UNEMPLOYMENT INSURANCE REEMPLOYMENT EVIDENCE REVIEW PROTOCOL

Highlights

- The objective of this systematic review is to determine the quality of existing causal evidence on the effectiveness of approaches to promote faster reemployment of unemployment insurance (UI) claimants.
- The review considers research on whether interventions focused on UI claimants reduce their UI benefit receipt while also increasing their reemployment rate and improving their longer-term employment and earnings outcomes.
- Only research with causal designs is reviewed for this topic area.

Introduction

The topic area for this evidence review protocol is approaches to promoting reemployment among unemployment insurance (UI) claimants. UI is designed to provide temporary financial support to individuals unemployed through no fault of their own as they seek new employment.[1] Long-term unemployment increased substantially during and after the recent recession, which is reflected in longer UI claim duration. The proportion of claimants who exhausted their regular UI benefits grew from 35 percent in the final quarter of 2006 to 53 percent by the end of 2010. Despite subsequent improvements in labor market conditions, the exhaustion rate for regular UI benefits declined only to 45 percent by the end of 2013, well above pre-recession levels.[2] Slower return to employment is harmful both for individuals, who experience short-term financial losses and potentially diminished long-term employment prospects, as well as for the fiscal strength of the UI system, which is strained by longer spells of benefit receipt. During the recession, the reserve ratio—that is, net state trust fund reserves as a percentage of total payrolls—declined to its lowest level ever.[3]

Helping UI claimants return to work with minimum delay is an important priority for the Office of Unemployment Insurance (OUI). States and the federal government have tested approaches to promoting reemployment that include assisting claimants with their job search or increasing the incentives to return to work. Those approaches prominently include providing or requiring job search assistance to help UI claimants identify promising job options, greater enforcement of eligibility requirements, and providing claimants with incentives to find employment. The UI Reemployment Evidence Review Protocol from the Clearinghouse for Labor Evaluation

[1] http://workforcesecurity.doleta.gov/unemploy/uifactsheet.asp

[2] Exhaustion rates taken from the Department of Labor's Quarter 4 Unemployment Insurance Data Summaries for 2006, 2010, and 2013, available at http://workforcesecurity.doleta.gov/unemploy/content/data.asp.

[3] Vroman, W., and S. A. Woodbury. "Financing Unemployment Insurance." *National Tax Journal*, vol. 67, no. 1, 2014, pp. 253–268.

and Research (CLEAR) examines research on the effectiveness of those efforts.[4] Specifically, the evidence review focuses on the following research questions:

- To what extent have interventions been shown to be effective in helping UI claimants return to work quickly?
- To what extent have interventions been shown to be effective in reducing UI claimants' UI benefit receipt?

Because of concerns that returning to work more quickly may involve a trade-off with the quality of employment obtained, the review will also examine the following secondary research question:

- What effect do interventions aimed at promoting reemployment among UI claimants have on individuals' longer-term employment and earnings?

The rest of this evidence review protocol sets forth the criteria by which research is determined to be eligible for review, the topic area–specific causal evidence guidelines used to evaluate the quality of the causal evidence, and an outline of review procedures and study report contents. Appendix A describes the methods used to identify the research for this topic area.

Eligibility Criteria

CLEAR conducted a broad literature search to identify all of the research papers and reports that examined one of the research questions of interest. The identified research was then screened against the eligibility criteria described below.

1. **Does the research examine an intervention aimed at promoting the reemployment of UI claimants?** To be eligible for review, the research must examine some type of effort to help UI claimants return to work more quickly, including (but not limited to) offering job search assistance, requiring in-person use of such assistance, or applying greater enforcement of UI eligibility requirements.
2. **Is it a study of effectiveness?** To be eligible for review, the research must use quantitative methods to assess the effectiveness of the intervention. Research that solely describes the characteristics or implementation of the intervention, or is a case study of states' or claimants' experiences with the intervention, is not eligible for review under this protocol.[5]
3. **Does the research examine a population of interest?** To be eligible, the study must examine outcomes of UI claimants. Those claimants include individuals claiming

[4] Aspects of the UI program's design, such as weekly benefit amounts and availability of benefits beyond 26 weeks, may influence reemployment of UI claimants. The availability of UI itself may also influence reemployment of unemployed individuals more broadly. This review does not address those questions, but rather focuses solely on approaches aimed at specifically promoting reemployment of UI claimants.

[5] Causal studies in this topic area were reviewed according to CLEAR Causal Evidence Guidelines, Version 2.0. The full set of guidelines are available at http://clear.dol.gov. CLEAR also has guidelines for reviews of descriptive and implementation research; however, this topic area is limited to causal studies.

benefits through any of the following components of the federal-state unemployment compensation system: regular state UI, Unemployment Compensation for Federal Employees, Unemployment Compensation for Ex-servicemembers, extended benefits, and congressionally legislated emergency unemployment benefits. If a study examines both UI claimants and individuals not receiving UI, the review will report findings only on UI claimants. If the sample includes both UI claimants and non-claimants and the study does not report results for the subset of UI claimants in the sample, UI claimants must compose at least 50 percent of the sample for the study to be eligible for review.

4. **Does the analysis include at least one outcome of interest?** The goal of this review is to determine the extent to which research demonstrates effects of interventions on UI claimants' reemployment and UI benefits received. Therefore, the outcome domains–and outcomes within them–of primary interest include:

   - *UI benefit receipt*. This domain includes outcomes such as average claim duration, total benefits received, the proportion that exhausts benefits, and similar outcomes.
   - *Short- and long-term reemployment*. This domain includes indicators of how quickly UI claimants return to work, the percentage employed during a particular period, and similar outcomes.
   - *Short- and long-term earnings*. This domain includes average earnings from paid work and similar outcomes.

   For this review, *long-term* is defined as outcomes beyond the end of the UI benefit year. A study must examine an outcome that is categorized in at least one of the domains above to be eligible for review.

5. **Was the research conducted in a relevant setting?** All research must have been conducted using data from the United States, including the 50 states, the District of Columbia, territories, and tribal entities.

Causal Evidence Guidelines

This topic area includes reviews of both experimental and nonexperimental causal research. CLEAR assesses the quality of evidence for randomized controlled trials (RCTs) using an adaptation of the Institute for Education Science's What Works Clearinghouse (WWC) standards.[6] RCTs can receive a High causal evidence rating if there are no obvious confounds to the RCT design and if the level of attrition in the RCT is low, as assessed using the WWC's conservative attrition boundary. If CLEAR determines that an RCT cannot be rated as providing High causal evidence, the research is reviewed using the nonexperimental causal evidence guidelines developed by CLEAR. In addition, CLEAR uses the pilot WWC standards for evaluating the quality of regression discontinuity designs (RDDs). The pilot standards set forth criteria for RDDs to receive a High causal evidence rating or, if those are not met, a Moderate causal evidence rating.

[6] See http://ies.ed.gov/ncee/wwc/InsidetheWWC.aspx for details.

Nonexperimental Causal Evidence Guidelines Specific to the Topic Area

In collaboration with a technical work group of experts, Mathematica Policy Research developed a set of evidence guidelines to be used in reviewing nonexperimental studies with causal designs. These causal designs include instrumental variables, difference-in-differences, fixed and random effects, and other types of regression analyses. Research designs that meet the causal evidence guidelines receive a Moderate causal evidence rating; this rating indicates that there is evidence that the study establishes a causal relationship between the intervention being examined and the outcomes of interest, but other factors that were not included in the analysis also could affect the outcomes of interest. Designs that do not meet the guidelines receive a Low causal evidence rating, which indicates that we cannot be confident that the estimated effects are attributable to the intervention being examined.

Causal evidence guidelines for nonexperimental studies are tailored to the topic area of interest. In particular, the topic area protocol sets forth the specific types of control variables that need to be included in nonexperimental regression analyses (other than those using fixed effects or regression discontinuity designs) for a study to receive a Moderate causal evidence rating. The topic area protocol also describes whether changes in group composition should be a concern for the review.

Control Variables

The control variables for the UI reemployment protocol are:

- Age
- Race/ethnicity
- Gender
- At least one pre-intervention measure of earnings or occupation. This could include earnings over a set period (such as the UI base period), average hourly wage, or occupational category (based on the Standard Occupational Classification System or other standardized system).
- At least one pre-intervention measure of employment status that captures employment stability. Examples include how long the claimant had been with the most recent employer or number of weeks worked during the base period.

Regression methods that incorporate a matching design, in which statistical methods are used to create a comparison group that is as similar as possible to the group receiving the intervention, must match on the previously listed control variables or, if they do not, must include them as controls in the regression. If multiple states are included in the study, then it must be demonstrated that each study group has similar representation of claimants from each state. This can be established either by showing the percentage of the sample that is from each state or by matching within states, which would create identical representation of states by construction.

Changes in Group Composition

This is relevant for research designs that use aggregate data. Although uncommon in this topic area, the change in group composition as a result of the intervention is potentially a concern for studies with this type of design. For instance, a difference-in-differences analysis comparing the average change in earnings of program participants to nonparticipants could be biased if the

earnings for participants who did not complete the program were not included in the post-intervention outcome measure.

Review Procedures

Each research paper or report that is identified as being eligible for review against causal evidence guidelines is assigned to a reviewer who has been certified by CLEAR to understand and apply its standards with fidelity. The reviewer reads the study in detail, applies the causal evidence guidelines to determine the design's causal evidence rating, and documents all aspects of the review in a standardized review guide. In particular, the review guide contains supporting information for the rating, details of the study sample and intervention, and any other pertinent information.

If the reviewer assigns a rating of High or Moderate causal evidence, a second reviewer also reviews the research to confirm such a rating is warranted. Any discrepancies between the two reviewers' ratings are resolved by the principal investigator (PI) to determine a final causal evidence rating. If the first reviewer assigns a rating of Low, the PI examines the review guide and confirms that the rating is appropriate.

When a research paper or report does not contain sufficient information to determine a causal evidence rating, CLEAR may contact the authors to gather this information; whether this step is undertaken depends on the age of the study and the quantity of information that would need to be gathered (so as not to overly burden authors). Authors receive a minimum of four weeks to respond, and reasonable requests for extensions are granted. If the information is provided by the authors, it is incorporated into the review and factors into the causal evidence rating. If the authors do not provide the relevant information, the design is given the highest rating that can be determined with the information available in the report.

APPENDIX A

LITERATURE SEARCH

Studies in this topic area were identified using a two-pronged strategy. First, we conducted a literature search in the following restricted-access research databases: Scopus, Academic Search Premier, Business Source Complete, EconLit, Education Search Complete, ERIC, and SocIndex. We used a keyword search and a search for specific interventions by name. The keyword search used terms corresponding to the eligibility criteria. To be included in the search results, a study must have had at least one term from each of the four eligibility criteria in the abstract, title, subjects, or keywords. Specifically, the search terms used were:

- **Population/intervention:** The following phrases in the title of abstract.
  - unemployment insurance
  - unemployment compensation
  - extended benefits
  - emergency unemployment benefits
- **Type of research:** The word strings "effect*" or "impact*." (Note: an asterisk indicates that all results containing the word string are returned in the search results. For instance, "effect*" captures "effect," "effects," and "effectiveness.")
- **Outcomes:** The combinations of words or word strings including
  - employment
  - reemployment
  - re-employment
  - earnings
  - weeks of benefits
  - benefit weeks
  - return to work
  - exhaust*" and "benefit*" occurring within four words of each other
  - claim and duration occurring within four words of each other
- **Location:** The following locations keywords were used,
  - United States
  - U.S.
  - U. S.
  - US
  - The names of any of the 50 states or the District of Columbia

In addition, studies were identified by searching for specific interventions by name. These were developed based on a list of studies OUI sent. Studies were included in the search results if they contained any of the following:

- "Nevada Claimant Placement Program"
- "Charleston Claimant Placement and Work Test Demonstration"
- "Wisconsin Eligibility Review Pilot Project"
- "New Jersey PDL Experiment Project"
- "New Jersey" AND "perceivable demand list"
- "Washington Alternative Work Search Experiment"
- "Florida and D.C. Job Search Assistance Demonstration"
- "Illinois UI Incentive Experiment"
- "New Jersey UI Re-employment Demonstration Project"
- "Pennsylvania Re-employment Bonus Experiment"
- "Reemployment and Eligibility Assessment"
- "Re-employment and Eligibility Assessment"
- "Worker Profiling and Re-employment Services"
- "job search assistance" and "district of Columbia" OR "Washington D.C." occurring within 10 words of each other
- "job search assistance" and "florida" occurring within 10 words of each other
- "illinois ui incentive experiment"
- "illinois unemployment insurance incentive experiment"
- Illinois and "unemployment insurance" and ("claimant bonus experiment" OR "claimant experiment" OR "employer bonus experiment" OR "employer experiment")
- "new jersey" and "unemployment insurance" and "reemployment demonstration"
- "Pennsylvania reemployment bonus" or "Pennsylvania re-employment bonus"
- "Worker Profiling and Re-employment Service*"
- "Worker Profiling and Reemployment Service*"

We also searched Google Scholar for this same set of intervention names to ensure we captured literature published in sources other than academic journals. That search identified studies from websites of research organizations, such as the W.E. Upjohn Institute; professional conferences; and university working papers.