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ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 17-08

TO: STATE WORKFORCE AGENCIES

FROM: BRENT R. ORRELL *Brent R. Orrell*
 Acting Assistant Secretary

SUBJECT: The Unemployment Insurance (UI) Reemployment Rate Core Measure

1. Purpose. To establish Acceptable Levels of Performance (ALPs) for the UI Performs Core Measure, "Facilitate the Reemployment of UI Claimants," and explain the methodology for administering this measure.
2. References. Unemployment Insurance Program Letter (UIPL) No. 14-05, "Changes to UI Performs," (February 18, 2005); UIPL 1-06, "Collection of Data on the Facilitation of Reemployment of Unemployment Insurance (UI) Benefit Recipients," (October 6, 2005); Training and Employment Guidance Letter (TEGL) 24-05, Change 1, "Baseline Value and the Fiscal Year (FY) 2007 Target for the Indicator used for the Government Performance and Results Act (GPRA) Goal to Facilitate the Reemployment of Unemployment Insurance (UI) Claimants," (January 19, 2007); UIPL No. 12-08, "Establishing an Acceptable Level of Performance (ALP) for the Unemployment Insurance (UI) Reemployment Rate Measure," (February 13, 2008).
3. Background. In March 2006, states began submitting data on the number of beneficiaries who received a UI first benefit payment in one quarter and for whom earnings were reported in the quarter following their first payment. Each calendar quarter, on the Employment and Training Administration (ETA) 9047, "Reemployment of UI Benefit Recipients" report, states report the number of beneficiaries receiving UI first payments for whom intrastate or interstate wages are reported in the subsequent quarter. (As of the latest ETA 9047 reports, 9 states are crossmatching their first payments against only intrastate wage record databases). First payment recipients are classified by whether they are exempt from work search or employment service (ES) registration--in most cases because they are job-attached with definite recall dates -- or whether they must conduct work search or register.

These data were used initially to calculate the UI GPRA national reemployment rate measure, which is defined as the percentage of all UI claimants receiving a first

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payment in a calendar quarter who were paid wages in the following quarter that appear in UI wage records. In 2007, the Department began development of a UI Performs Core measure “with a criterion by which to assess individual states’ success in facilitating UI reemployment.”

In February 2008, UIPL 12-08 solicited comments on a proposed definition for the measure, a proposed matrix of ALPs that reflected ranges of Total Unemployment Rates (TUR) and percentages of claimants not exempt from work search, and the proposed methodology for the administration of this Core measure. By using the statistical technique of multiple regression to compute ALPs that are adjusted for the two main factors outside the control of the agency administering the state UI law, the ALPs are made as comparable across states as possible. A table of ALPs for the FY 2009 SQSP performance period was proposed, based on regression analysis of data on 1st payments for the four calendar year (CY) 2006 quarters and total reemployment counts for the following quarters (April 2006 through March 2007). Only one state agency submitted comments, which generally concurred with our proposals.

4. Definition of the UI Performs Core Measure. For purposes of consistency and uniform application to all states, the UI Performs Core measure is defined the same as the GPRA measure.
5. Establishing the Reemployment ALP for the FY 2009 SQSP. The table of ALPs for the FY 2009 SQSP performance period from UIPL No. 12-08 is below. Each state will find the ALP it will use to judge the acceptability of its performance by finding the row that reflects its state TUR for calendar year 2007 and the column that reflects the percent of state claimants who are not on temporary layoff. The cell where the appropriate row and column intersect is the state’s ALP.

ALPs for Reemployment of UI Beneficiaries for the FY 2009 SQSP						
TUR (%)	Percent of Claimants Not on Temporary Layoff					
	>90	>80 -90	>70 - 80	>60 - 70	>50 - 60	≤50
≤2	66	67	69	72	74	77
>2 to 3	64	65	67	70	72	75
>3 to 4	61	62	65	67	70	72
>4 to 5	59	60	62	65	67	70
>5 to 6	57	57	60	62	65	67
>6 to 7	54	55	58	60	63	65
>7 to 8	52	53	55	58	60	63
>8 to 9	50	50	53	55	58	60
>9 to 10	47	48	50	53	55	58
>10 to 11	45	46	48	51	53	56

6. Administering the Reemployment Core Measure. The administration of the Facilitation of Reemployment core measure will reflect the following reporting schedule for the ETA 9047 report, established in UIPL No. 1-06:

<i>Quarter in Which First Payment is Issued:</i>	<i>Quarter for Which Reemployment is Determined through Wage Record Crossmatch</i>	<i>Report Due to ETA by:</i>
1st quarter (January to March)	2nd quarter (April to June)	November 30
2nd quarter (April to June)	3rd quarter (July to September)	February 28
3rd quarter (July to September)	4th quarter (October to December)	May 31
4th quarter (October to December)	1st quarter (January to March)	August 31

- Period of Performance. The State Quality Service Plan (SQSP) performance period for this measure will be the preceding calendar year; the performance period for the FY 2009 SQSP will be CY 2007. That is, whether a CAP is required as part of the FY 2009 SQSP will be based on the number of claimants reemployed during the 12 months ending December 31, 2007, who received first payments one quarter earlier, during the 12-month period ending September 30, 2007. The table above shows that the last quarterly report for the performance period is due to ETA by May 31. As soon as all data have been reported, ETA will transmit the 12-month performance period data to the state agencies for the SQSP process.
- Performance Against ALP. During March of each year, the Office of Workforce Security (OWS) will provide states through the Regional Offices, with their expected ALPs for the SQSP performance period. The information will also include (1) each state's average TUR for the previous calendar year, and the proportion of first payment recipients who were nonexempt from work search or ES registration for the 12-month period ending June 30, and (2) state reemployment rates for claimants receiving first payments during the 12-month period ending June 30 who were reemployed during the 12-month period ending September 30.

The advance indication ALPs provided in March are the closest approximation to the Performance Year ALPs available before June. A state will not know its actual ALP until it can combine its calendar year TUR with its percent of claimants receiving first payments during the 12-month period ending September 30 who were not exempt from work search. This information, along with the performance year reemployment rates, is not available until after May 31.

The following table summarizes the reporting schedule.

Information Reported	Date Reported by ETA to State Agencies	Period Covered by Information Reported	Last Report in Period Due to ETA By:
Advance Indication of Reemployment Performance	March	1st Payments: July to June Reemployment: October to September	February 28
Proportion of Claimants Nonexempt	March	1st Payments: July to June	February 28
State TUR	March	Previous Calendar Year	N/A
Final Reemployment Rate for Performance Period	June	1st Payments: October to September Reemployment: January to December	May 31

- Data for Performance Year 2008. The attachment provides the latest 2008 performance year information available (which in future years will be sent out in March): state reemployment percentages for the October-September period; percent nonexempt claimants for July-June; and TURs for the calendar year. In June, ETA will provide states with their reemployment rates for the calendar year and the percent nonexempt claimants for October-September, enabling states to calculate their ALP for the performance period.

A state reporting a reemployment rate below its ALP during the performance period will be expected to prepare a Corrective Action Plan for inclusion in its next fiscal year SQSP.

OWS will continue to work with states to improve ETA 9047 reporting accuracy and will re-estimate regression models as more data are gathered. OWS may revise the matrix of ALPs for future years to reflect new or revised ETA 9047 data.

7. Action Required. State Administrators are requested to:

- Provide the above information to appropriate staff; and

- Ensure that the data provided on the ETA 9047 report are accurate, submitted according to the above reporting schedule, and include out-of-state job matches obtained through quarterly wage record matching.
9. Inquiries. All inquiries should be directed to the appropriate Regional Office.
 10. Attachment. Advance Reemployment Rates, Percents of Nonexempt Claimants, and TURs by State for the FY 2009 SQSP Performance Period.

Attachment

Advance Indication Reemployment Rates Against ALPs for the FY 2009 SQSP Performance Period					
State	CY 2007 TUR %) ¹	% Nonexempt ²	Reported Reemployment ³	ALP ⁴	Reported Less ALP
AK	6.2	62.5	63.3	60	3.3
AL	3.5	54.9	72.3	70	2.3
AR	5.4	87.4	70.2	57	13.2
AZ	3.8	75.8	64.1	65	-0.9
CA	5.4	79.8	60.0	60	0.0
CO	3.8	78.7	61.1	65	-3.9
CT	4.6	88.7	64.4	60	4.4
DC	5.7	93.7	57.2	57	0.2
DE	3.4	63.8	70.6	67	3.6
FL	4	91.2	57.2	61	-3.8
GA	4.4	65.4	67.0	65	2.0
HI	2.6	57.8	67.4	72	-4.6
IA	3.8	38.6	77.7	72	5.7
ID	2.7	48.6	87.5	75	23.0
IL	5	75.6	64.4	62	2.4
IN	4.5	54.5	69.6	67	2.6
KS	4.1	61.8	70.3	65	5.3
KY	5.5	46.2	76.8	67	9.8
LA	3.8	85.0	65.3	62	3.3
MA	4.5	90.9	58.8	59	-0.3
MD	3.6	85.0	62.8	62	0.8
ME	4.7	91.4	65.2	59	6.2
MI	7.2	48.8	67.8	63	4.8
MN	4.6	46.1	65.6	70	-4.4
MO	5	77.9	71.4	62	9.4
MS	6.3	83.2	65.9	55	10.9
MT	3.1	38.3	78.2	72	6.2
NC	4.7	66.2	59.1	65	-5.9
ND	3.2	26.1	82.3	72	10.3
NE	3	61.5	68.3	70	-1.7
NH	3.6	65.1	71.2	67	4.2
NJ	4.2	81.4	60.0	60	0.0
NM	3.5	88.9	51.2	62	-10.8
NV	4.8	68.3	64.5	65	-0.5
NY	4.5	79.4	60.3	62	-1.7
OH	5.6	85.5	65.6	57	8.6
OK	4.3	84.0	61.0	60	1.0
OR	5.2	68.3	70.1	62	8.1
PA	4.4	48.7	69.3	70	-0.7
PR	10.9	80.3	40.2	46	-5.9
RI	5	93.8	60.8	59	1.8
SC	5.9	76.1	65.6	60	5.6

**Advance Indication Reemployment Rates Against ALPs
for the FY 2009 SQSP Performance Period**

State	CY 2007 TUR %) ¹	% Nonexempt ²	Reported Reemployment ³	ALP ⁴	Reported Less ALP
SD	3	53.6	77.0	72	5.0
TN	4.7	55.3	62.7	67	-4.3
TX	4.3	89.7	64.5	60	4.5
UT	4.6	73.0	69.9	62	7.9
VA	2.7	79.5	68.3	67	1.3
VI	3	98.5	38.8	64	-25.2
VT	3.9	41.5	68.2	72	-3.8
WA	4.5	77.0	71.6	62	9.6
WI	4.9	29.9	82.0	70	12.0
WV	4.6	57.2	72.1	67	5.1
WY	3	67.2	75.5	70	5.5

¹ These TURs will also be used to set ALPs for the 2008 performance period.

² For first payments made July 2006 – June 2007.

³ % Reemployed in July 2006 – June 2007. The 2008 performance period will use % reemployed in January 2007 – December 2007.

⁴ Based on TURs for CY 2007 and % nonexempt for July 2006 – June 2007. Final ALPs for the 2008 performance period will be based on TUR for CY 2007 and % nonexempt for October 2006–September 2007.