY2010 REA funding request is $50 million

The REA initiative provides funds for states to provide new REA services that may result in:

- More rapid reemployment for UI claimants; cost
- Cost-savings for the state’s UI trust fund.
REA Services

REA services include:

- In-person interviews (at One-Stops)
- Review of UI eligibility
- Provision of labor market information
- Development of work-search plan
- Referral to reemployment services and/or training as appropriate
In FY 2005, 9 REA states were selected as REA research partners:

- Minnesota
- Washington
- Connecticut
- North Dakota
- South Carolina
- Florida
- California
- Nevada
- Ohio

Research partners were selected purposefully.

REA Study was NOT a national evaluation of REA.
Case Studies

- Detailed case studies conducted in: MN, SC, CT, WA, ND
- Reviewed each state’s comparison group design
- Reviewed each state’s evaluation design
- Conducted follow-up interviews in selected states
Claimant Follow-up

- At states’ request, IMPAQ conducted follow-up telephone interviews of selected claimants (REA participants and control group claimants)
- Follow-up interviews were conducted on behalf of:
  - Minnesota,
  - North Dakota,
  - Ohio, and
  - South Carolina
States varied in their REA objectives:

- Early intervention
- Multiple/more frequent in-person meetings
- Expand number of claimants contacted
- Direct clients to more intensive reemployment assistance
Process Study Findings: Implementation

States were successful in implementing REA:

- Enhanced collaboration between UI and employment services
- Cross-training of UI program rules and reemployment
- REA provided additional depth and intensity of existing services
- Generally positive about REA’s effect on reemploying claimants
Process Study Findings: Reporting of Results

• Although DOL funding was available to support the data reporting, a number of states indicated that they were having trouble complying with data reporting requirements.

• Shortage of programming staff prevented some states from reporting the required ETA 9128 data form (activities).

• Even more states had difficulty reporting the ETA 9129 (outcomes).
Comparison Group Design and Implementation

States had varied success in establishing rigorous comparison group design

- Some states established rigorous random assignment designs
- Other states established designs that prevented a rigorous impact evaluation
- Still other states agreed to change their design based on IMPAQ’s technical assistance
Measuring Program Impacts

• As a result of the lack of state reported REA data, IMPAQ developed an alternative strategy for evaluating REA impacts.
• IMPAQ analyzed program impacts using UI administrative data and follow-up interview data.
• Impact evaluations were conducted in Minnesota and North Dakota.
Minnesota REA Study Design

• Control group: all eligible claimants whose SSN ends in “6”
• Two treatment groups:
  ➢ Treatment 1 (single REA interview) or
  ➢ Treatment 2 (multiple REA interviews)
Minnesota REA Analysis Issues

- Control group selected as soon as claimant enters the pool
- Treatment group members are subject to selection for 8 weeks.
- Adjustments were necessary to make the control and treatment groups comparable.
- Final Analysis sample of the UI admin data:
  - Controls = 544
  - T1 = 3,038
  - T2 = 2,316
Findings from UI Data

- Regression-adjusted analysis shows that multiple REAs (T2) reduced:
  - weeks claimed by 0.9 weeks,
  - weeks compensated by 1.2 weeks,
  - the likelihood of exhausting UI benefits by 3.7 percentage points,
  - the likelihood of having an overpayment by 3.8 percentage points.

- Single REA (T1) reduced the likelihood of having an overpayment by 3.5 percentage points.
Findings from Follow-up Interview Data

• REA increased likelihood of returning to work w/in 6 months of initial claims for T2 by 5.6 percentage points, but not for T1.
• REA had no impact on hourly wages.
• REA increased hours worked per week for both T1 and T2.
• A majority of MN REA participants had a favorable impression of the REA process.
• Few reported that the REA process helped them to return to work more quickly.
Conclusions

• States experienced both successes and challenges in implementing the REA Initiative

• An analysis of REA impacts in Minnesota indicates that REA:
  - Enhanced the rapid reemployment of unemployed workers,
  - Reduced overpayments, and
  - Realized cost savings for the UI Trust fund.