

GAO Highlights

Highlights of [GAO-18-633](#), a report to the Chairman, Subcommittee on Human Resources, Committee on Ways and Means, House of Representatives

Why GAO Did This Study

In 2017, the UI program provided about \$30 billion in temporary income support to 5.7 million claimants who became unemployed through no fault of their own. The federal government provides various resources states can use to help UI claimants achieve reemployment. GAO was asked to review how states identify and serve claimants who need such assistance.

This report examines, among other things, (1) what key federal programs and approaches states used to help UI claimants return to work, and (2) how states used profiling systems to identify claimants who are most likely to exhaust their benefits and need assistance returning to work. GAO reviewed relevant federal laws and guidance; analyzed the most recent available national data on UI claimant participation in key workforce programs, from July 2015 through June 2016; interviewed officials from DOL, six states with key reemployment practices, and three additional states with a variety of profiling practices; and reviewed national studies examining state profiling systems.

What GAO Recommends

GAO recommends that DOL (1) systematically collect sufficient information to identify states at risk of poor profiling system performance, (2) develop a process for providing risk-based technical assistance to such states, and (3) update guidance to clarify state profiling options. DOL agreed with these recommendations.

View [GAO-18-633](#). For more information, contact Cindy Brown Barnes at (202) 512-7215 or brownbarnesc@gao.gov.

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REEMPLOYMENT SERVICES

DOL Could Better Support States in Targeting Unemployment Insurance Claimants for Services

What GAO Found

Nationwide, four key federally funded workforce programs helped states provide reemployment services, such as career counseling and job search assistance, to millions of unemployment insurance (UI) claimants, according to data from July 2015 through June 2016, the most recent period available (see table). The six selected states GAO reviewed in-depth reported using these key programs to support their efforts to help claimants return to work. Selected state officials described skills assessments, job search assistance, and interview and resume workshops as the types of services they use to connect UI claimants to jobs quickly. Officials also described varying service delivery approaches, with some of the selected states emphasizing the use of online services, while others relied to a greater extent on in-person services.

Key Federally Funded Workforce Programs Helping States Provide Reemployment Services to Unemployment Insurance (UI) Claimants, July 2015 through June 2016

Program	Services provided	UI claimants served
Wagner-Peyser Employment Service	Non-training services, including career counseling, job listings, job search assistance, and referrals to employers	5 million participated
Reemployment Services and Eligibility Assessment (RESEA)	Services including assessment of claimant's continued eligibility for UI and development of individual reemployment plan	1.1 million scheduled to receive services
WIOA ^a Dislocated Worker	Training, such as occupational skills training, and services, including career counseling and job search assistance	311,000 finished participating
WIOA ^a Adult		299,000 finished participating

Source: GAO analysis of Department of Labor (DOL) data. | GAO-18-633.

^aWorkforce Innovation and Opportunity Act (WIOA).

According to a 2014 national questionnaire to states, most states used a statistical system to identify UI claimants who are most likely to exhaust their benefits and need assistance returning to work (known as profiling). Six of the nine states GAO reviewed used statistical systems and three used non-statistical approaches. GAO identified several concerns with the Department of Labor's (DOL) oversight and support of state UI profiling systems:

- Although a 2007 DOL-commissioned study found that some statistical systems may not perform well, DOL has not collected the information needed to identify states at risk of poor profiling system performance.
- Some selected states have faced technical challenges in implementing and updating their statistical systems. However, DOL does not have a process for identifying and providing technical assistance to states at risk of poor system performance or those facing technical challenges. Instead, it only provides assistance to those states that request it.
- While states have latitude to choose their preferred profiling approach, DOL's 1994 guidance encourages all states to use statistical systems. Because DOL has not updated this guidance to ensure that it clearly communicates all available profiling system options, some states may not be aware that they have greater flexibility in choosing an option that best suits their needs.