

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION UI RESEA
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ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 7-16

TO: STATE WORKFORCE AGENCIES

FROM: PORTIA WU /s/
Assistant Secretary

SUBJECT: Fiscal Year (FY) 2016 Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grants

1. **Purpose.** To provide guidelines for the FY 2016 UI RESEA grants and to invite state workforce agencies to submit proposals for funding.

2. **References.**

- Budget Control Act, 2016, Pub. L. No. 114-53;
- Workforce Innovation and Opportunity Act of 2014, Pub. L. No. 113-128;
- Unemployment Insurance Program Letter (UIPL) No. 19-15, Unemployment Insurance (UI) Supplemental Budget Request (SBR) Activities: Quarterly Program Reporting Form & Instructions;
- UIPL No. 13-15, *Fiscal Year (FY) 2015 Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grants*;
- Information Collection Request for the ETA 9128, Reemployment and Eligibility Assessment Workloads Report, and the ETA 9129, Reemployment and Eligibility Assessments Outcomes Report (OMB number 1205-0456);
- Employment and Training (ET) Handbook No. 401, 4th Edition, *Revised ET Handbook No. 401, Unemployment Insurance Reports Handbook*;
- ET Handbook No. 402, 5th Edition, *Revised ET Handbook No. 402, Unemployment Insurance Reports User Manual – Web Version*;
- Training and Employment Notice No. 31-09, *Cross-Program Collaboration for Reemployment and Eligibility Assessment (REA) Grants*;
- Webinar - *Nevada's Reemployment and Eligibility Assessment (REA) Program and Minnesota's Advanced REA Automation Tool*, available at Workforce3one.org;
- Webinar - *Reemployment and Eligibility Assessment (REA) Program Innovations in Tennessee and Utah*, available at Workforce3one.org; and
- ETA Occasional Paper 2012-08: Impact of the Reemployment and Eligibility Assessment REA Initiative.

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- 3. Background.** The federal-state UI program is an important core service in the comprehensive, integrated workforce system. Individuals who have lost employment through no fault of their own and have earned sufficient wage credits may receive UI benefits if they meet initial and continuing eligibility requirements. Since 2005, the U.S. Department of Labor (Department) and participating state UI workforce agencies have been addressing individual reemployment needs of UI claimants, and working to prevent and detect UI improper payments, through the voluntary UI REA program, and beginning in FY 2015 through the voluntary RESEA program. These programs have been considered high priorities for the Department's Employment and Training Administration (ETA). RESEA participants are active job seekers who are referred to reemployment services best suited to meet their individual needs. In FY 2015, a total of 48 states operated a RESEA program. Four of these states are participating in the Department's evaluation of the UI REA program.

As announced last year in UIPL No. 13-15, UI claimants determined to be most likely to exhaust benefits under the methods established for the state's Worker Profiling and Reemployment Services (WPRS) program, and transitioning veterans receiving Unemployment Compensation for Ex-servicemembers (UCX) are the target population for the RESEA program.

- 4. FY 2016 Funding.** A total of \$115 million was appropriated for continuation of the RESEA program for FY 2016. The FY 2016 RESEA funding period began January 1, 2016 and will end on December 31, 2016.
- 5. Program Change Beginning in FY 2016.** States are reminded that full implementation of the new RESEA model, including new target participants, must occur by January 1, 2016. ETA expects that, consistent with appropriations language in FY 2015, FY 2016 funds will be available again to fund reemployment service delivery in addition to the traditional former REA activities.

Beginning in FY 2016, costs for processing RESEA scheduled appointments that are not completed due to the claimants' failure to report for the RESEA may not exceed 20 minutes of staff time. A breakout of these activities and their individual costs must be included in the proposal. Further, funding for these activities may not exceed 30 percent of the total number of scheduled RESEAs. To determine the percentage of claimants failing to report as directed, states should use the data reported on the ETA 9128 workloads report. States that have rates lower than 30 percent of the total number of scheduled RESEAs should base their estimate on this positive accomplishment. This change in cost structure will better reflect the costs associated with the RESEA "no shows" and encourage states to address high "no show" levels. Reimbursement for adjudication of issues that result when a claimant fails to report to a scheduled RESEA continues to be provided through the regular funding for UI non-monetary determinations.

The percentage of claimants who fail to report for a scheduled RESEA remains high in some states; greater than 50 percent of the RESEAs scheduled. Conversely, many states report rates that are lower than 20 percent. States should take actions that will increase the number

of completed RESEAs such as evaluating the profiling model used to select participants; revising call-in letters to stress the importance of attending the RESEA and advising that failure to report for these services will affect their benefit eligibility; making reminder phone calls when possible, assessing the reasons that claimants failed to report; and meeting with service providers to seek solutions. States that offer claimants the opportunity to schedule their own RESEAs report a higher participation rate. States should consider using automated scheduling systems that allow claimants to schedule their own RESEAs, if the state does not currently use one. Such automated systems allow claimants to schedule RESEAs on their own at times that do not conflict with other appointments such as scheduled job interviews. These automated systems may also reduce the staffing costs incurred in scheduling claimants and significantly reduce the number of claimants who must be rescheduled. When states utilize a self-scheduling system, claimants should be provided a specific deadline for scheduling and attending a RESEA and may only be referred to UI staff for adjudication after the deadline passes.

6. **FY 2016 RESEA Proposals.** The RESEA proposal requirements are the same for all states. Those states that are continuing to operate a RESEA program (continuing states) as well as returning states that participated in the REA program in the past but do not currently operate a RESEA program must complete the information outlined in Attachments A and B of this UIPL. The performance period for FY 2016 RESEA, the period during which states should obligate their RESEA grants, begins on January 1, 2016, and ends on December 31, 2016. However, to allow for potential changes that might occur in states' ability to effectively use the RESEA grant funds during that period, the deadline specified by the Grant Officer on the Notice of Obligation for state obligation of these funds will be September 30, 2017. Obligations must be liquidated within 90 days of that obligation deadline; however, an extension to the liquidation period may be requested from the Grants Officer. All estimated cost figures for proposals for FY 2016 RESEA grants should be based on the time period ending December 31, 2016¹.

The amount of each RESEA grant will be based upon the number of RESEAs that the state proposes to schedule and the costs estimated by the state to provide RESEAs including allowable costs for reemployment services. States that have not scheduled the number of RESEAs that were funded in FY 2015 should use the remaining FY 2015 funds to complete the projected FY 2016 RESEA workload and request funding for the remaining balance of the FY 2016 RESEA grant period.

States experiencing ongoing difficulties in reaching the UI RESEA workload projected (e.g., scheduled, completed, and failed to report) in their FY 2015 UI RESEA proposals should request a lower level of RESEAs in FY 2016 than was requested in FY 2015. Proposals will be reviewed based solely on the information required in the application and states should include only the required information.

States that are not currently operating a RESEA program are strongly encouraged to consider applying for funding. ETA has proposed that the RESEA program become mandatory for all

¹ Awards will be made subject to the availability of funds. The dates in this UIPL are based upon the FY 2016 President's Budget request.

states and funding for the program has continuously increased. Ramping up a program now will position states to easily implement a mandatory program, should it be enacted.

7. **States Participating in the UI REA Program Evaluation.** Four states are currently participating in an evaluation of the UI REA program and the Department expects those states to continue with their planned UI REA program delivery in accordance with their agreed upon evaluation design for a minimum of 12 months.
8. **Basic RESEA Guidelines.** RESEA funds must be used to assess the continued eligibility and reemployment needs of UI claimants. These funds may not supplant ongoing UI grant funds devoted to state UI eligibility review program activities.

If a state does not implement RESEAs statewide, WPRS activities must be provided in the geographic locations where RESEAs are not available. UI claimants who have a definite return-to-work date; claimants who secure work only through a union hiring hall; and claimants who are in approved training should be excluded from the RESEA program.

RESEA services may be delivered by UI staff or well-trained Wagner-Peyser staff, Workforce Innovation and Opportunity Act (WIOA) staff, or other American Job Center (AJC) staff. The UI eligibility review is a key part of the RESEA for program integrity purposes. Service delivery staff must receive training to identify eligibility issues and must refer all eligibility issues to UI merit staff for adjudication, as appropriate. As previously mentioned, all eligibility determinations and redeterminations are funded through the regular funding for non-monetary determinations and not through the RESEA grant.

By applying for RESEA funding, states agree to integrate the RESEA program with WIOA and Wagner-Peyser funded reemployment services. WIOA collapses Workforce Innovation Act (WIA) “core and intensive activities” into combined “career services” and there is no required sequence for the delivery of services, which should allow job seekers to quickly access appropriate services. Career services are expected to be a key part of the success of the RESEA program. Each completed RESEA should include appropriate reemployment services and may include a referral to training or for a skills assessment; however, RESEA funds may not be used to pay for training services or to purchase or pay for licenses for an assessment tool, such as the Transferable Occupation Relationship Quotient.

UI staff must be engaged in RESEA planning, administration, and oversight as well as all appropriate staff training on UI eligibility requirements. UI staff must be available and involved in the RESEA functions including reporting but a full time position is not required. Program staff delivering RESEAs must have sufficient training to conduct a thorough eligibility review and detect eligibility issues requiring adjudication. Further, states must have UI staff participation to ensure accurate data are provided in the RESEA required reports including the new Quarterly Narrative Progress Report (ETA 9165) for SBR project activities. Each calendar quarter the reports should be reviewed for accuracy prior to submission by the UI staff member of the RESEA team in addition to being reviewed by the RESEA program lead.

RESEA programs are an integral part of states' strategies for delivering reemployment services. States should develop a career service delivery model to ensure that UI claimants served through the RESEA program receive an appropriate level of service suited to each individual claimant.

9. Required RESEA Services. Each RESEA must include the following minimum components, which are essentially unchanged from FY 2015 components and require the development of a focused individual reemployment plan to serve the needs of the claimant:

- UI eligibility assessment and referral to adjudication, as appropriate, if an issue or potential issues are identified;
- Requirement for the claimant to report to an AJC;
- The provision of labor market and career information that addresses the claimant's specific needs;
- Registration with the state's job bank;
- Orientation to AJC services;
- Development or revision of an individual reemployment plan that includes work search activities, accessing services provided through an AJC or using self-service tools, and/or approved training to which the claimant acknowledges agreement; and
- Referral to at least one reemployment service and/or referral to training if appropriate to the individual's needs.

States must provide each RESEA participant one-on-one services for the eligibility review and the development of an individual reemployment plan during the initial RESEA and during any subsequent RESEA. The individual reemployment plan must be developed during the initial RESEA and updated during any subsequent RESEAs and in collaboration with the claimant and tailored to their individual needs. It must contain specific steps to which the claimant agrees to adhere including reporting to and participating in the reemployment service(s) determined to be most likely to result in reemployment or referral to career related training. During the development of the individual reemployment plan, specific labor market information should be discussed, thus, ensuring that the claimant understands how labor market information can be used in an appropriate job search. All states should provide reemployment services as a component of each RESEA.

10. Service Delivery Design. In developing a service delivery design methodology for RESEA claimants, states are encouraged to consider how to most effectively leverage one-stop partner program resources and services as well as RESEA resources, particularly now that RESEA funds may now be used to pay for actual reemployment services. In the context of WIOA, RESEA services are a valuable one-stop resource as well, particularly given the new focus that the Wagner-Peyser Act now places on employment services for UI claimants.

The RESEA program targets claimants who are most likely to exhaust benefits and all new UCX claimants. All states must target these populations. Last year, because profiling models are critical to effectively identifying those claimants that are more likely to exhaust benefits, the Department hosted a training session addressing the development of an effective WPRS model and plans to offer a future session. In addition, the Department will continue

to provide ongoing assistance to states to help ensure that their models select claimants who are most in need of assistance to quickly return to work. Both targeted populations exclude claimants who have a definite return-to-work date, claimants who are in approved training, and claimants who seek work solely through a union hiring hall.

Both continuing states and new states have flexibility in staffing for the delivery of RESEAs. Different skill sets are needed to conduct the UI eligibility assessment than those needed to develop a reemployment plan and make appropriate referrals to reemployment services at AJCs and/or training. Whether the state decides to use UI, Wagner-Peyser, WIA/WIOA, and/or other AJC staff to conduct RESEAs, states must ensure that the staff members assigned for each activity have the necessary training and that UI staff are involved in the development of the staff training and delivery of such training, as appropriate. States are encouraged to consider designating the same staff to provide both the required RESEA activities and some or all of the reemployment services deemed appropriate for an individual claimant, thus ensuring continuity for the claimant.

States that conduct multiple RESEAs for the same individual must provide cost estimates for both the initial and the subsequent RESEAs. In general, subsequent RESEAs require less time and resources because it is not necessary to repeat the orientation session, which is conducted during the initial RESEA. Subsequent RESEAs must include the traditional RESEA components: an eligibility review; review and updating of the claimant's individual reemployment plan; the provision of labor market information if changes so dictate; and referral to reemployment services or training. These subsequent RESEAs should build upon the services provided in the initial RESEA and address the needs of the claimant at this later stage in the claim.

Once the state notifies a claimant that s/he has been selected for a RESEA, participation in the RESEA is mandatory. UI claimants must report in person to an AJC for staff-assisted services for the initial RESEA. If a subsequent RESEA is conducted remotely, state RESEA staff must ensure that both they and the claimant have access to the claimant's individual reemployment plan for reviewing and updating. The proposal must identify activities that are conducted by telephone and the associated costs. The claimant's activities must be reviewed, and any proposed changes, along with the concurrence of the claimant, must be documented.

Claimants who contact the appropriate agency before their RESEA appointment and request to change the scheduled RESEA date or time for good reason, such as scheduled job interviews, may be accommodated. They should be counted on the ETA 9128 only as a "scheduled RESEA" rather than as a "rescheduled RESEA," as explained in ET Handbook No. 401, Unemployment Insurance Reports Handbook.

If a claimant fails to report for any RESEA without notifying the state beforehand, the state must refer the issue of the claimant's failure to report to the appropriate UI staff to be adjudicated under state law.

States must select RESEA participants no later than the fifth week of the claim series and promptly schedule them for a RESEA. The fifth week in the claim series is the fourth week

following the week in which the claimant files an initial claim. If the claimant has not yet established monetary eligibility for benefits or is not yet eligible because, for example, a nonmonetary issue is pending adjudication, the claimant may be selected during the first week that s/he claims benefits after being determined eligible for benefits.

States are strongly encouraged to provide integrated RESEAs that combine a review of the individuals UI eligibility with reemployment service delivery. Evidence in the **ETA Occasional Paper 2012-08: Impact of the Reemployment and Eligibility Assessment REA Initiative** shows that integrated delivery of these activities is more effective at getting individuals to work faster in jobs with higher wages.

Up to three integrated RESEAs for each individual claimant may be funded by the RESEA grant. States should focus their RESEA programs on helping claimants return to work as quickly as possible by providing comprehensive guidance and assistance to claimants during the initial RESEA. During the initial and subsequent RESEAs, states must refer claimants to appropriate reemployment services. Claimants who fail to report for reemployment services as directed must be referred to adjudication. Additional RESEAs for an individual who has received the initial RESEA and two subsequent RESEAs cannot be funded under this grant.

Funding for each individual RESEA may include individual staff time per RESEA. Time is allowed for adequate delivery of appropriate reemployment services that meet the needs of claimants in the RESEA program. This time includes all activities that are a part of the delivery of the RESEA, including the provision of reemployment services if the state elects to use RESEA funding to provide them, and the associated documentation of claims records and correspondence. All staffing costs should be calculated based on the direct time charges per activity. Costs for activities that involve multiple claimants are calculated on the basis of the time that is required for the activity and the number of claimants participating. If a portion of the RESEA is provided in a group setting, the staff time for that activity should be divided by the number of RESEA participants who are likely to be a part of the group activity. For example, if two staff members conduct a group orientation session that lasts one and one half hours and ten RESEA participants are expected to attend, the staff time charged for each RESEA participant for this activity would be 18 minutes. This is calculated as follows:

$$90 \text{ minutes per member} \times 2 \text{ staff members} = 180 \text{ minutes}$$

$$180 \text{ minutes} / 10 \text{ participants} = 18 \text{ staff minutes per RESEA}$$

States must report initial outcomes for 100 percent of the scheduled RESEAs that are reported on the ETA 9128 report. Each claimant scheduled for an RESEA will either participate in the RESEA or fail to participate; therefore, each scheduled RESEA must be reported as one of these two outcomes. Rescheduled RESEAs should be counted as another scheduled RESEA and the results reported when the claimant participates or fails to participate in the rescheduled RESEA.

11. Administrative Processes. States must establish or renew an agreement or Memorandum of Understanding (MOU) with the selected workforce service provider organization to address the requirements of the FY 2016 RESEA program funded under this grant. The MOU must address the following services, as well as reemployment services if the state RESEA program is funding those services:

- Orientation to help claimants access career services offered at AJCs through the resource room or virtually, with particular emphasis on accessing available labor market and career information;
- Registration with the state's job bank;
- Referrals to appropriate services offered through AJCs such as resume writing workshops, self-assessments, education and training information, interviewing techniques, networking, career exploration, and online job and occupations resources; and
- Support in the development of the claimant's tailored individual reemployment plan that must include work search activities, workshops on topics such as resume writing, job search strategies if needed, and/or approved training.

States that did not operate a RESEA program in FY 2015 must submit a copy of the MOU or provide the date when it will be submitted. States that are continuing RESEA states do not need to submit a copy of the MOU, but must certify that an MOU or other agreement has been signed by all service partners for the RESEA program. The agreement or MOU must confirm that the UI and workforce service providers, including state and local service partners, have agreed to collaborate to ensure that the requirements of the RESEA program will be met. This includes providing appropriate reemployment services to RESEA participants by the designated party and providing the data that is needed for the ETA required reports.

A. UI Feedback Loop and Adjudication. Once selected for an initial or subsequent RESEA, claimants are required to participate in all components of the RESEA. Failure to report or participate in any aspect of the RESEA must result in referral to the UI agency for adjudication of these issues under applicable state law. States must include a description in their proposals for the:

- Feedback loop from the AJC to the UI system on whether the claimants reported as directed and participated in the minimum activities outlined in their reemployment plan;
- Feedback loop established to refer any UI eligibility issues identified in the eligibility review for adjudication; and
- Process for referring to adjudication UI claimants selected for RESEAs who failed to report for the RESEA without contacting the agency.

B. Performance and Reporting. States must submit timely required reports, which are the ETA 9128 and ETA 9129, and once developed for UCX, the ETA 9128 X and ETA 9129 X. These reports are due on the 20th day of the second month following the end of the reporting quarter. Schedules for the submission of each report are

provided in ET Handbook No. 401. These reports capture specific data about the program participants. States must continue the necessary cross-program coordination that ensures data quality.

Continuing states must review reported data for the most recent four-quarter period and confirm the accuracy of the data in a narrative attached to the FY 2016 RESEA grant proposal. The narrative should explain the steps the state is taking to correct any errors in the data identified by the Department and the state. The narrative should address planned changes that will be implemented to improve data quality. Attachment C was developed to help continuing states identify reporting problems. The quarterly summary of data includes comparisons of the workload activities and outcomes. States should use these summaries in preparing the narratives for their proposals, and the National Office will use these summaries to evaluate the state's proposal for a FY 2016 RESEA grant.

12. RESEA Methodology and Required Reports. Accurate reporting is critical to the success of the RESEA program. These data have been used for reports to Congress on the RESEA program and for budgeting purposes, and have clearly demonstrated the importance of the program. States submit reports on a quarterly basis and are responsible for ensuring that the data reported are accurate and the reports are submitted timely. These data are entered into the UI Web-based reporting system. Reporting instructions for both reports are contained in ET Handbook No. 401, and the edit checks for these reports are contained in ET Handbook No. 402. In addition states must complete the Quarterly Narrative Progress Report (ETA 9165).

13. Proposal Format and Instructions. The format and instructions for preparing the RESEA grant proposals are provided in the attachments to this UIPL. Attachment A provides an abstract that must accompany all proposals. Attachment B provides guidance to states submitting proposals. Attachment C provides information related to reporting for those states currently operating an RESEA program. States must provide the information requested in all of these attachments.

Each proposal should contain both the name and telephone number of the state agency administrator who is to be notified of approval of the grant and the name, telephone number, and e-mail address of the individual who can respond to questions about the proposal.

Standard Form (SF) 424, *Application for Federal Assistance*, and SF-424A, *Budget Information – Non-Construction Programs*, must be submitted for all RESEA grants. The SF-424A requires a breakout of object class categories in item 6 of section B - Budget Categories. The breakouts must match the proposed expenditures.

14. Funding Priority. Grants will be awarded in the following priority, as feasible to fund:

- Continuing state RESEA (formerly UI REA) programs at their current level;
- Returning states implementing an RESEA program at 10,000 RESEAs or less;

- Continuing state RESEA programs currently funded at 10,000 RESEAs or below proposing to expand to a higher level in increments of 10,000 RESEAs or less;
- Returning states proposing a RESEA program at a level greater than 10,000 RESEAs in increments of 10,000 or less; and
- Continuing state RESEA programs currently funded in excess of 10,000 RESEAs to expand to a higher level in increments of 10,000 RESEAs or less.

15. Grant Proposals. States should submit an abstract containing the information in Attachment A and provide the information requested in Attachment B.

16. RESEA Proposal Procedures. We encourage states to work with ETA regional office staff in developing their proposals to ensure that:

- The RESEA program is designed to meet the needs of the targeted UI claimant populations;
- UI and AJC staff work cooperatively in planning, developing, testing, and implementing this program;
- The proposed expenditures are justified and appropriate; and
- The state is prepared or will be prepared to develop systems for collecting data for the required reports once these new reports have been developed.

17. Timeline.

- States must submit proposals electronically to the National Office by February 8, 2016 with a copy to the appropriate regional office.
- States must submit an SF-424, *Application for Federal Assistance*, signed by the state agency administrator and an SF-424A, *Budget Information – Non-Construction Programs*, with the proposal. If any changes are required after review of the proposal, revised forms or proposals will be required before award of the grant funds.

18. Action Requested. State agency administrators are requested to:

- Provide information contained in this UIPL to appropriate staff.
- Send, via e-mail, an electronic copy of the proposal to oui.sbr@dol.gov and a copy to the appropriate regional office using the title RESEA 2016 state name abbreviation such as RESEA 2016 AK.

19. Inquiries. Please direct questions to the appropriate Regional Office.

20. OMB Information Collection. OMB Information Collection No 1225-0086, Expires January 31, 2016. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. Public reporting burden for this collection of information is estimated to average 20 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments about the burden estimated or any

other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, to the attention of the Departmental Clearance Officer, 200 Constitution Avenue NW, Room N130; Washington, DC 20210. Comments may also be emailed to: DOL_PRA_PUBLIC@dol.gov. PLEASE DO NOT RETURN THE COMPLETED APPLICATION TO THIS ADDRESS. SEND IT TO THE SPONSORING AGENCY AS SPECIFIED IN THIS ANNOUNCEMENT.

21. Attachments.

- Attachment A - Elements of an Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grant Proposal Abstract
- Attachment B - Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Proposal Outline
- Attachment C - Unemployment Insurance Reemployment Services and Eligibility Assessment (RESEA) Data Concerns