

Responses to Personal Reemployment Accounts (PRAs): Findings From the Demonstration States

Final Evaluation Report

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EXECUTIVE SUMMARY

Personal reemployment accounts (PRAs) are a strategy intended to help unemployed workers build job skills and find work. Targeted to a subset of recipients of Unemployment Insurance (UI) benefits, PRAs of \$3,000 allow recipients to choose how and when to spend funds from their account to purchase reemployment services, including training. Workers may also elect to receive the funds as cash bonuses for reentering the workforce and keeping a job. In 2004, the U.S. Department of Labor's Employment and Training Administration (ETA) launched the PRA demonstration project to examine this strategy of fostering good employment outcomes for UI recipients.

The lessons from this evaluation of the PRA experience are of value to policymakers and program administrators as the concept of self-managed accounts in the workforce investment system continues to evolve beyond this specific demonstration. In fall 2006, ETA launched a demonstration in select states of Career Advancement Accounts (CAAs). Like PRAs, CAAs are self-managed capped accounts of \$3,000, but they are renewable for a total of up to \$6,000 over two years. Unlike PRAs, CAAs can be used only for education and training and do not include a bonus component. Despite the differences between the two accounts, the PRA experience can shed light on potential strengths and weaknesses of individually managed accounts.

KEY ELEMENTS OF PRAS

PRAs are recipient-managed accounts, targeted to UI recipients who are identified as "likely to exhaust" their benefits. Over the course of one year, PRA recipients can choose how and when to spend funds from their account to purchase a range of reemployment services including intensive career counseling, training, and supportive services. They may also elect to receive the funds through bonuses. Specifically, PRA recipients can choose to receive 60 percent of any remaining balance in their PRA when they start a full-time job as long as they do so by the end of the 13th week of UI benefit receipt. They then can receive the remaining 40 percent (or the account balance) after six months on the job.

PRAs are offered through One-Stop Career Centers and their use is entirely voluntary. PRA recipients, like all job seekers, have free access to the core services that are available within the One-Stop Career Centers to assist them in their job search. PRA recipients can

select any intensive or training services they choose, whether offered within the One-Stop Career Center or by a private vendor, but they must pay for the services with PRA funds. They cannot pursue an Individual Training Account (ITA) for the one-year period for which the PRA is valid. Key features of PRAs are summarized in Table ES.1.

Table ES.1. Personal Reemployment Account: Key Elements

Amount	\$3,000 flexible use, capped reemployment account
Time period	Valid for one year from date of issue
Participants	UI recipients identified as likely to exhaust benefits through the state's Worker Profiling and Reemployment Services (WPRS) system
Purpose	To purchase intensive, training, or supportive services from One-Stop Career Centers, the marketplace, or both AND/OR To receive bonus payments based on (1) reemployment within 13 weeks of UI receipt (60 percent of account balance) and (2) six-month job retention (40 percent of account balance)
Interaction with other benefits/services	No effect on UI benefits; an additional resource for eligible recipients Not eligible for WIA intensive and training services for the one-year life of the PRA

OVERVIEW OF THE DEMONSTRATION STATES

The eight demonstration states—Florida, Hawaii, Idaho, Minnesota, Mississippi, Montana, Texas, and West Virginia—have received a combined total of \$12.3 million (over two funding cycles) and have established PRAs for 4,480 unemployed workers at risk of exhausting their UI benefits (Table ES.2). Seven of the eight states implemented PRAs in One-Stop Career Centers representing specific geographic or workforce investment areas. One state—West Virginia—offered PRAs statewide. The first PRA offers were made by all seven original states from early March through mid-April of 2005; the first offers in Hawaii were made in August of 2006.

Federal guidance developed by ETA provides the basic framework on which PRAs are built, however, states and local participating sites were given broad discretion over PRA policy and procedures. In general, the demonstration states adopted the PRA structure as set by federal policy with few adaptations. However, there is some state-to-state variation in PRA policy and structure that may have affected staff practices and recipient responses. Specifically, the states had the flexibility to set the cap on which bonuses are calculated at less than the full account of \$3,000 and could vary the timing of employment entry by which an individual qualifies for the first bonus. The states also had the discretion to formulate their own policies to define caps on supportive service payments and allowable uses. Finally, federal policy defines the period of validity for the PRA as one year, but three states developed early closure policies for accounts with periods of inactivity. State decisions on these three key PRA policies are summarized in Table ES.3.

Table ES.2. Overview of the Eight PRA Demonstration States

State Agency	Number of Participating Sites	Total Funding ^a	Total Number of PRA Recipients	Implementation Date (When PRA Offers Were First Made)
Florida Agency for Workforce Innovation (AWI)	4	\$1,733,325	513	March 14-31, 2005 (varies by region)
Hawaii Department of Labor and Industrial Relations (DLIR)	3	\$568,186	211	August 2006
Idaho Department of Commerce and Labor (IDCL)	6	\$2,099,659	477	March 7, 2005
Minnesota Department of Employment & Economic Development (DEED)	4	\$2,749,793	1,035	March 15, 2005
Mississippi Department of Employment Security (MDES)	6	\$1,735,079	841	March 24, 2005
Montana Department of Labor & Industry (DLI)	4	\$557,792	157	April 11, 2005
Texas Workforce Commission (TWC)	2	\$2,207,022	733	April 7, 2005
West Virginia Bureau of Employment Programs (BEP)	Statewide	\$683,462	513	March 14, 2005
Total	—	\$12,334,318	4,480	—

Source: Funding information provided by ETA and State Plans; telephone interviews conducted in the spring of 2005 and fall of 2006.

^aFlorida, Montana, Texas, and West Virginia received funding from PY 2004 only; Hawaii from PY 2005 only; Idaho, Minnesota, and Mississippi received demonstration funding in both cycles.

PRA DEMONSTRATION EVALUATION

The PRA demonstration provided an opportunity to evaluate this approach to delivering reemployment services. The demonstration period began in early 2005 when ETA made grants to the original seven demonstration states and initial offers were made to eligible individuals. The evaluation period ran from the time the initial offers were made through late 2007, just over two and a half years. The evaluation involved a qualitative component that included an implementation study and a focus group study and a quantitative study that analyzed recipient-level PRA and UI data to address the following five research questions:

- How did the state and local demonstration sites plan for, implement, and operate PRAs?
- What is the rate of acceptance of PRA offers among eligible UI claimants, and what factors contribute to their decision to accept the offer?

Table ES.3. Summary of Key PRA Policy Decisions in the Demonstration States

	Bonus Structure		Supportive Service Purchases for General Expenses in Support of Job Search Activities	Timeframe Before Early PRA Closure (based on inactivity period)
	Employment by End of UI Week	Bonus Cap		
Florida	13	\$3,000	Cannot be used to cover mortgage payments	None
Hawaii	13	\$3,000	Centralized review process	4 consecutive months of inactivity at any time
Idaho	8	\$3,000	Cannot be used to cover mortgage payments	None
	9-13	\$2,000		
Minnesota	Initially varied by PRA recipient based on UI weekly benefit amount; changed to \$3,000 cap for all in July 2006		No restrictions	No disbursements within the first 6 months (decreased to 4 months in February 2007)
Mississippi	13	\$3,000	No uses for ongoing monthly expenses	None
Montana	13	\$3,000	No uses for ongoing monthly expenses	None
Texas	10	\$3,000	No restrictions	None
	11-13	\$2,000		
West Virginia	13	\$3,000	No allowable uses	No disbursements within the first 6 months

Source: Site visits and interviews conducted July 2005 through January 2006; supplemented by telephone interviews conducted in fall 2006 and fall 2007.

- How do recipients use the PRA and what is the average level of per-recipient use of PRA funds?
- What are the patterns of receipt of UI benefits among PRA recipients, and what are their employment outcomes?
- What implementation successes and challenges have the PRA demonstration states experienced, and what do those experiences say about expanding individually managed accounts in the workforce investment system?

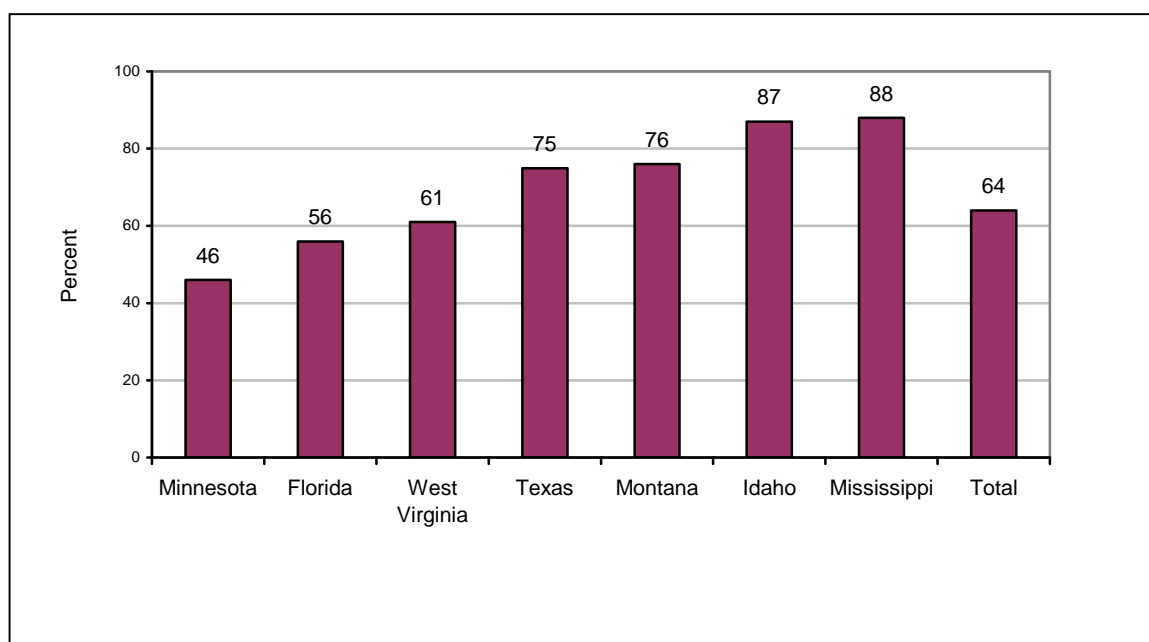
This final report draws on findings from the qualitative components, but is focused on reporting the results from the quantitative analysis of recipient characteristics, PRA uses, and recipient outcomes using individual-level PRA and UI data from the seven original demonstration states. An analysis of PRA and UI data from Hawaii will be conducted later in 2008 due to the state's later entry into the demonstration. The discussion, tables, and

figures throughout the report will only include Hawaii as appropriate or applicable, given the availability of information.

MAKING THE PRA DECISION

Acceptance Rates. Receiving a PRA is entirely voluntary and is offered as an alternative to WIA services such that individuals can have more choice and control in selecting and purchasing services to help them get reemployed. In six of the seven original demonstration states, the majority of individuals who were offered a PRA accepted it. However, the acceptance rate of the PRA differs substantially across the demonstration states from a low of 46 percent in Minnesota to a high of 88 percent in Mississippi (Figure ES.1).

Figure ES.1. PRA Acceptance Rates, 2005-2007



Source: Calculations based on individual-level PRA data on recipients and decliners provided by Idaho, Mississippi, Texas, and West Virginia, and on state quarterly activity and expenditure reports on the PRA demonstration, as of June 2007 for Florida, Minnesota, and Montana.

Characteristics of PRA Recipients. The majority of PRA recipients are white, between the ages of 35 and 54, and have a high school diploma but less than a college degree. About half of recipients are men and are married. But, there is substantial variation in some of these characteristics across the states, with PRA recipients in Mississippi and West Virginia often differing the most from those in other states. In every state, the largest portion of PRA recipients earned between \$10 and \$20 per hour in the last job they held prior to PRA entry. Even while job tenure varied tremendously by state, PRA recipients are steady workers overall. The median recipient held his/her last job for 3.5 years and the average length of job tenure among all recipients is 7.2 years.

Potential Reasons for Declining the PRA Offer. The reasons for declining the PRA offer cannot be determined with certainty in this evaluation. The analysis examined the differences in demographic and employment characteristics between those who accept the PRA offer and those who decline it, but is limited to those states for which data are available for both groups.

Those who decline the PRA offer are more likely to be male, 55 years in age or older, and to have less education, in general, than those who accept the offer (Table ES.4). In the limited data available, it appears that parental status might also significantly affect acceptance rates. These findings are largely consistent with the qualitative reports from program staff and focus group participants about the potential reasons for declining the PRA. Both suggested that the primary reason for declining was a desire for training. It could be that college-educated workers and those with a child under 18 may be less interested or less able to pursue training, respectively.

Table ES.4. Characteristics of Recipients at PRA Entry, by PRA Offer Decision (Percentages, Unless Stated Otherwise)

	Accepters	Decliners	All Offers
Gender			
Male	50	54**	51
Female	50	46**	49
Age			
Less than 25 years	7	7	7
25 to 34 years	20	14***	19
35 to 44 years	25	20***	24
45 to 54 years	30	30	30
55 years and over	18	29***	21
Average Age in Years	42.8	46.1***	43.5
Median Age in Years	44	48	45
Educational Attainment			
Less than high school diploma / GED	10	11	11
High school diploma / GED	43	50***	45
Some college / 2 year degree	32	28**	31
Completed 4 year college	10	7***	10
Post-graduate education	4	4	4
Have Children under 18 ^a	41	31***	39
Total Number of Offers	2,883	830	3,713

Source: Calculations based on individual-level PRA data on recipients and decliners provided by Idaho, Mississippi, Texas, West Virginia, and one of four demonstration sites in Minnesota.

Note: Sums may not total to 100 due to rounding.

*/**/** Difference is statistically significant at the .10/.05/.01 level.

^aData not available for Idaho and West Virginia.

USES OF PRA FUNDS

The flexibility and breadth of potential uses of PRA funds present the recipients with a range of choices. In deciding how to use PRA funds, account holders must weigh the relative value of a large lump-sum payment for early employment against purchasing services that can make them more marketable.

Bonus Receipt. The receipt rate for the employment entry bonus (the first PRA bonus) among all PRA recipients in the original seven demonstration states is 31 percent (Table ES.5). Five of the seven states have bonus receipt rates clustered around this average; however, there is a low of 8 percent in this rate in Montana and a high of 52 percent in Florida. Many factors could contribute to the differences in bonus receipt rates between the states—some exogenous to the PRA program (the employability of individuals with certain characteristics) and some specific to the structure and implementation of the PRA (attractiveness of the bonus amount, policies defining the full range of uses of the PRA, and implementation in the timing of the offer and methods of account management).

Table ES.5. PRA Bonus Receipt

State	Employment Bonus (First Bonus)			Retention Bonus (Second Bonus)		
	Receipt Rate	Average Number of Weeks of UI Receipt at Time of Employment	Average Amount	Receipt Rate Among All PRA Recipients	Receipt Rate Among First Bonus Earners	Average Amount
Florida	52%	11.0	\$1,713	39%	75%	\$1,130
Idaho	29%	7.7	\$1,529	17%	58%	\$1,073
Minnesota	26%	9.1	\$1,539	18%	71%	\$1,071
Mississippi	37%	9.1	\$1,795	22%	60%	\$1,200
Montana	8%	10.7	\$1,727	5%	60%	\$1,119
Texas	25%	8.7	\$1,602	16%	65%	\$1,086
West Virginia	31%	8.2	\$1,780	26%	85%	\$1,186
All	31%	9.2	\$1,662	22%	70%	\$1,123

Source: Calculations based on PRA data from the seven demonstration states.

PRA account holders make decisions that determine the size of their bonuses (up to a maximum first bonus of \$1,800—60 percent of the \$3,000—and a corresponding maximum of \$1,200 for the second bonus); any services purchased will draw down the total amount available for bonus payments. Account holders who earn the bonuses spend \$230 on services, on average, before employment. Specifically, the average \$1,662 first bonus payment is based on an account balance of \$2,770 at the time of employment entry (Table ES.5). About two out of every three PRA recipients who earn the first bonus also earn the second bonus, suggesting a substantial level of job retention among bonus earners. Overall,

just over one in every five PRA recipients across the demonstration states earns the retention bonus.

Service Purchases. Account holders have broad discretion over which services to select. The data indicate that recipients save funds to receive large bonuses (discussed above), that they spend substantial funds on supportive services, very little (if any) on intensive services, and a slight but noticeable amount on training.

The majority of PRA recipients in four states—Idaho, Minnesota, Montana, and Texas—use the PRA to purchase supportive services, while very few (3 to 4 percent) do so in Mississippi and West Virginia (Table ES.6). Just under half of the PRA recipients in Florida purchase supportive services with PRA funds. Across the demonstration states, the average per-recipient spending on supportive services among those recipients who show such spending is \$681, and ranges from a low of \$349 in Florida to \$932 in Minnesota.

Table ES.6. Service Payments Per PRA Service Purchaser

State	Supportive Services		Training		Intensive Services		Total	
	Percent of Recipients	Average Amount	Percent of Recipients	Average Amount	Percent of Recipients	Average Amount	Percent of Recipients	Average Amount
Florida	47%	\$349	6%	\$585	16%	\$188	59%	\$339
Idaho	64%	\$643	19%	\$892	0%	0	69%	\$704
Minnesota	52%	\$932	11%	\$731	2%	\$553	55%	\$888
Mississippi	3%	\$696	2%	\$1,279	0%	0	5%	\$912
Montana	70%	\$700	17%	\$903	0%	0	73%	\$786
Texas	57%	\$591	19%	\$1,275	<1%	\$487	63%	\$765
West Virginia	4%	\$600	11%	\$1,381	1%	\$848	13%	\$1,168
Total	38%	\$681	12%	\$1,031	2%	\$289	43%	\$747

Source: Calculations based on PRA data from the seven demonstration states.

Among all PRA recipients, 12 percent use the account to purchase training (Table ES.6). More than 10 percent of recipients in every state but Florida and Mississippi pursue training with PRA funds. The average spending on training among recipients who purchase training is more than \$1,000 each in Mississippi, Texas, and West Virginia, and more than \$500 but less than \$1,000 in the other states.

PRA recipients in Idaho, Mississippi, and Montana do not spend any funds to purchase intensive services, and only 2 percent or less purchase these services in Minnesota, Texas, and West Virginia. Only in Florida is there a noticeable percentage of PRA recipients (16 percent) who use their accounts to purchase intensive services. The implementation study found that two participating sites in Florida have developed intensive services packages and heavily market them to potential account holders during orientation and individual follow-up meetings.

Average Per-Recipient PRA Use. The average PRA recipient spends \$1,757 from the account (Table ES.7). The balance of spending is tipped toward service purchases, for a total of \$974 spent per recipient. The majority of this spending (\$802) is directed toward the purchase of supportive services. The average recipient earns \$783 through the two bonus payments.

Table ES.7. Average Per-Recipient Disbursements

	All PRA Recipients	
	Average Amount	Percent of Total
Reemployment Bonus (1 st Bonus)	\$531	30%
Retention Bonus (2 nd Bonus)	\$252	14%
Total Bonuses Received	\$783	45%
Intensive Services	\$9	1%
Training	\$163	9%
Supportive Services	\$802	46%
Total Services Received	\$974	55%
Total Average Expenditure	\$1,757	100%
Total as Percent of \$3,000		58%

Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total exactly due to rounding.

TYPES OF PRA RECIPIENTS AND PATTERNS OF USE

Findings from the implementation and focus group studies are used to develop a framework for examining the patterns in PRA use by different types of users and in different time periods. PRA recipients are divided into five distinct groups based on PRA use in *the bonus qualification period (the first 13 weeks after the UI claim)* in order to explore the specific strategies they may pursue in using their accounts for reemployment. The groups and the key findings about their patterns and level of PRA use are summarized in Table ES.8.

PATTERNS OF UI RECEIPT AND EMPLOYMENT OF PRA RECIPIENTS

Of interest is the contribution that the PRA may make to speeding reemployment, shortening the length of UI receipt, and promoting job retention. Only an impact evaluation can assess the effectiveness of the PRA. However, we can describe the UI receipt and employment of PRA recipients and the patterns that emerge may be suggestive of the effects of the PRA.

Table ES.8. Types of PRA Recipients and Patterns of PRA Use

Type of PRA Recipient	Definition Used to Construct Group	Key Findings
Bonus-Focused Users	Limited service spending to \$300 or less and received a bonus of at least \$1,620	<ul style="list-style-type: none"> • These users receive \$2,694 (or 90 percent) of the PRA on average, receiving nearly all through bonus receipt. • They typically earn the full amount of the first bonus, but not all earn the second bonus.
Supportive-Service Focused Users	Spent \$800 or more specifically on supportive services in the first 13 weeks of UI receipt	<ul style="list-style-type: none"> • These users also come close to using the PRA in full, with total disbursements of \$2,728, on average. • They start spending early in the life of the account, and use most of the funds to purchase supportive services by the end of the bonus qualification period. • They spend very little on other services (training or intensive).
Other Users	Those whose bonus amounts or supportive services spending did not place them in the bonus-focused or supportive-service focused categories and those whose spending was only for training and/or intensive services	<ul style="list-style-type: none"> • These users have the lowest PRA disbursements overall, totaling only \$1,656 over the course of the account. • Their initial disbursements are focused on training, but then shift to supportive services purchases after the bonus qualification period ends. • Over the course of the account, the largest share of their disbursements goes to purchase supportive services; these total \$743, comprising 45 percent of their disbursements.
Initial Nonusers	Have no disbursements from the PRA in the initial period, but purchase services after their 13 th week of UI receipt	<ul style="list-style-type: none"> • These recipients first save the account, presumably to earn the maximum bonus. • Once they do not earn the bonus, they make purchases primarily of supportive services and some training. • They spend an average of \$2,238 from their PRA.
Complete Nonusers	Never make any disbursements from the account	<ul style="list-style-type: none"> • Just over one in every four PRA recipients (28 percent) does not use their account for any purpose.

UI Receipt. By definition, PRA recipients are considered more likely than other UI recipients to exhaust their benefits—that is, to receive UI for all weeks they are eligible for benefits—yet many do not exhaust their benefits to the degree expected. States estimate the probability that each UI claimant will receive their benefits in full through the WPRS models. The estimated average rate of exhaust for PRA recipients based on WPRS scores in the five states for which these data are available is 52 percent (Table ES.9). The actual average rate of exhaust for PRA recipients is substantially lower at 40 percent. Actual

exhaust rates for recipients are consistently lower than the estimated rates in each of the four states for which both are available.

Table ES.9. UI Exhaust Rates and Duration Among PRA Recipients

State	Estimated Exhaust Rate For PRA Recipients ^a 2005-06	Actual Exhaust Rate Among PRA Recipients 2005-06 (percentages)	Duration of UI Eligibility Among PRA Recipients 2005-06 (in weeks)	Actual UI Duration Among PRA Recipients in 2005-06 (in weeks)	UI Duration Among all UI Recipients in FY 2006 (in weeks)
Florida	--	36	22	14	14
Idaho	--	21	26	17	12
Minnesota	45	--	--	18	15
Mississippi	43	36	24	14	17
Montana	66	60	20	15	15
Texas	56	53	22	17	14
West Virginia	55	39	26	17	14
All States	52	40	23	17	13

Source: Calculations are based on PRA data from the seven demonstration states. Statewide exhaust rates are based on state-reported data in the Unemployment Insurance Data Base (UIDB); see <http://workforcesecurity.doleta.gov/unemploy/content/data.asp>.

-- Data not available.

^aBased on state WPRS scores that reflect the estimated probability of each UI claimant to exhaust.

PRA recipients receive UI benefits for 17 weeks, on average—about one month shorter than their full period of eligibility and about one month longer than all UI recipients in the demonstration states (Table ES.9). In three states—Florida, Mississippi, and Montana—PRA recipients received UI benefits for the same amount of or less time on average than all UI beneficiaries.

Employment. In the quarter following PRA entry, roughly half of all PRA recipients are employed and this overall rate does not change much by the third quarter. Employment rates fluctuate from quarter to quarter rather than rising consistently. While many PRA recipients gain employment, job instability is an issue in some states. Overall, 56 percent of recipients are employed in any two consecutive quarters after receiving a PRA—that is, in the first and second quarters after PRA receipt, or in the second and third quarters after PRA receipt. Across all demonstration states, substantially fewer are employed in three consecutive quarters than in two.

Patterns for Different PRA Recipients. UI receipt patterns and employment rates are quite different across different groups of PRA recipients. For example, bonus-focused users enter employment quickly and have employment rates in each of the three follow-up quarters that are significantly higher than all other groups of PRA recipients. They are also

most likely to be employed consistently (in two and three consecutive quarters). Just about half of all supportive service-focused and “other” users receive their full UI benefits and have similar employment rates in the first quarter after PRA entry. Supportive service-focused users make the greatest gains in earnings over the full follow-up period, fully achieving the median level of earnings they received prior to PRA entry. Complete nonusers and initial nonusers are most likely to receive their full UI benefits and have the lowest employment rates in each follow-up quarter. But as initial nonusers have higher education and earnings prior to PRA entry they may be holding out for the right job, while complete nonusers may struggle to gain employment.

THE STRUCTURE OF PRAS AND CONSIDERATIONS FOR CUSTOMER-MANAGED ACCOUNTS

The experiences of the demonstration states, program staff, and PRA recipients suggest some considerations about PRAs specifically, and customer-managed accounts in general.

Purposes of the Account. The broad purposes of the account give recipients a great deal of flexibility in supporting their reemployment efforts, but the bonus and service purchase components might send mixed messages and serve different purposes. Reemployment accounts, such as CAAs, which focus on employment services and training, may be a model better suited to the goals and delivery structure of the workforce investment system.

Account Amount. The right amount for a reemployment account may be a function of its purpose to the recipient. The \$3,000, while generous for some, was not enough of an incentive for many to speed their reemployment in the context of long-term career interests and goals. The \$3,000 was similarly “low” in comparison with the amount of potential support offered through an ITA for which individuals could qualify to assist with training costs. The decision to go with the PRA or pursue an ITA for training seems to come down to a choice between amounts offered—with the ITA winning out on most occasions due to the higher amount generally offered to support training.

Career Counseling. PRAs are fully customer-managed, and few recipients choose to use the funds to purchase intensive career counseling and job search assistance. There is no way to assess, through this evaluation, how the outcomes of PRA recipients may be different given some upfront development of career plans and associated strategies for using the accounts.

Length of Accounts. PRA recipients have the \$3,000 at their disposal for up to one year. The analysis shows that among all PRA users, the last disbursement from the account is made, on average, within the first four and a half months. This suggests that the one-year length may not be necessary, particularly if an account is focused on quick reemployment.

CONCLUSION

The PRA is a unique strategy in reemployment services, intended to put unemployed workers in control of their career planning and job search efforts, and to provide them with the financial support and/or incentive to get back to work quickly. While the outcomes of recipients with regard to duration of UI receipt and employment and earnings have been examined, the key question of the effectiveness of PRAs in speeding reemployment and shortening UI receipt has not been answered. And, it cannot be assessed how individuals might have responded to the PRA in the absence of the ITA alternative. The final step in assessing PRAs fully would be a rigorous experiment. To test the customer-managed nature of the accounts, the amount of the PRA could be set equal to the ITA.

The next generation of customer-managed accounts—the Career Advancement Accounts—are now being implemented in eight demonstration states, and will further the experience with and knowledge of this type of strategy in serving customers within the workforce investment system.

CHAPTER I

WHAT ARE PERSONAL REEMPLOYMENT ACCOUNTS?

Personal reemployment accounts (PRAs) are a strategy intended to help unemployed workers build job skills and find work. PRAs are lump sum accounts of \$3,000 that are fully managed by the unemployed worker and valid for one year. Targeted to a subset of recipients of Unemployment Insurance (UI) benefits, PRAs allow recipients to choose how and when to spend funds from their account to purchase reemployment services. Workers may also elect to receive the funds as cash bonuses for quickly reentering the workforce and keeping a job.

In 2004, the U.S. Department of Labor's Employment and Training Administration (ETA) launched the PRA demonstration project to examine this strategy of fostering good employment outcomes for UI recipients. PRAs were intended to achieve three goals (ETA 2003): (1) to give job seekers choice in and control over the type and timing of services they received, (2) to encourage and support rapid return to the labor market, thereby shortening the unemployment spell, and (3) to promote job retention. Seven states volunteered to participate in the demonstration: Florida, Idaho, Minnesota, Mississippi, Montana, Texas, and West Virginia. In the summer of 2006, a second round of demonstration funding provided Idaho, Minnesota, and Mississippi additional funding to extend their PRA demonstrations, and allowed a new state—Hawaii—to join the demonstration.

Coffey Consulting, LLC, and Mathematica Policy Research, Inc. (MPR), under contract to ETA, provided technical assistance to the states in PRA startup and implementation and evaluated the implementation of PRAs in the eight states. An interim evaluation report, released in September 2006, presents findings from a qualitative analysis of the PRA planning process, key implementation decisions, and the states' early experiences with the PRA, as well as some early findings based on aggregate data on the types and extent of use of PRAs (Kirby 2006). This final evaluation report provides summary lessons from the qualitative implementation study, but focuses predominantly on recipient responses to the

PRAs based on an analysis of individual-level PRA and UI data from the seven original demonstration states.¹

The lessons from this evaluation of the PRA experience are of value to policymakers and program administrators as the concept of self-managed accounts in the workforce investment system continues to evolve beyond this specific demonstration. In fall 2006, ETA launched a demonstration of Career Advancement Accounts (CAAs) in select states. Like PRAs, CAAs are self-managed, capped accounts of \$3,000, but they are renewable for a total of up to \$6,000 over two years. Unlike PRAs, CAAs can be used only for education and training and do not include a reemployment bonus component. CAAs are not limited to targeted UI recipients, as are PRAs, rather they are offered to a wider population. Despite the differences between the two accounts, the PRA experience can shed light on potential strengths and weaknesses of CAAs and other types of approaches to employment and training policy and on self-managed accounts.

A. KEY ELEMENTS OF PRAS

PRAs are self-managed accounts, targeted to UI recipients who are identified as likely to still be unemployed when they receive their last UI benefit payment, and therefore “likely to exhaust” all of their UI benefits. Unemployment insurance provides partial replacement of earnings to eligible individuals for a limited period of unemployment. Generally speaking, eligibility for UI depends on past earnings, the reason for unemployment, and on being able and available to work and actively seeking reemployment. UI benefits can be paid for a maximum of 26 weeks in most states. In 1993, each state was required by the federal government to set up the Worker Profiling and Reemployment Services (WPRS) system, which uses a statistical model or characteristic screens to target reemployment services to UI recipients likely to reach the maximum number of weeks they can receive benefits—in other words, to exhaust their benefits. Each PRA demonstration state was required to use its WPRS system to identify individuals who are eligible for a PRA. PRAs are provided in addition to regular UI benefits; an individual must be eligible for UI to obtain a PRA, but the acceptance and use of a PRA does not interfere with the receipt of UI benefits.

Over the course of one year, PRA recipients can choose how and when to spend funds from their account to purchase a range of reemployment services including intensive career counseling, training, and supportive services. They may also elect to receive the funds through bonuses for reentering the workforce and keeping a job. Specifically, PRA recipients can choose to receive 60 percent of any remaining balance in their PRA when they start a full-time job as long as they do so by the end of the 13th week of UI benefit receipt.² They then can receive the remaining 40 percent (or the account balance) after six months on

¹ An analysis of PRA and UI data from Hawaii will be conducted later in 2008 due to the state’s later entry into the demonstration.

² The demonstration states set the definitions for full-time employment; it is typically defined as at least 35 hours per week.

the job.³ The account holder also can use the PRA to purchase services *and* receive a bonus for timely reemployment, with the bonus amount calculated on funds remaining after services are purchased.

PRA are offered through One-Stop Career Centers and their use is entirely voluntary. PRA recipients, like all job seekers, have free access to the core services that are available within the One-Stop Career Centers to assist them in their job search. These core services include use of resource rooms, reference materials, and computers and other equipment, as well as access to job listings. However, PRAs are offered as an alternative to Workforce Investment Act (WIA) intensive career counseling services and Individual Training Accounts (ITAs), which can provide a higher level of financial support for training. Through WIA, individuals must qualify for intensive services, but once determined eligible they can receive free services that are selected with staff input and direction. They must go through WIA's sequence of core and intensive services before being eligible for training.⁴ In contrast, individuals have immediate access to the PRA once they accept the offer. They can select any intensive or training services they choose, whether offered within the One-Stop Career Center or by a private vendor, but they must pay for the services with PRA funds. They cannot, however, pursue an ITA for the one-year period for which the PRA is valid. Key features of PRAs are summarized in Table I.1.

Table I.1. Personal Reemployment Account: Key Elements

Amount	\$3,000 flexible use, capped reemployment account
Time period	Valid for one year from date of issue
Participants	UI recipients identified as likely to exhaust benefits through the state's Worker Profiling and Reemployment Services (WPRS) system
Purpose	To purchase intensive, training, or supportive services from One-Stop Career Centers, the marketplace, or both AND/OR To receive bonus payments based on (1) reemployment within 13 weeks of UI receipt (60 percent of account balance) and (2) six-month job retention (40 percent of account balance)
Effect on other benefits/services	No effect on UI benefits; an additional resource for eligible recipients Not eligible for WIA intensive and training services for the one-year life of the PRA

³ PRA recipients do not have to remain in the same job for six months to qualify for the second bonus. However, they cannot experience a break in employment that lasts longer than one week, and all jobs must be full time.

⁴ There is wide variation in the time it takes to complete the sequence of services and receive an ITA (D'Amico et al. 2001). In the ITA experiment it took about nine weeks, on average, for eligible individuals to receive an ITA under the service approach that is most similar to current practice (McConnell et al. 2006).

B. OVERVIEW OF THE DEMONSTRATION STATES

The eight demonstration states—Florida, Hawaii, Idaho, Minnesota, Mississippi, Montana, Texas, and West Virginia—had a total funding level of \$12.3 million (over two funding cycles) to establish PRAs for a minimum of 3,543 unemployed workers at risk of exhausting their UI benefits (Table I.2). ETA provided demonstration funding with targeted numbers of accounts in mind per state, but with the expectation that these targets would serve as the minimum number of unemployed workers who could be served. Given that not all recipients would fully spend their accounts, states were expected to create accounts beyond the initial targets in order to expend the full demonstration grant.

Table I.2. Overview of the Eight PRA Demonstration States

State Agency	Regions/ Geographic Areas	Total Funding ^a	Targeted Number of PRA Participants	Implementation Date (When PRA Offers Were First Made)
Florida Agency for Workforce Innovation (AWI)	Region 14 Regions 3,4,5 (Consortium of Panhandle counties)	\$1,733,325	495	March 14-31, 2005 (varies by region)
Hawaii Department of Labor and Industrial Relations (DLIR)	<i>Hilo One-Stop Career Center</i> <i>Kona One-Stop Career Center</i> <i>Molokai One-Stop Career Center</i>	\$568,186	160	August 2006
Idaho Department of Commerce and Labor (IDCL)	<i>Coeur d'Alene One-Stop Center</i> <i>Idaho Falls One-Stop Center</i> <i>Boise One-Stop Career Center</i> <i>Meridian One-Stop Career Center</i> <i>Canyon County One-Stop Career Center</i> <i>Lewiston One-Stop Career Center</i>	\$2,099,659	593	March 7, 2005
Minnesota Department of Employment & Economic Development (DEED)	<i>Anoka Workforce Center</i> <i>Dakota Workforce Center</i> <i>Cambridge Workforce Center</i> <i>Mankato Workforce Center</i>	\$2,749,793	813	March 15, 2005
Mississippi Department of Employment Security (MDES)	<i>Tunica WIN Center</i> <i>Gulfport WIN Center</i> <i>Clarksdale WIN Center</i> <i>Columbus WIN Center</i> <i>McComb WIN Center</i> <i>Pascagoula WIN Center</i>	\$1,735,079	503	March 24, 2005

Table 1.2 (continued)

State Agency	Regions/ Geographic Areas	Total Funding ^a	Targeted Number of PRA Participants	Implementation Date (When PRA Offers Were First Made)
Montana Department of Labor & Industry (DLI)	Belgrade One-Stop Center Butte One-Stop Center Cut Bank One-Stop Center Lewistown One-Stop Center	\$557,792	158	April 11, 2005
Texas Workforce Commission (TWC)	Texoma and Gulf Coast Workforce Development Areas	\$2,207,022	625	April 7, 2005
West Virginia Bureau of Employment Programs (BEP)	Statewide	\$683,462	196	March 14, 2005
Total	—	\$12,334,318	3,543	—

Source: Funding information provided by ETA and State Plans; telephone interviews conducted in the spring of 2005 and fall of 2006.

Note: Italics indicate sites that were added with the second round of demonstration funding in 2006 (with PY 2005 funds).

^aIncludes PY 2004 and/or PY 2005 Wagner-Peyser Reemployment Services (RES) formula allocation plus DOL WIA demonstration funds dollar-for-dollar match up to \$750,000. Florida, Montana, Texas, and West Virginia received funding from PY 2004 only; Hawaii from PY 2005 only; Idaho, Minnesota, and Mississippi received demonstration funding in both cycles.

Seven of the eight states implemented PRAs in One-Stop Career Centers representing specific geographic or workforce investment areas. One state—West Virginia—offered PRAs statewide. The first PRA offers were made by all seven original states from early March through mid-April of 2005; the first offers in Hawaii were made in August of 2006.

Federal guidance developed by ETA provides the basic framework on which PRAs are built, however, states and local participating sites were given broad discretion over PRA policy and procedures. PRA planning, policy-setting and, often, administration, are centralized within the state workforce agency in six states—Hawaii, Idaho, Minnesota, Mississippi, Montana, and West Virginia. Local workforce investment boards played a significant role in PRA planning in Florida and Texas, and factored largely into the ongoing oversight and administration of PRAs. PRAs have not significantly altered staffing or service delivery structures within the participating One-Stop Career Centers. Most sites do not have a position dedicated solely to PRAs, but PRAs are typically administered by highly experienced staff.

C. EVALUATION PURPOSE AND METHODOLOGY

The PRA demonstration provided a unique opportunity to examine this approach to delivering reemployment services in a diverse set of policy and service contexts. The evaluation of the PRA demonstration was designed to document the implementation

I: What Are Personal Reemployment Accounts?

process and analyze quantitative data on the types and extent of use of the accounts as well as the outcomes for account holders. The evaluation of the PRA demonstration was guided by the following five research questions:

- How did the state and local demonstration sites plan for, implement, and operate PRAs?
- What is the rate of acceptance of PRA offers among eligible UI claimants, and what factors contribute to their decision to accept the offer?
- To what types of expenditures do recipients direct PRA funds, and what is the average level of per-recipient use of PRA funds?
- What are the patterns of receipt of UI benefits among PRA recipients, and what are their employment outcomes?
- What implementation successes and challenges have the PRA demonstration states experienced, and what do those experiences say about expanding self-managed accounts in the workforce investment system?

The demonstration began in early 2005 when ETA made grants to the original seven demonstration states and initial offers were made to eligible individuals. The evaluation period ran from the time the initial offers were made through late 2007, just over two and a half years. The evaluation involved a qualitative and a quantitative study, described in detail below.

1. Qualitative Study

The qualitative study included an implementation study of the demonstration states and a focus group study of PRA participants. Separate reports resulting from these studies have been completed. The interim evaluation report, completed in September 2006, details findings about PRA policy development and implementation in the seven original demonstration states. Information about policy and implementation presented in this final report comes from the implementation study. Findings from the focus group study are integrated throughout this report as well and are summarized in Appendix A.

a. Implementation Study

The implementation study included three stages of data collection as follows:

- (1) **Planning and Early Implementation Period.** In the first stage, the evaluation team conducted telephone interviews with state-level administrators in each demonstration state to collect information on the planning and early implementation of the PRA demonstration. These interviews, completed in late summer and early fall 2005 (fall 2006 for Hawaii), covered site selection, policies that determined the structure and use of the PRA, training for

demonstration staff as coordinated by the state, the role of the local Workforce Investment Board (WIB), the degree of local discretion in implementing the demonstration, and the successes, challenges, and lessons learned from the perspective of the state.

- (2) **Steady-state Period.** The second stage involved a combination of telephone interviews and on-site visits to each demonstration site. Researchers on the evaluation team conducted individual and/or small group interviews with local administrators and staff, observed the PRA offer process (also through group and/or individual meetings), and reviewed data collection and entry procedures. The intent was to observe PRA implementation during a period of “steady state” operations—at about the point when a site had made PRA offers representing at least 50 percent of its initial target. However, the states and the sites varied widely in terms of the rate at which PRA offers were made and the offers were accepted. Some sites expected to achieve their initial target within four to six months of implementation, while others projected that it could take closer to one year. Site visits were scheduled such that researchers could observe the PRA offer and entry process as experienced by the majority of eligible individuals (regardless of a site’s timing in meeting PRA targets). As a result, interviews and on-site observations occurred over the period from summer 2005 to January 2006.
- (3) **Follow-up Periods.** The final stages of data collection for the implementation study involved telephone interviews at two follow-up periods. In fall 2006, researchers conducted interviews with staff in each demonstration state and site to collect information on their PRA experience after they had been through the full life cycle of a substantial number of PRAs. The interviews covered (1) staff perceptions of how PRA funds are used, for what purposes and at what level, and of the outcomes for PRA recipients; (2) reasons for PRA account closures and the process for re-obligating unused balances toward new offers; (3) significant changes in PRA policy, staffing structure, or implementation procedures since the second stage of data collection; and (4) comprehensive views (state and local level; administrators and staff) of the challenges, successes, and lessons of PRA implementation. A final round of interviews, only with state PRA coordinators, was completed in fall 2007 to collect information about state experiences in closing out their demonstration grants and their perceptions of any lasting lessons and/or effects from their PRA experience.

b. Focus Group Study

Early findings from the implementation study in the seven original demonstration states highlighted that few PRA recipients used the account to purchase services *and* receive a bonus and that some PRA recipients did not use their account at all. To learn more about these patterns, ETA requested a focus group study to examine how UI claimants respond to the structure and incentives of the PRA.

For this study, focus groups were conducted with four types of PRA claimants: (1) recipients who primarily used the PRA to purchase supportive services (at least \$1,200 of the \$3,000 account), (2) those who received an employment entry bonus and had minimal service purchases (less than \$600 spent on services), (3) those who accepted the PRA offer but made minimal or no use of the account (less than \$600), and (4) those who declined the offer completely. None of the focus groups included individuals who purchased substantial amounts of employment services or training because few PRA recipients made these purchases (discussed in Chapter IV).

Focus groups were assembled to target each of the four specific PRA groups of interest. Using each state's PRA data, individuals were selected for participation based on their PRA decisions (acceptance and/or spending patterns) within a specified timeframe, rather than a random sample over the course of the evaluation. Inherent in focus groups is the self-selection process that influences who attends and who does not, despite thorough recruitment efforts.

A total of ten focus groups were conducted in four PRA demonstration states in September and October 2007 with a purposefully selected sample of PRA users and nonusers. Overall, 82 individuals participated in the groups, which ranged from 4 to 11 participants per group. In total, the attendance rate was 18 percent among those invited (450 invitees), and 71 percent among those who indicated that they would come (116 confirmed attendees).

2. Quantitative Study

The quantitative study involved the collection and analysis of aggregate-level and individual-level data, both of which were used to describe PRA activity and recipient outcomes in the demonstration states and to examine any variation across the states. The initial aggregate-level data analysis, included in the interim evaluation report, focused on PRA activity and expenditures by state for the initial three quarters of implementation. These data, collected from the required "Quarterly Activity and Expenditure Reports on the PRA Demonstration," provided some suggestive information on acceptance rates and uses of PRAs. The aggregate data, however, are limited because they did not reflect the full life cycle of most of the accounts. In addition, aggregate data cannot be used for certain analyses (such as building a picture of average per-recipient uses of the PRA).

The analysis of individual-level PRA and UI data—the focus of this final evaluation report—enriches the understanding of the use of and outcomes associated with PRAs in each demonstration state. By looking at these data in the context of data from the qualitative study, the report composes a picture of how the structure and implementation of PRAs may influence recipients' choices and preferences regarding their acceptance and use. The individual-level data for each participating site in each of the seven original demonstration states was collected and analyzed in fall 2007 in preparation for this final

report on the PRA demonstration.⁵ The data for each state generally cover a two and a half-year period, from the time initial PRA offers were made in early 2005 through summer 2007.

D. ROADMAP TO THE REPORT

The next chapter summarizes findings from the implementation study about PRA policy and implementation that affect the structure of PRAs (Chapter II). The following five chapters present findings from the analysis of individual-level PRA and UI data about responses to the PRA, specifically about acceptance rates and the characteristics of PRA recipients and those who declined the account (Chapter III), the types of uses of the account (Chapter IV), patterns of account use (Chapter V), and outcomes of all PRA recipients as well as those of different groups of PRA recipients, distinguished by their patterns of account use (Chapter VI). Findings from the implementation and focus group studies are integrated throughout these chapters to provide greater context for understanding and interpreting recipient responses. Chapter VII discusses issues in managing the PRAs at the state and local level and summarizes the perceptions of program administrators and staff about the PRA, based on their experiences throughout the demonstration. The concluding chapter provides a summary of key findings from the PRA demonstration evaluation and the potential implications of these findings for future employment and training initiatives designed to encourage recipient choice and self-managed accounts

⁵ Analysis of individual-level PRA and UI data for Hawaii will occur in the summer of 2008 to allow sufficient time for the majority of PRAs in that state to run their full course. A separate summary report on Hawaii will be produced at that time.

CHAPTER II

STRUCTURE OF PRAs

Federal guidance developed by ETA provides the basic framework on which PRAs must be built. However, there were a number of opportunities for the demonstration states to tailor the PRA structure according to their workforce investment systems. In general, the demonstration states adopted the PRA structure as set by federal policy with few adaptations to key features of federal guidance on bonus payments or allowable uses of PRA funds to purchase services. Nonetheless, there is some state-to-state variation in PRA policy and structure that may have affected staff practices and individual responses to the initiative. This chapter summarizes the policies and procedures that govern (1) the bonus payments, (2) service uses of PRA funds, and (3) account management practices.⁶ The chapter also provides an overview of PRA entry and monitoring procedures in the demonstration states. Understanding each state's framework for the PRA will assist in interpreting the responses to the PRA that are described in the chapters that follow.

A. BONUS PAYMENTS

Federal policy is most prescriptive in the area of bonus payments. The non-negotiable structure of the bonuses defines the first bonus—the employment entry bonus—as 60 percent of the bonus cap or of the remaining account balance at the time of employment, whichever is less; the second bonus—the employment retention bonus—is 40 percent of the same. To qualify for the employment entry bonus, a PRA recipient must obtain full-time, permanent employment by the 13th compensable UI week, but not in his or her original job with the same employer.⁷ Only recipients who receive the employment entry bonus are eligible for the retention bonus. To qualify for the retention bonus, a PRA recipient must have a full-time permanent job for six consecutive months or 24 weeks. The job that merits the retention bonus does not have to be with the same employer as the job that merits the

⁶ Detailed discussions of policy development in each of these areas and others are included in the interim evaluation report (Kirby 2006).

⁷ Montana uses 32 hours per week to determine eligibility for the PRA bonus; all other states define full-time employment as at least 35 hours of work per week.

employment entry bonus, but employment cannot be interrupted for more than one week. If recipients do not qualify for the second bonus, they can access PRA funds to support another job search only if they did not lose the job through any fault of their own.

Within this framework, the demonstration states had the flexibility to set the cap on which bonuses are calculated at less than the full account of \$3,000 and could vary the timing of employment entry by which an individual qualifies for the first bonus. Five of the eight states—Florida, Hawaii, Mississippi, Montana, and West Virginia—adopted the federally set maximum bonus and timing wholesale (Table II.1). In these states, PRA recipients employed in full-time, permanent positions by the end of the 13th UI week are eligible for a maximum employment entry bonus of \$1,800; after six months of continuous employment, the same recipients are eligible for a maximum employment retention bonus of \$1,200. Two demonstration states—Idaho and Texas—were interested in providing a stronger financial incentive as motivation for earlier reemployment and decreased the bonus caps after a defined number of weeks of UI receipt had passed. To receive the full \$1,800 employment entry bonus possible (60 percent of \$3,000), PRA recipients had to gain employment by the end of the 8th week of UI receipt in Idaho and by the end of the 10th week in Texas. After that time and up until the 13th week of UI receipt, recipients in Idaho and Texas could only receive a possible \$1,200 employment entry bonus (60 percent of a lower bonus cap of \$2,000).

Table II.1. Bonus Structure in the PRA Demonstration States

	Employment by End of UI Week	Bonus cap
Florida Hawaii Mississippi Montana West Virginia	13	\$3,000
Idaho	8 9-13	\$3,000 \$2,000
Texas	10 11-13	\$3,000 \$2,000
Minnesota	Initially varied by PRA recipient based on UI weekly benefit amount; changed to \$3,000 cap for all in July 2006	

Source: Site visits and interviews conducted July 2005 through January 2006; supplemented by telephone interviews conducted in fall 2006 and fall 2007.

Minnesota's original tiered bonus structure limited the combined amount of the PRA bonus and cumulative UI benefits received at any given time to 80 percent of the individual's maximum eligible UI benefit, so the possible bonus amount differed for each recipient and decreased with each passing week. The tiered bonus structure was intended to reduce the incentive for recipients to accept a low-wage job or job that lacked long-term prospects. After slightly over a year into implementation, program administrators and staff believed that the tiered structure did not appear to encourage recipients to accept higher-wage jobs, and the bonus calculation made it more difficult for staff and recipients to understand. As a

result, in July 2006, the state replaced its tiered structure with the federally defined 60-40 bonus allocation of the full \$3,000 account.

B. SERVICE USES OF PRA FUNDS: TRAINING, INTENSIVE, AND SUPPORTIVE SERVICES

Federal policy on the use of PRA funds is intentionally broad in order to promote individual choice and flexibility in creating and following a reemployment plan. As with all job-seekers, PRA recipients are encouraged to fully utilize free core services available within the One-Stop Career Centers—for example, use of computers and other equipment and reference materials available in resource rooms, reviewing job listings, etc.—to assist them in their job search. Unlike other job seekers, PRA recipients must use their accounts to purchase any training, intensive, or supportive services. The planning guidance for the PRAs (ETA December 2004) states that “purchases should have a direct correlation to the individual’s search for work, participation in training, or basic support while in the process.” The guidance also specifies that One-Stop Career Centers “must honor participant choices in all cases other than those it deems egregious, wholly unreasonable and inappropriate.” This broad guidance gave state workforce agencies, local boards, and job seekers a great deal of discretion in determining how PRAs can be used.

1. Training

In theory, the PRA offers an alternative to WIA-funded routes—ITAs in particular—for training. ITAs can, in many places, provide a higher level of financial support for training, but access to ITAs is based on eligibility and funding availability, and they can be used to purchase training only from approved providers; that is, those on the state’s eligible training provider list (ETPL). On the other hand, once offered, the PRA is guaranteed and highly flexible in terms of what it can purchase. According to all the demonstration states and participating sites, the PRA can be used to purchase training from virtually any type of provider, including those not on the ETPL. A few of the participating sites, however, limited the use of the PRA for training purposes based on the duration of the training program. Three of the Florida sites and the state of West Virginia limited PRA use to “short-term” training or certification programs, defined as running for one year or less, to help ensure that participants could successfully complete their training programs.

2. Intensive Services

PRA funds can be used to purchase intensive services—for example, one-on-one career counseling, career and skills assessments, resume development, and mock interviewing—offered directly by the One-Stop Career Center, by center partner agencies, or by any other entity within the broader community. Importantly, acceptance of a PRA offer precludes *free* access to WIA intensive services that are offered in the One-Stop Career Center system, but PRA funds can be used to purchase these services *at cost*. Participating sites were encouraged by ETA, but not required, to develop a pricing system for their WIA intensive services in order to include them among the menu of services available to PRA recipients. Five of the eight states developed pricing systems for their WIA intensive services, either by pricing a

few key services or by developing a cost per service per hour. Three states and one site—Idaho, Hawaii, Montana, and Region 14 in Florida—decided against pricing WIA intensive services for purchase by PRA recipients. In these states, PRA recipients could still purchase intensive services from providers outside of the One-Stop Career Center.

3. Supportive Services

The only federal guidance specific to supportive service purchase with PRAs is to provide examples of inappropriate uses—including, entertainment expenses, parking tickets or legal fines, the purchase of alcohol or tobacco, or the purchase of gifts. The states and local sites had the discretion to formulate their own policies to define caps on payments and allowable uses. The majority of the states and sites interpreted the lack of federal policy in the area of supportive services as part of the intent to promote choice, flexibility, and individual ownership in the use of the accounts. Most of the states allowed a broad range of uses of the PRA and none of the states placed caps specifically on supportive service payments.

Throughout all states, allowable supportive service requests fall into three categories: (1) assistance to meet a condition of employment (expenses necessary to secure a specific job offer), (2) logistical support for training, intensive services, or job search (for example, child care and transportation costs), and (3) general expenses in support of job search activities. The states and sites universally agree that PRA funds can be used for category 1 and 2 services, as they are clearly associated with reemployment activities (Table II.2). For example, in every demonstration site, a PRA recipient may use his/her account to purchase any tools, supplies, or clothing that a new employer requires. They may also use PRA funds to cover fees for testing or certification that is a condition of employment. In addition, PRA funds may cover expenses related to specific out-of-area job interviews (not a general job search) and relocation expenses. Similarly, in every site, a PRA recipient may use account funds for child care and transportation costs that facilitate a documented job search, participation in approved training program, or access to intensive services.

Table II.2. Supportive Services Policies in the PRA Demonstration States

Reemployment Uses	
Condition of employment	Allowable in all states
Logistical support of training, intensive services, or job search	Allowable in all states
General expenses in support of job search activities	No allowable uses in West Virginia Restrictions on uses for ongoing monthly expenses in Mississippi and Montana Only one restriction in Idaho and Florida: no mortgage payments No restrictions in Minnesota and Texas Centralized review process in Hawaii

Source: Site visits and interviews conducted July 2005 through January 2006; supplemented by telephone interviews conducted in fall 2006 and fall 2007.

The disparity across the sites in allowable uses of PRA funds for supportive services comes in category 3, in which the relationship between a job search and reemployment is more of a judgment call (Table II.2). At one end of the spectrum is West Virginia, which does not allow the PRA to be used for any category 3 expenses. At the other end are Minnesota and Texas, which allow PRAs to be used for any supportive services. The other four original demonstration states will not allow the PRA to be used to cover mortgage payments (in line with WIA guidance). This is the only restriction on allowable uses in Idaho and Florida. In Mississippi and Montana, additional restrictions are placed on the use of the PRA for all ongoing monthly expenses such as car loan payments, utilities, or rent. Hawaii's policy is broad when taken at face value, given that few restrictions have been defined, but in practice supportive service uses of the PRA are limited. The state introduced a centralized review process in the place of a prescriptive written policy about supportive service uses of the PRA. According to staff, the centralized review can be lengthy and require detailed documentation that ends up discouraging PRA use to purchase supportive services.

C. ACCOUNT MANAGEMENT POLICIES

Policy on account management sets parameters for account inactivity and determines the method of PRA disbursements. There are no federal guidelines in this area, and the states and/or sites make decisions based on existing practices or on what they deem reasonable for effective fund management as the situation arises.

1. Monitoring Account Inactivity

Federal policy defines the period of validity for the PRA as one year, but qualitative data collection for the interim report identified most of the demonstration states and/or participating sites as having considered approaches for monitoring account inactivity with an eye toward closing inactive accounts early. However, only three states actually developed early closure policies and put these policies into practice to close PRAs earlier than the one-year period (Table II.3). In Minnesota and West Virginia, PRAs are monitored for activity within the first six months. When there are no requests for disbursements made within that time, the accounts are closed and the funds recycled into new accounts for other eligible individuals.⁸ Later in the demonstration period (in February 2007), Minnesota decreased the initial inactivity period to four months in order to come closer to spending down the full demonstration grant. By this time, administrators in Minnesota had determined that when PRA spending did occur, it was almost always within the first four months of account establishment. Hawaii adopted a policy to close accounts that have no activity for four consecutive months. In contrast to a time limit for the first disbursement from the account, the policy in Hawaii targets any four-month period of inactivity during the one-year life of a PRA as a trigger for account closure. This policy does not apply to recipients who earn the first bonus who must wait the 6-month retention period before accessing the second bonus.

⁸ Recipients in Minnesota and West Virginia who do not make use of their PRA are sent a reminder letter about the availability of the account and are generally given a few weeks to respond prior to account closure.

Table II.3. Policies Around Early Closure of PRAs Due to Inactivity

No Early Closure Policy	Early Closure Based on:	
	No Disbursement Within Initial Period of Account	Period of Inactivity at Any Time Over the Life of the Account
Florida Idaho Mississippi Montana Texas	Minnesota (6 months, decreased to 4 months in February 2007) West Virginia (6 months)	Hawaii (4 consecutive months)

Source: Site visits and interviews conducted July 2005 through January 2006; supplemented by telephone interviews conducted in fall 2006 and fall 2007.

2. Methods of Disbursements

All bonus payments from PRAs are made directly to the individual account holder, but the participating states and sites decide the method of making disbursements for the purchase of services. Three decisions were possible: (1) to make direct payments (reimbursements) to PRA recipients for all account disbursements, (2) to use vouchers to pay service providers, or (3) to use a mix of direct payments and vouchers (Table II.4).

Table II.4. Method of Service Disbursements

Reimbursements to PRA Recipients Only ^a	Vendor Direct Payments Only	Mixed Methods
Hawaii Idaho Minnesota Mississippi	Florida Montana West Virginia	Texas

Source: Site visits and interviews conducted July 2005 through January 2006; supplemented by telephone interviews conducted in fall 2006 and fall 2007.

^aAn exception is vendor payments that are made directly to select training providers.

The participating states took different approaches based on ease in implementation as well as the “message” they want to send. For example, participating sites in Hawaii, Idaho, Minnesota, and Mississippi rely heavily on reimbursement because it is easier for them administratively and because the onus for the initial outlay is on the recipient. In these sites, vouchers are used only for a limited number of training providers (typically those on the ETPL for ITAs). In contrast, three demonstration states—Florida, Montana, and West Virginia—rely exclusively on voucher payments to providers regardless of the type of service (training, intensive, or supportive) because they believe that vouchers make providers more accountable for the goods or services they offer. Recipients in these sites still receive bonus payments directly, but they do not receive any direct service payments out of the PRA. Lastly, the two sites in Texas use a mix of the two disbursement approaches based on each individual’s requests and financial capacity. For example, training is often paid by voucher,

but some supportive services may be paid directly to the provider or through a two-party check when the account holder cannot afford the initial outlay.

D. PRA ENTRY AND STAFF-TO-RECIPIENT CONTACT

PRA orientation and offer processes were integrated into existing methods of providing reemployment services in the participating One-Stop Career Centers. Across the board, the sites considered UI recipients to have received a PRA offer if they attended an orientation—individual or group session. The estimated number of PRA offers made each week were generally quite low. Only one site in Florida reported making more than 20 offers, on average, each week.

Orientations for UI recipients identified as likely to exhaust their benefits often addressed three general topics—general job search information, an overview of One-Stop Career Center services, and the PRA itself—although most did not cover all three. About half of the orientations observed during site visits focused exclusively on the PRA. Regardless of the range of topics discussed during orientations, PRA-specific information was presented in an average of about 30 minutes. The PRA-specific information provided in orientations varied widely across the sites, specifically in the depth and clarity of how the PRA relates to other One-Stop Career Center services and the choices potential account holders must make (given that the PRA is voluntary and requires foregoing WIA services).

After the account is established, any contact between an account holder and One-Stop Career Center staff is initiated by the account holder. Contact between PRA recipients and staff is limited to the purpose of withdrawing account funds and occurs predominantly via telephone, email, or mail. There is no free access to career counseling and limited face-to-face contact overall. The frequency of contact varies by the nature and number of requests; that is, PRA staff have frequent contact with account holders who use the PRA primarily for supportive services and minimal contact with those who pursue the bonus.

CHAPTER III

ACCEPTANCE RATES AND CHARACTERISTICS OF PRA RECIPIENTS

To learn from, refine, and possibly expand PRAs or similar self-managed accounts, it is necessary to understand how customers respond to them: Will people accept the PRA offer, and if they do, how will they use PRA funds to gain employment? This chapter begins the exploration into the responses of unemployed workers to the PRAs. It begins by discussing the rates at which potential recipients—those offered the PRA—accept it and open an account. The chapter then describes the demographic and employment characteristics of those who accepted the PRA offer, and of those who did not. While quantitative data is lacking to fully explore the reasons behind decisions to accept or not accept the PRA offer, the data available coincide with qualitative reports from program staff and PRA customers suggesting that acceptance decisions are often associated with decisions about training.

A. ACCEPTANCE RATES

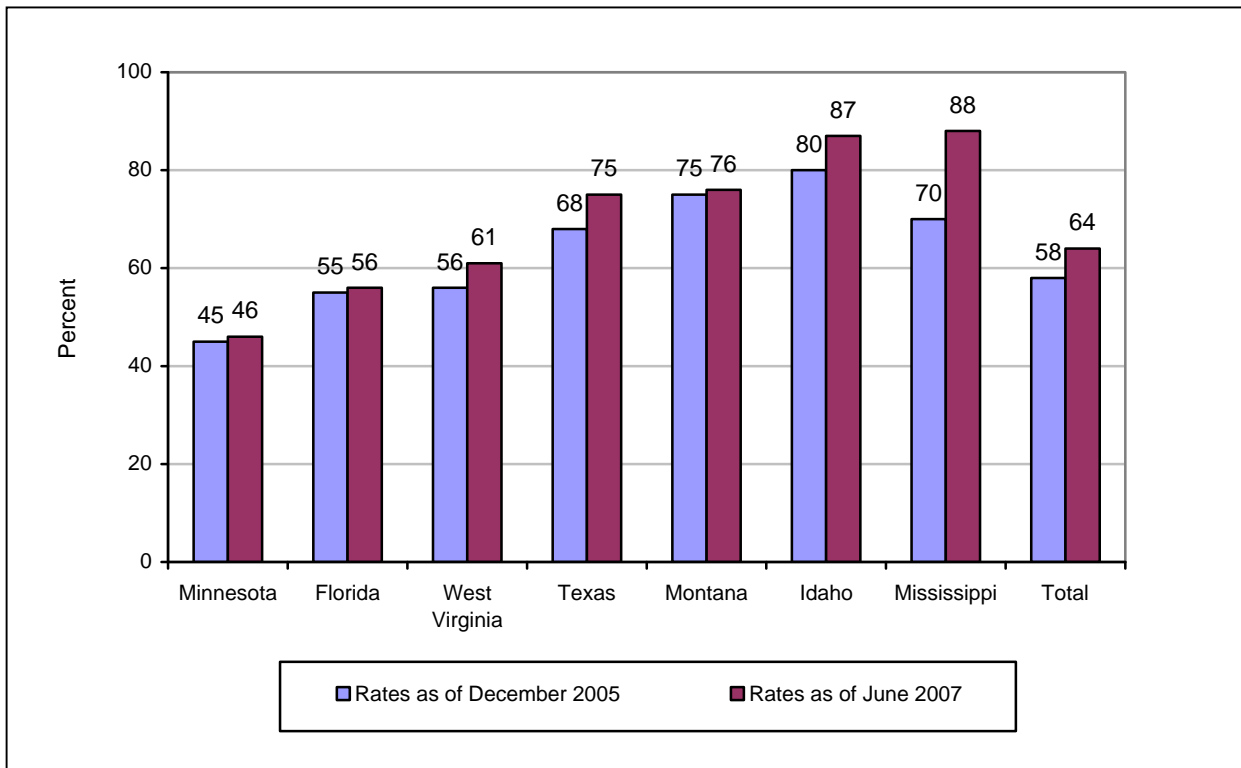
Before the PRA demonstration, there was not enough information to estimate the rate of acceptance of a voucher that combines financial support for reemployment services with lump sum bonus payments. Looking exclusively at the bonus component, Illinois had the only early bonus experiment similar to the PRAs in requiring an acceptance of the bonus offer; the acceptance rate there was 80 percent (Woodbury and Spiegelman 1987). Focusing on the account as a means of purchasing services, we are left with only the ITA Experiment on which to base an acceptance estimate. Among individuals in select experimental sites who were required only to attend an orientation to gain access to an ITA—the approach most similar to the process for accessing PRAs—74 percent completed the orientation to pursue training funds (Perez-Johnson et al. 2004).

Because PRAs act as both incentive payments and service purchase accounts, the decision to accept the offer may be more complex than it was in earlier initiatives. Individuals who believe they can find a job quickly with little or no need of intensive reemployment services may be likely to accept the PRA offer because of the reemployment bonuses. Others may choose to weigh the relative risks and benefits associated with PRAs compared to other forms of reemployment assistance from within or outside the One-Stop Career Center, and make an acceptance decision based on their personal needs and interests.

Specifically, because individuals must forgo other routes of reemployment assistance in order to accept the PRA, lower acceptance rates than those experienced under previous strategies might be expected.

Indeed, 64 percent of all individuals who were offered a PRA accepted it. However, the acceptance rates differ substantially across the demonstration states. Overall, acceptance rates currently range from a low of 46 percent in Minnesota to a high of 88 percent in Mississippi. Over the course of the PRA demonstration, three states—Florida, Minnesota, and West Virginia—have consistently had acceptance rates at the lower end of the range, while the other four states—Idaho, Mississippi, Montana, and Texas—have consistently had higher rates (Figure III.1).

Figure III.1. PRA Acceptance Rates, 2005 and 2007



Source: Calculations based on individual-level PRA data on recipients and decliners provided by Idaho, Mississippi, Texas, and West Virginia, and on state quarterly activity and expenditure reports on the PRA demonstration, as of June 2007 for Florida, Minnesota, and Montana.

PRA acceptance rates have either improved (Idaho, Mississippi, Texas, and West Virginia) or remained about the same (Florida, Minnesota, and Montana) within each state over the course of the demonstration. In West Virginia, the acceptance rate increased 5 percentage points; Idaho and Texas both increased their acceptance rates by 7 percentage points; and Mississippi experienced the greatest increase in the rate of acceptance by 18

percentage points. These increases suggest that there may have been improvements in the orientation and intake process in some states.

Before exploring potential reasons for the differences in state acceptance rates and why some customers decline the PRA offer, it is important to first understand who it is that accepts the PRA, as discussed in the next section.

B. CHARACTERISTICS OF PRA RECIPIENTS

Little is known about the characteristics of UI recipients deemed likely to exhaust their benefits—the pool of individuals from which PRA recipients are drawn. An individual's likelihood of exhausting his/her UI benefits is determined through the WPRS system, but there are substantial differences in WPRS models across the demonstration states (Sullivan et al. 2007).⁹ For example, Idaho uses a “decision tree” based on industry, county of residence, marital status, job tenure, and education. Minnesota, Montana, Texas, and West Virginia all use logit models each based on somewhat different sets of independent variables that are similar to Idaho's.

WPRS models do not include variables related to gender, age, or race and therefore will not directly generate differences in these characteristics between UI recipients deemed likely to exhaust their benefits and other UI recipients. Nonetheless, explanatory variables included in the models that are correlated with these characteristics may indirectly produce differences that distinguish these UI recipients from others. In an analysis of the characteristics of profiled claimants (those deemed “likely to exhaust”) in three states in the late 1990s, the only finding that was consistent across the states was that the group targeted for profiling services was older than the group that was not targeted by the profiling models (Dickinson et al. 1999).

Information on the characteristics of PRA recipients specifically has been similarly lacking. Qualitative information gathered from site staff in 2005 provided little insight; there were no obvious patterns in gender, race, ethnicity, education level, or prior earnings or occupation among PRA recipients that they encountered. The current analysis provides the first picture of who PRA recipients are, the kinds of jobs they have held, and how these characteristics may differ by state.

1. Demographic Characteristics at PRA Entry

The majority of PRA recipients are white, between the ages of 35 and 54, and have a high school diploma but less than a college degree (Table III.1). About half of recipients are men and are married. But, there is substantial variation in some of these characteristics across the states, with PRA recipients in Mississippi and West Virginia often differing the most from those in other states.

⁹ A couple of demonstration states applied additional eligibility requirements specific to the PRA to those UI recipients who were deemed likely to exhaust (Kirby 2006).

Overall, 68 percent of PRA recipients are white, and in every state the largest proportion of recipients is white. In Mississippi, nearly equal percentages of PRA recipients are white (49 percent) and African American (48 percent). Other states with sizeable portions of African Americans are Florida and Texas at 19 and 25 percent, respectively. Florida also has the largest percentage of Hispanic recipients at 28 percent, followed by Minnesota and Idaho at 15 and 14 percent, respectively.

The age distribution of PRA recipients is about what could be expected based on what was previously known, or suspected, about UI recipients deemed likely to exhaust their benefits. The median age of PRA recipients across the states ranges from 39 in Mississippi to 47 in West Virginia, while in the remaining five states the median age is 44 or 45. Overall, the majority of all PRA recipients (56 percent) are between the ages of 35 and 54; those less than 25 years old comprise only 7 percent of all recipients. The only state with a substantially different age distribution is Mississippi, where 13 percent of recipients are under the age of 25, and 24 percent are between the ages of 25 and 34 (compared to 5 percent and 18 percent, respectively, in the other six states).

In all the demonstration states, the education levels of PRA recipients are heavily clustered between those with high school diplomas and those with some college but not a degree. However, there is a divide between the demonstration states in the patterns of educational attainment, with one state bridging this divide. In four of the seven states—Idaho, Minnesota, Montana, and Texas—the majority (56 to 62 percent) of PRA recipients have education beyond high school, with at least one in every five recipients having completed at least a four-year college degree. In contrast, in West Virginia and Mississippi, the substantial majority (64 and 71 percent, respectively) of PRA recipients have a high school education or less, with only one in every ten recipients completing a four-year degree in West Virginia and very few (1 percent) doing so in Mississippi. PRA recipients in Florida are evenly split, with half pursuing education beyond high school and half not, however, among those with at least a high school diploma, the majority have completed a four-year degree or more.

Men comprise the majority of PRA recipients in only two states—Minnesota and West Virginia—even though men are consistently in the majority in the labor force, among the unemployed, and among UI recipients.¹⁰ Men are underrepresented in Florida and Texas at 42 and 43 percent, respectively. They make up roughly half of the PRA recipients in Montana, Mississippi, and Idaho. On average, PRA recipients are evenly split between males and females.

¹⁰ Comparison statistics on labor force participation and unemployment rates by gender from the Bureau of Labor Statistics (<http://www.bls.gov/news.release/empsit.t01.htm>); on demographic characteristics of UI recipients from ETA (<http://workforcesecurity.doleta.gov/unemploy/chariu/dstrpt.asp>).

Table III.1. Characteristics of Recipients at PRA Entry (Percentages, Unless Stated Otherwise)

	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Gender								
Male	42	47	56	49	50	43	62	50
Female	58	53	44	51	50	57	38	50
Age								
Less than 25 years	4	6	6	13	6	4	4	7
25 to 34 years	20	17	15	24	14	22	15	19
35 to 44 years	25	29	29	26	27	23	24	26
45 to 54 years	29	29	34	22	36	32	36	30
55 years and over	22	19	15	15	17	19	22	18
Average Age in Years	44.0	43.6	43.5	40.0	44.4	43.3	45.3	43.0
Median Age in Years	45	44	45	39	45	45	47	44
Ethnicity/Race								
Non-Hispanic, white	50	80	77	49	77	62	96	68
Non-Hispanic, black	19	1	4	48	0	25	3	18
Non-Hispanic, other races	4	5	4	2	23	3	1	4
Hispanic, any race	28	14	15	1	1	9	0	10
Educational Attainment								
Less than high school diploma/ GED	7	8	5	16	6	7	13	9
High school diploma/GED	43	30	37	55	39	37	51	42
Some college/2-year degree	22	40	35	28	31	35	25	31
Completed 4-year college	20	17	15	1	15	16	7	12
Post-graduate education	9	6	9	0	10		4	5
Current Marital Status	--	--					--	
Unmarried (single or cohabitating)			36	28	20	31		30
Married			51	42	55	52		48
Separated, divorced, or widowed			13	30	25	18		22
Has Children Under 18	38	--	37	44	47	41	--	40
Has a Disability	2	2	--	11	--	1	1	4
Total Number of Recipients	430	475	885	847	157	740	504	4,038

Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total to 100 due to rounding.

-- Data not available.

In three states for which data are available—Minnesota, Montana, and Texas—the majority of PRA recipients are married; in Mississippi only 42 percent are married. On average, 40 percent of PRA participants had a child under 18 years old.

2. Characteristics of the Last Job Held Prior to PRA Entry

The top three industries in which the majority of all PRA recipients (57 percent) were employed just prior to PRA entry are: (1) the trade, transportation, and utilities sector, (2) manufacturing, and (3) professional and business services that includes professional, scientific, and technical services and management of companies (Table III.2). The trade, transportation, and utilities industry in itself had employed 21 percent of all PRA recipients prior to their job loss. Across the states, 42 to 67 percent of all recipients were employed in these top three industries. Nearly 12 percent of PRA recipients had previously held jobs in the education and health services industries and another 8 percent in financial activities industries. Adding these industries to the top three covers the industries in which 77 percent of recipients were employed prior to PRA entry; across the states, 67 to 90 percent of PRA recipients were employed in these five industries.

Table III.2. Industry of Last Job Prior to PRA Entry (percentages)

	All States
Trade, Transportation, and Utilities	21.4
Manufacturing	18.2
Professional and Business Services	17.5
Education and Health Services	11.6
Financial Activities	8.2
Leisure and Hospitality	5.0
Construction	4.9
Other Services	4.4
Public Administration	3.9
Information	2.8
Natural Resources and Mining	2.1
Total Number of Recipients	4,038

Source: Calculations based on PRA data from the seven demonstration states.

Overall, the most common occupation for 20 percent of all PRA recipients before PRA entry was office and administrative support (Table III.3). In each state, at least 14 percent of recipients had this occupation, and in some states (Texas and West Virginia) it was the occupation of 23 to 26 percent of recipients (data not shown but detailed in Appendix B,

Table B.3). Other common occupations were management, production, and sales. Together, these four occupations accounted for the majority of occupations (53 percent) in which PRA recipients were employed; state shares ranged from 43 to 58 percent.

Table III.3. Occupation of Last Job Prior to PRA Entry (percentages)

	All States
Office and Administrative Support	19.9
Management	12.0
Production	11.2
Sales and Related	10.0
Construction and Extraction	6.1
Business and Financial Operations	5.3
Transportation and Material Moving	5.0
Computer and Mathematical	3.8
Installation, Maintenance, and Repair	3.8
Healthcare Support	2.9
Architecture and Engineering	2.8
Food Preparation and Serving Related	2.8
Education, Training, and Library	2.3
Building and Grounds Cleaning and Maintenance	2.1
Healthcare Practitioners and Technical	1.9
Arts, Design, Entertainment, Sports, and Media	1.7
Community and Social Services	1.3
Protective Services	1.3
Personal Care and Service	1.3
Life, Physical, and Social sciences	0.8
Legal	0.7
Farming, Fishing, and Forestry	0.6
Military Specific	0.5
Total Number of Recipients	4,038

Source: Calculations based on PRA data from the seven demonstration states.

Prior to PRA entry, 89 percent of recipients worked full time (35 hours or more per week) and in every state the median participant worked 40 hours per week (Table III.4). In every state, the largest portion of PRA recipients earned between \$10 and \$20 per hour.

Recipients in Minnesota were generally the highest paid, with 20 percent earning \$30.00 or more per hour prior to PRA entry and a median hourly rate among recipients of \$18.47. At the other end of the wage spectrum were recipients in Montana and Mississippi, whose median hourly earnings were \$11.00 or less and where 37 percent of all recipients earn less than \$10.00 per hour (the equivalent of about \$20,800 per year).

Table III.4. Characteristics of Last Job Prior to PRA Entry (Percentages, Unless Stated Otherwise)

	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Hours Worked Per Week								
Less than 20	1	3	9	2	5	0	--	4
20 to 34	1	7	16	6	15	1	--	7
35 or more	98	91	76	92	80	99	--	89
Average (in hours)	40	39	37	44	38	40	--	40
Median (in hours)	40	40	40	40	40	40	--	40
Hourly Rate of Pay								
Less than \$10	17	16	6	37	37	25	28	23
\$10 to Less than \$20	63	61	51	53	47	49	52	53
\$20 to Less than \$30	13	16	23	8	12	14	17	15
\$30 or More	7	7	20	1	4	13	3	9
Average	\$15.22	\$16.34	\$22.96	\$12.32	\$13.57	\$18.85	\$14.01	\$16.87
Median	\$13.00	\$14.11	\$18.47	\$11.00	\$10.79	\$12.52	\$13.86	\$13.50
Years on Job								
Average	3.2	6.4	12.4	1.8	2.6	6.3	11.5	7.2
Median	1.8	4.0	10.0	0.9	1.0	2.3	11.1	3.5

Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total to 100 due to rounding.

-- Data not available.

Even while job tenure varied tremendously by state, PRA recipients are steady workers overall. The median recipient held his/her last job for 3.5 years and the average length of job tenure among all recipients is 7.2 years (Table III.4). The two states in which wages were lowest are also the states in which job tenures were the shortest, reflecting the job instability among low-wage workers. In Mississippi and Montana, the median recipient had held his/her last job for just about one year. In contrast, the median recipients in Minnesota and

West Virginia had worked in the same jobs for at least a decade prior to PRA entry. The job tenures among PRA recipients appear slightly lower than those among workers in general.¹¹

The median job tenure for all workers 25 and older was 4.9 years in 2006 (EBRI 2007). Looking at the age groups in which the majority of PRA recipients fall, job tenures among recipients ages 35 to 44 are 4.8 years for men and 3.7 years for women and for those ages 45 to 54, the tenures are 8 years for men and 6 years for women. In comparison, for all workers ages 35 to 44, the median job tenure was 5.1 years for men and 4.6 for women in 2006; for workers between the ages of 45 and 54, tenures were 8.1 for men and 6.7 for women in 2006.

PRA recipients—who are all UI recipients—did not leave their last jobs by choice. Overall, 73 percent of recipients were laid off, another 10 percent were discharged or fired, 4 percent lost their jobs when the business closed, 2 percent when their temporary or seasonal job ended, and 7 percent quit (Figure III.2).¹²

3. UI Receipt at PRA Entry

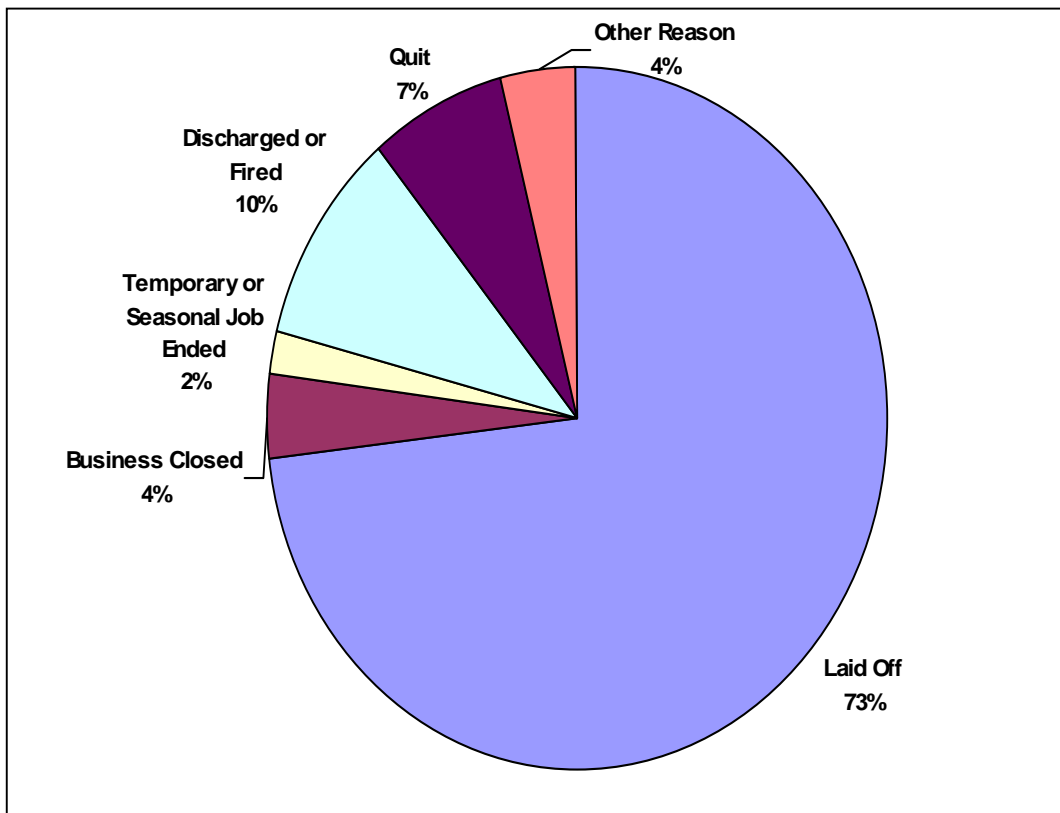
Most PRA recipients are eligible to receive UI benefits for 26 weeks—the maximum number of weeks typically provided under state UI programs (Table III.5). Methods of calculating the total number of weeks of UI benefit eligibility for any UI claimant varies among states but is generally reflective of the individual's prior labor market attachment. UI claimants with strong labor force attachment (as measured by total base period earnings and/or the number of quarters of employment during the base period) are eligible for a longer period of UI receipt up to the set maximum number of weeks. In Idaho and West Virginia, all PRA recipients are eligible for 26 weeks of benefits uniformly. In Mississippi, 71 percent of recipients are eligible for 26 weeks of benefits and the rest for between 13 and 25 weeks.¹³ Substantially fewer are eligible for 26 weeks of benefits in Florida, Texas, and Montana, however. In Florida, 36 percent are eligible for 26 weeks of benefits and the rest for between 9 and 25 weeks. In Texas, 31 percent are eligible for 26 weeks of benefits and the rest for between 17 and 25 weeks. In Montana, only 21 percent are eligible for 26 weeks of benefits and the rest for between 8 and 25 weeks. On average across all demonstration states (excluding Minnesota), PRA recipients are eligible for 23 weeks of UI benefits.

¹¹ Comparable figures for unemployed workers may be the more appropriate yardstick but were not available.

¹² A person who quits a job can still be eligible for UI benefits if his/her departure is connected with reasons of health or safety, changes in job duties or location, harassment or physical intimidation at the workplace, which render the work unsuitable, or to follow a spouse to his or her new job in a different location.

¹³ A handful of PRA recipients in Mississippi are eligible for less than 13 weeks of UI benefits. In Mississippi, the most an individual can receive in UI benefits is 26 times the weekly benefit amount, or, one-third of the total wages in the base period, whichever is less. In some rare cases, this results in an eligibility period less than 13 weeks.

Figure III.2. Primary Reasons Among PRA Recipients for Leaving Last Job



Source: Calculations based on PRA data from six of the seven original demonstration states; data on reason for leaving last job were not available from Mississippi. Detailed data available in Table B.4 in the appendices.

Table III.5. UI Eligibility Among PRA Recipients

State	Number of Weeks of UI Eligibility Allowed for PRA Recipients (Based on State Policies) ^a	Percent of PRA Recipients Eligible for 26 Weeks	Average Number of Weeks of UI Eligibility
Florida	9-26	36%	22
Idaho	26	100%	26
Minnesota	11-26	--	--
Mississippi	13-26	71%	24
Montana	8-28	21% ^b	20
Texas	17-26	31%	22
West Virginia	26	100%	26
All PRA States	n/a	61%	23

Source: Calculations based on PRA and UI data from the seven demonstration states.

-- Data not available.

n/a = not applicable.

^aBased on state policies that apply to all UI recipients from the Comparison of State Unemployment Insurance Laws for 2005 and 2006 (ETA publications) and criteria that apply to PRA recipients specifically from the PRA Demonstration interim report (Kirby 2006). Idaho and Texas defined a more limited range in the weeks of UI eligibility for PRA recipients than that allowed among all UI recipients.

^bIn Montana, 5.7 percent of PRA recipients are eligible for 26 weeks of UI benefits and 11.5 percent are eligible for 27 or 28 weeks.

The Weekly Benefit Amount (WBA) that an individual can receive through a state's UI program is based on a formula applied against the wages in the base period of the claim.¹⁴ The formula used most widely by the states is the WBA will equal 1/26th of the wages in the highest quarter of earnings within the base period. Each state sets a cap on the maximum WBA that UI recipients can receive. At the start of the PRA demonstration in 2005, these maximums for the seven demonstration states ranged from \$210 in Mississippi to \$493 in Minnesota (Table III.6). Maximum WBAs have remained the same throughout the PRA demonstration period in Florida and Mississippi; they have increased slightly in the other five states. Two in every five PRA recipients receive the maximum WBA. At least half of PRA recipients in Florida, Mississippi, and Texas can receive the maximum. In the other four states, the maximum benefit is available to between 18 and 40 percent of PRA recipients.

¹⁴ All seven demonstration states use the first four of the last five completed calendar quarters as the base period from which to draw wages and test eligibility.

Table III.6. UI Weekly Benefit Amounts (WBA) Among PRA Recipients

State	Maximum WBA (Based on State Policies) ^a			Percent of PRA Recipients Who Qualify for Maximum WBA	Median WBA
	2005	2006	2007		
Florida	\$275	\$275	\$275	52%	\$275
Idaho	\$325	\$322	\$338	26%	\$303
Minnesota	\$493	\$515	\$521	18%	\$351
Mississippi	\$210	\$210	\$210	56%	\$210
Montana	\$335	\$346	\$362	23%	\$210
Texas	\$336	\$336	\$364	52%	\$336
West Virginia	\$366	\$380	\$391	40%	\$364
All PRA States	\$334	\$341	\$367	40%	\$275

Source: Information on WBAs obtained from the Comparison of State Unemployment Insurance Laws for 2005, 2006, and 2007 (ETA publications) applied by program year, which runs from July 1 through June 30; calculations based on PRA and UI data from the seven demonstration states.

4. Timing of PRA Entry Relative to UI Claim

Because there is a timeframe associated with the bonus component of the PRA, the timing of the PRA offer relative to the number of compensable UI weeks is important. It is possible that for some individuals, the timing of the offer may influence the decision to accept or not. Two factors determine when in the period of UI receipt eligible individuals first learn of the PRA. The first is whether individuals are determined as “likely to exhaust” their UI benefits at the time of the UI claim or after they receive the first UI payment. The second is how much notice eligible individuals are given about the PRA orientation.

Findings from the implementation study suggest that the number of compensable UI weeks at the time of the PRA orientation (where PRA offers are made) may be lower in the three states of Minnesota, Mississippi, and West Virginia. These states determine likelihood of exhaust when the UI claim is made and they also have short notification periods for the orientations of one week or less (Kirby 2006). In fact, the median time from the UI claim to the PRA offer is shortest (at two and three weeks) in these three states (Table III.7).

Table III.7. Timing of PRA Offer and Entry Relative to UI Claim

State	Median Number of Weeks from UI Claim to PRA Offer	Median Number of Weeks from UI Claim to PRA Entry
West Virginia	2	2
Minnesota	3	3
Mississippi	3	3
Idaho	4	4
Texas	5	5
Florida	6	7
Montana	7	7
All PRA States	4	4

Source: Calculations based on PRA and UI data from the seven demonstration states.

The offer is received later in the UI spell in Florida, Idaho, Montana, and Texas, because eligibility for PRA is determined after the first UI payment is made, rather than at the time of the claim. The median time from the UI claim to the PRA offer of six weeks in Florida is also the result of the timing of the PRA orientation. Florida provides the longest notice—two weeks—for eligible individuals to attend an orientation where they officially receive the PRA offer.

The timing of the offer does not necessarily coincide with the establishment of an account, otherwise termed “PRA entry.” The states and/or sites set the time within which individuals must decide on the PRA offer; if the time limit expires, the offer is no longer valid. Offer limits range from a low of two days to no expiration. However, most of the sites limit the decision period to one or two weeks.

Virtually all of the sites reported during the implementation study that among the individuals who accept the PRA, the majority do so immediately. This is reflected in the data that show no difference in the number of weeks between the median time of the offer and the median time of PRA entry for six of the seven states. In Florida, there is another week added from the time of the PRA offer to the time of PRA entry for the median recipient. Of the four PRA demonstration sites in Florida, one set a two-week expiration on the PRA offer and two did not set an expiration date for the offers at all.

C. POTENTIAL REASONS FOR DECLINING THE PRA OFFER

The reasons for declining the PRA offer cannot be determined with certainty in this evaluation. The analysis and discussion presented in this section draws from the perspectives of program staff, PRA recipients who participated in focus groups, and the differences in demographic and employment characteristics between those who accept the PRA offer and those who decline it. There were 830 decliners and 2,883 accepters in the

sample used for analysis of possible differences between these two groups in Idaho, Mississippi, Texas, West Virginia, and one region in Minnesota. The analysis, therefore, does not represent all demonstration states, but only those for which data are available from both groups of unemployed workers that received the PRA offer. The acceptance rates across these states varied from 61 percent in West Virginia to 88 percent in Mississippi, with an overall average of 78 percent. While useful and informative, the analysis has its limitations. Specifically, the results are not controlled for differences across states, such that states which are overrepresented can influence the average characteristics of the group.¹⁵

1. Timing of PRA Entry and UI Receipt

Due to variations in the eligibility and orientation processes that bring targeted UI claimants into the PRA program, it might be reasonable to assume that those who decline the PRA receive the offer later in their UI receipt, and decline because they are discouraged by their lowered prospects of earning the bonus. This does not appear to be the case, however. There is no difference in the timing of the PRA offer relative to UI receipt between those who accept and those who decline; both groups receive the offer at about four weeks from their UI claim date (Table III.8).

Table III.8. Characteristics of UI Receipt Among Recipients at the Time of PRA Offer, by PRA Offer Decision (Percentages, Unless Stated Otherwise)

	Accepters	Decliners	All Offers
UI Claim Date to PRA Offer:			
Average Number of Weeks	3.9	3.9	3.9
Median Number of Weeks	4.0	4.0	4.0
Average Number of Weeks of UI Eligibility	23.9	24.3***	24.0
Average Weekly Benefit Amount	\$272	\$297***	\$277
Total Number of Offers	2,883	830	3,713

Source: Calculations based on individual-level PRA data on recipients and decliners provided by Idaho, Mississippi, Texas, West Virginia, and one of four demonstration sites in Minnesota.

*** Difference is statistically significant at the .01 level.

¹⁵ For example, West Virginia has the lowest acceptance rate and, as a result, 40 percent of the decliner group resides in this state. The characteristics of decliners, in some cases, may be a reflection of the differences in the characteristics of individuals in West Virginia, as compared to those in other states, rather than distinct differences between decliners and acceptors.

This is in agreement with findings from the focus group study, which suggested that the timing of the offer had less to do with the general acceptance decision than it did with the specific ways in which participants planned to use the PRA. A few focus group participants in nearly every group reported learning about the program well into their period of UI benefit receipt, which left them with only a few weeks to enroll in the program, and find and start a job in order to earn the bonus. While this was a factor that they weighed in their ability to earn the bonus, it did not seem to influence their decision to accept the offer. Focus group participants frequently understood that they had to select either the PRA *or* WIA program; those who were not interested in training saw little risk in accepting the PRA offer, whether or not they would end up earning the bonus.

There are small but significant differences in the number of weeks of UI eligibility and the average WBA between those who decline the offer and those who accept. Decliners are more likely to be UI-eligible for a period slightly closer to the 26-week maximum, and receive a higher WBA during this period.

2. Demographic Characteristics

Those who decline the PRA offer are more likely to be male, 55 years in age or older, and to have less education, in general, than those who accept the offer (Table III.9). In the limited data available, it appears that marital status does not substantially affect acceptance rates, but that parental status might. In Minnesota, Mississippi, and Texas (states for which these data are available), those with a child under 18 are much more likely to accept the PRA offer.

These findings are largely consistent with the qualitative reports from program staff and focus group participants about the potential reasons for declining the PRA. First, both suggested that the primary reason for declining was a desire for training. All but one of the decliners (7 of the 82 focus group participants) described their interest in education and training as a deterrent to accepting the PRA offer. These individuals either were changing fields and needed training in a new area, or wanted to receive additional education or training before applying for jobs. It could follow that college-educated workers and those with a child under 18—who the data show to be more likely to accept the PRA—may be less interested or less able to pursue training, respectively. Similarly, PRA staff perceived that a primary reason for refusing an offer was an interest in pursuing other options precluded by the PRA. Specifically, individuals interested in training or education programs were often encouraged to learn more about the WIA dislocated worker program and the availability of ITA funds. Presumably, some portion of this group chooses WIA over the PRA. The pursuit of training or services through a route other than the PRA could help explain the lowest PRA acceptance rate in Minnesota; this state has a generously funded state dislocated worker program.

Second, focus group participants suggested that the level of confidence one has in earning the bonus may not be a reason to decline, but it can promote acceptance. In particular, respondents who think they will find a job easily within the 13-week bonus qualification timeframe may accept the offer with few other considerations. It is possible

that younger workers (ages 25 to 44)—who the data show to be more likely to accept the PRA offer—are confident about getting a job and earning the bonus.

Table III.9. Characteristics of Recipients at PRA Entry, by PRA Offer Decision (Percentages, Unless Stated Otherwise)

	Accepters	Decliners	All Offers
Gender			
Male	50	54**	51
Female	50	46**	49
Age			
Less than 25 years	7	7	7
25 to 34 years	20	14***	19
35 to 44 years	25	20***	24
45 to 54 years	30	30	30
55 years and over	18	29***	21
Average Age in Years	42.8	46.1**	43.5
Median Age in Years	44	48	45
Ethnicity/Race			
Non-Hispanic, white	66	81***	69
Non-Hispanic, black	22	9***	19
Non-Hispanic, other races	3	2	3
Hispanic, any race	10	7**	9
Educational Attainment			
Less than high school diploma / GED	10	11	11
High school diploma / GED	43	50***	45
Some college / 2 year degree	32	28**	31
Completed 4 year college	10	7***	10
Post-graduate education	4	4	4
Current Marital Status ^a			
Unmarried (single or cohabitating)	29	28	29
Married	47	52*	48
Separated, divorced, or widowed	24	20*	23
Have Children under 18 ^a	41	31***	39
Has a Disability	5	3**	4
Total Number of Offers	2,883	830	3,713

Source: Calculations based on individual-level PRA data on recipients and decliners provided by Idaho, Mississippi, Texas, West Virginia, and one of four demonstration sites in Minnesota.

Note: Sums may not total to 100 due to rounding.

*/**/*** Difference is statistically significant at the .10/.05/.01 level.

^aBased on data from Mississippi, Texas, and one site in Minnesota only.

Older participants in the focus groups were concerned about their attractiveness to potential employers and their ability to compete for jobs, even with strong skills and extensive work experience. It might be that this concern affects the acceptance decision for workers 55 years old or older—who the data show are less likely to accept—not necessarily as it relates to the bonus, but as it relates to reemployment more generally. Program staff who conducted PRA orientations and had witnessed people’s reactions to PRA offers also suggested that individuals who are older and approaching retirement age may be less likely to pursue the PRA because they may not intend to return to full-time employment.

Finally, at almost every site, program staff believe that some portion of offerees receive a negative perception of the PRA, and so do not accept the offer; this tends to occur more often among older individuals. Nearly every staff person involved in the orientation process reported that individuals who are obviously skeptical of the PRA offer express their opinions either overtly or indirectly through questions, side-comments to other orientation attendees, or simply through body language. Some offerees make it clear that they do not trust the offer, saying, for example, “If it seems too good to be true, then it is.” Some level of discomfort with the offer becomes apparent in such questions as: “Is the PRA a form of public assistance, and what is the government getting out of this?” Similar reactions were heard from focus group participants who had declined the offer.

3. Characteristics of Last Job

In some cases, the industry or occupation in which offerees worked prior to PRA entry also seems to be a factor in the PRA acceptance decision. Unemployed workers who decline are more likely to have been employed in the manufacturing or mining and natural resources industries and to have had a construction or installation, maintenance and repair job; those who accept are more likely to have come from the professional and business services, education and health services, or leisure and hospitality industries (Table III.10).

PRA decliners typically have held their previous jobs significantly longer than those who accept. On average, they have worked at their last job before becoming unemployed for 10.5 years, compared to accepters who, on average, have worked for 6.5 years in a previous position (Table III.11). Since workers older than 55 also are more likely to decline, this difference in job tenure is somewhat to be expected. However, even if average job tenures are compared within age categories, decliners had longer tenures than accepters within every age group, and were significantly longer among workers between the ages of 45 and 54 (data not shown). Program staff perceptions again provide some insight. Several staff members felt that some long-term workers still may be in shock over the loss of their jobs when they are offered a PRA, and so are not in the right frame of mind to make a relatively quick decision about the best course of action in a job search. As a result, they simply decline the offer.

Decliners are slightly less likely to have worked 35 or more hours per week and to have earned \$30 or more per hour than accepters in the jobs they held prior to PRA entry (Table III.11).

Table III.10. Industry and Occupation of Last Job Held Prior to PRA Entry, by PRA Offer Decision (Percentages, Unless Stated Otherwise)

	Accepters	Decliners	All Offers
Industry			
Natural Resources and Mining	3	5***	3
Construction	6	5	5
Manufacturing	20	28***	22
Trade, Transportation, and Utilities	21	20	21
Information	3	3	3
Financial Activities	7	6	7
Professional and Business Services	16	13**	15
Education and Health Services	11	9*	11
Leisure and Hospitality	5	3***	5
Other Services	5	5	5
Public Administration	4	3	4
Occupation			
Management	10	8	10
Business and Financial Operations	5	4	5
Computer and Mathematical	4	2*	3
Architecture and Engineering	2	2	2
Life, Physical, and Social Sciences	1	0	1
Community and Social Services	1	0***	1
Legal	1	1	1
Education, Training, and Library	2	2	2
Arts, Design, Entertainment, Sports, and Media	2	1	1
Healthcare Practitioners and Technical	2	2	2
Healthcare Support	3	3	3
Protective Service	1	1	1
Food Preparation and Serving Related	3	3	3
Building and Grounds Cleaning and Maintenance	2	2	2
Personal Care and Service	2	2	2
Sales and Related	9	10	9
Office and Administrative Support	21	22	21
Farming, Fishing, and Forestry	1	1	1
Construction and Extraction	6	10***	7
Installation, Maintenance, and Repair	4	7***	5
Production	13	13	13
Transportation and Material Moving	5	5	5
Military Specific	1	0	1
Total Number of Offers	2,883	830	3,713

Source: Calculations based on individual-level PRA data on recipients and decliners provided by Idaho, Mississippi, Texas, West Virginia, and one of four demonstration sites in Minnesota.

Note: Sums may not total to 100 due to rounding.

*/**/** Difference is statistically significant at the .10/.05/.01 level.

Table III.11. Characteristics of Last Job Held Prior to PRA Offer, by PRA Offer Decision (Percentages, Unless Stated Otherwise)

	Accepters	Decliners	All Offers
Hours Worked Per Week			
Less than 20	4	6	5
20 to 34	6	7	6
35 or more	90	87*	90
Average	41	40	41
Median	40	40	40
Hourly Rate of Pay			
Less than \$10	26	25	25
\$10 to Less than \$20	52	55	53
\$20 to Less than \$30	14	14	14
\$30 or More	8	6*	8
Average	\$16	\$17	\$16
Median	\$13	\$14	\$13
Years on Job			
Average	6.5	10.5***	7.4
Median	2.9	6.6	3.5
Total Number of Offers	2,883	830	3,713

Source: Calculations based on individual-level PRA data on recipients and decliners provided by Idaho, Mississippi, Texas, West Virginia, and one of four demonstration sites in Minnesota.

Note: Sums may not total to 100 due to rounding.

*/**/*** Difference is statistically significant at the .10/.05/.01 level.

CHAPTER IV

USES OF PRA FUNDS

The flexibility and breadth of potential uses of PRA funds present the recipients with a range of choices. They must weigh the relative value of a large lump-sum payment for early employment against purchasing services that can make them more marketable. In deciding how to use PRA funds, account holders may consider the likelihood of finding a job within 13 weeks, their level of interest in education and training programs, and their need for assistance in purchasing supportive services to bolster their reemployment efforts. Findings from the focus group study suggest that many recipients have a clear idea at the time of acceptance whether they will focus on earning the bonuses or use the account to support their job search efforts through the purchase of services. This chapter explores the particular uses of the account, and the extent to which recipients earn the bonus, purchase services (and what kinds), or do both.

A. BONUS RECEIPT

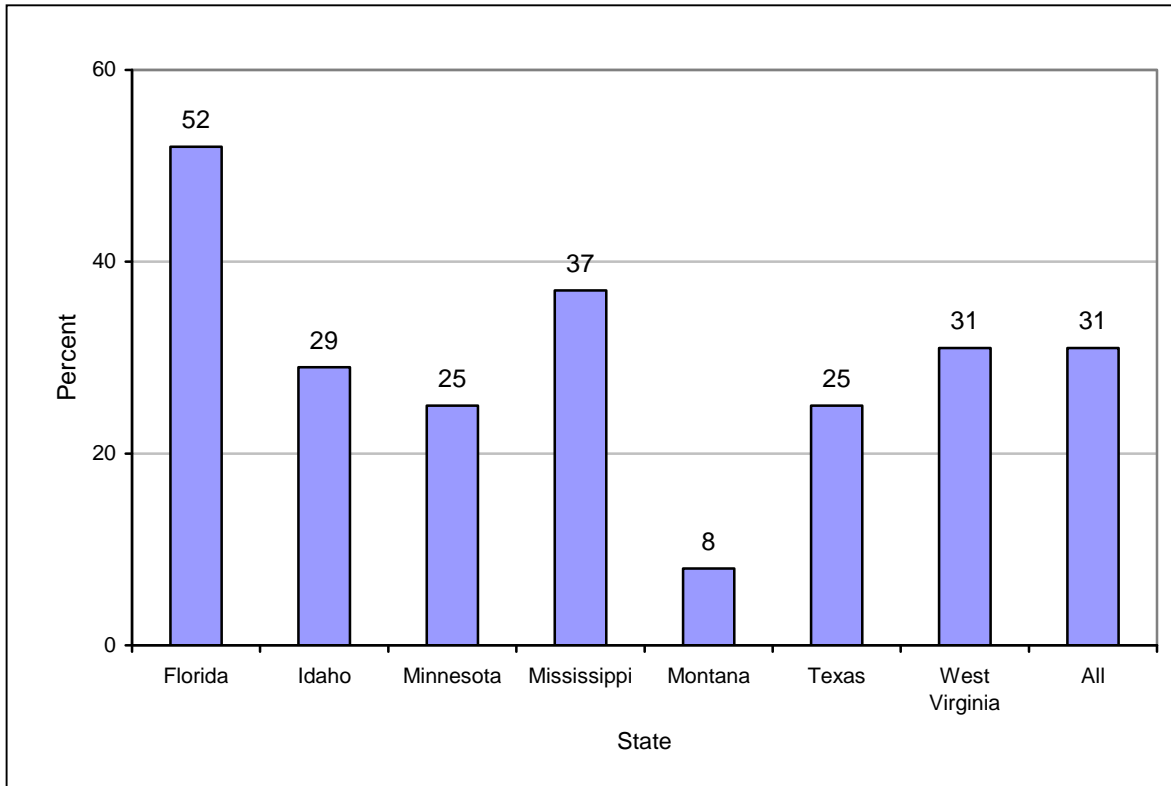
The lump-sum bonus payments are an attractive feature of the PRA, and likely pique the interest of many account holders. Focus group discussions with PRA recipients suggested that individuals who received the bonus generally were confident from the start that they would find a job quickly. For nearly all participants in the focus groups, however, the prospect of receiving the bonus made the PRA offer too good to refuse. While the flexibility of the PRA also can be attractive, its various uses were not always understood by focus group participants. The best uniformly understood information that PRA recipients seemed to take away from the initial PRA orientations was about the bonus—the two lump sum payments and the time period for getting a job. This section presents information on the rate of receipt of both of the bonuses, the potential factors that can contribute to differences in receipt rates across the states, the timing of employment entry among bonus earners, and average bonus amounts.

1. Employment Entry (First) Bonus Receipt

The receipt rate for the employment entry bonus (the first PRA bonus) among all PRA recipients in the original seven demonstration states is 31 percent (Figure IV.1). This rate almost exactly matches predictions from an analysis conducted prior to the PRA demonstration. This analysis, based on the findings from three reemployment bonus

demonstrations conducted in the late 1980s, and reemployment rates among UI recipients targeted for WPRS, estimated that 32 percent of individuals offered a \$3,000 PRA would qualify for and receive at least the first installment of the bonus (Decker and Perez-Johnson 2004). Another analysis of employment services records and UI claims in Georgia estimated that 40 percent of targeted UI claimants would qualify for the employment entry bonus by getting a job within 13 weeks (O’Leary and Eberts 2004).¹⁶

Figure IV.1. Employment Entry (First) Bonus Receipt Rates Among All PRA Recipients



Source: Calculations based on PRA data from the seven demonstration states.

Five of the seven states have bonus receipt rates clustered around the average; however, there is a low of 8 percent in this rate in Montana and a high of 52 percent in Florida. Many factors could contribute to the differences in bonus receipt rates between the states—some exogenous to the PRA program and some specific to the structure and implementation of the PRA. Factors exogenous to the PRA are those that have to do with employment generally and with the employability of specific individuals. For example, individuals previously employed in certain occupations or specific industries may find employment more readily than others, and so earn the bonus. Similarly, an individual’s age, education, and

¹⁶ This figure is based on a simulation analysis of the top 30 percent of the WPRS distribution of UI claimant scores in Georgia who entered reemployment services between July 1, 2000 and September 30, 2001 (the first five quarters of WIA program operation).

prior work experience could contribute to his or her ability to find work quickly and receive the bonus. Potential influences on the bonus receipt rate specific to the PRA include the attractiveness of the bonus amount, state policies that define the full range of uses of the PRA, and the implementation of the PRA in terms of the timing in offering the accounts and the methods of both offering and managing them.

a. Characteristics of Bonus Earners and Nonbonus Earners

The differences in the characteristics between bonus earners and nonbonus earners seem to reflect predictable patterns about who can get a job more quickly or may be motivated to do so. The data show that bonus earners on average are younger than nonbonus earners, and are more likely to have no more than a high school education (Table IV.1). Both of these are characteristics that likely contribute to certain workers finding a job in a shorter timeframe than those who are older and more highly educated. Bonus earners also are more likely to be male and less likely to be unmarried—possibly reflecting the characteristics of the primary earner in the family and the importance of a quick return to work. Interestingly, while individuals employed in the manufacturing and mining and natural resources industries are less likely to accept the PRA (discussed in Chapter 3), once they do accept they are more likely to earn the bonus than not (Table IV.2). Bonus earners also have lower average job tenures in the last job prior to PRA entry than do nonbonus earners.

b. Attractiveness of the Bonus

The attractiveness of the bonus is dependent on the amount that is possible to receive and, potentially, on how that amount measures up, relative to UI benefits. In general, the maximum PRA bonus is based on an account balance of \$3,000, regardless of an individual's WBA (except in the first year of implementation in Minnesota), so the dollar amount of the bonus can be the same, while its size relative to weekly UI benefits can vary across recipients. This could make the incentive offered by the PRA bonus greater for lower-income individuals, who receive low weekly UI benefit amounts. Indeed, bonus earners have a lower average WBA than nonbonus earners, and typically have earned slightly less, on average, in the job they held prior to PRA entry (Tables IV.3 and IV.4). However, this also could reflect the relative ease of finding a lower-paying job more quickly than one with higher pay.

The magnitude of the bonus incentive could be one of the driving forces behind Mississippi having the second highest bonus receipt rate, since earnings of recipients generally are lower than in the other demonstration states (discussed in Chapter III). The majority of participants in the two focus groups conducted in Mississippi in September 2007 reported that the amount of the bonus was a compelling incentive to find *any* job quickly. These participants, who were less educated and had lower earnings on average than participants in focus groups in other states, stated that they took jobs with which they ordinarily would not have been satisfied, simply to earn the bonus.

Table IV.1. Characteristics of Recipients at PRA Entry, by Bonus Receipt (Percentages, Unless Stated Otherwise)

	Bonus Earners	Non-Bonus Earners	All Recipients
Gender			
Male	53	48**	46
Female	47	52**	51
Age			
Less than 25 years	6	6	6
25 to 34 years	21	17**	18
35 to 44 years	27	25	25
45 to 54 years	31	33	32
55 years and over	16	19**	18
Average Age in Years	42.8	43.8**	43.5
Median Age in Years	43	45	43
Ethnicity/Race			
Non-Hispanic, white	69	68	68
Non-Hispanic, black	16	15	15
Non-Hispanic, other races	2	5***	4
Hispanic, any race	13	13	13
Educational Attainment			
Less than high school diploma / GED	8	7	8
High school diploma / GED	45	40**	41
Some college / 2 year degree	28	32**	30
Completed 4 year college	13	15	14
Post-graduate education	6	6	6
Current Marital Status			
Unmarried (single or cohabitating)	26	32**	30
Married	52	50	50
Separated, divorced, or widowed	23	19*	20
Have Children under 18	42	40	41
Has a Disability	3	2	3
Total Number of Recipients	833	1,816	2,649

Source: Calculations based on PRA data from the seven demonstration states. Based on accounts established by September 2006 in order to observe the full bonus qualification periods.

Notes: Sums may not total to 100 due to rounding.
To test for differences across groups, two-tailed t-tests were conducted for all variables.

*/**/** Difference is statistically significant at the .10/.05/.01 level.

Table IV.2. Characteristics of Last Job Held Prior to PRA Entry, by Bonus Receipt (Percentages, Unless Stated Otherwise), Industry and Occupation

	Bonus Earners	Non-Bonus Earners	All Recipients
Industry			
Mining and Natural Resources	3	1***	2
Construction	4	4	4
Manufacturing	19	16*	17
Trade, Transportation, and Utilities	20	23	22
Information	2	4**	3
Financial Activities	8	10	9
Professional Business Services	16	19	18
Education and Health Services	14	13	13
Leisure and Hospitality Services	5	4	4
Other Services	5	4	5
Public Administration	3	3	3
Occupation			
Management	15	13	14
Business and Financial Operations	5	6	6
Computer and Mathematical	3	5**	4
Architecture and Engineering	4	3	3
Life, Physical, and Social Sciences	1	1	1
Community and Social Services	2	1	2
Legal	0	1	1
Education, Training, and Library	2	3	3
Arts, Design, Entertainment, Sports, and Media	1	2	2
Healthcare Practitioners and Technical	3	2	2
Healthcare Support	3	4*	3
Protective Service	2	1	1
Food Preparation and Serving Related	3	2	2
Building and Grounds Cleaning and Maintenance	1	2	1
Personal Care and Service	1	1	1
Sales and Related	9	10	9
Office and Administrative Support	19	22*	21
Farming, Fishing, and Forestry	0	0	0
Construction and Extraction	5	4	5
Installation, Maintenance, and Repair	5	4	4
Production	12	9*	10
Transportation and Material Moving	5	4*	4
Military Specific	1	1	1
Years on Job			
Average	7.4	8.2**	8.0
Median	3.8	4.8	4.2
Total Number of Recipients	833	1,816	2,649

Source: Calculations based on PRA data from the seven demonstration states. Based on accounts established by September 2006 in order to observe the full bonus qualification periods.

Notes: Sums may not total to 100 due to rounding.
To test for differences across groups, two-tailed t-tests were conducted for all variables.

*/**/** Difference is statistically significant at the .10/.05/.01 level.

Table IV.3. Hours Worked and Rate of Pay of Last Job Held Prior to PRA Entry, by Bonus Receipt (Percentages, Unless Stated Otherwise)

	Bonus Earners	Non-Bonus Earners	All Recipients
Hours Worked Per Week			
Less than 20	1	4***	3
20 to 34	5	7	6
35 or more	94	89***	91
Average	40.8	39.2***	39.6
Median	40	40	40
Hourly Rate of Pay			
Less than \$10	22	21	21
\$10 to Less than \$20	53	53	53
\$20 to Less than \$30	16	15	15
\$30 or More	9	11	11
Average	\$16.71	\$17.76*	\$17.43
Median	\$14.00	\$13.68	\$13.88
Total Number of Recipients	833	1,816	2,649

Source: Calculations based on PRA data from the seven demonstration states. Based on accounts established by September 2006 in order to observe the full bonus qualification periods.

Notes: Sums may not total to 100 due to rounding.
To test for differences across groups, two-tailed t-tests were conducted for all variables.

*/**/** Difference is statistically significant at the .10/.05/.01 level.

Table IV.4. UI Receipt Among Recipients at the Time of PRA Offer, by Bonus Receipt (Percentages, Unless Stated Otherwise)

	Bonus Earners	Non-Bonus Earners	All Recipients
Number of Weeks of UI Eligibility at Time of Claim^a			
Less than 12	1	1	1
12 to 15	5	4	4
16 to 19	12	17***	15
20 to 23	18	16	17
24 and above	64	62	63
Average number of weeks of eligibility ^a	23.2	23.2	23.2
Average weekly benefit amount	\$283	\$293**	\$290
Total Number of Recipients	833	1,816	2,649

Source: Calculations based on PRA data from the seven demonstration states. Based on accounts established by September 2006 in order to observe the full bonus qualification period.

Notes: Sums may not total to 100 due to rounding.
To test for differences across groups, two-tailed t-tests were conducted for all variables.

^aUI Eligibility calculations based on data from all states except for MN.

c. PRA Policy, Implementation, and Bonus Receipt Rates

It is also plausible that elements specific to the structure and implementation of PRA could contribute to differences in bonus receipt rates (and account use in general) across the states. First, states differ somewhat in their eligibility and orientation processes for the PRA, which influence the timing of when the PRA offer is made relative to the UI benefit period. Ultimately, the timing of the offer determines the number of weeks an account holder has to secure employment and earn the bonus. A reasonable expectation could be that recipients who receive the PRA offer earlier in the UI benefit period will be more likely to receive the bonus. This does not appear to be the case, however. The median bonus earner and nonbonus earner alike receive the PRA offer four weeks into their UI receipt.¹⁷

Second, policy differences in the allowable uses of PRAs also might be a reason for variation in bonus receipt rates. Florida, Idaho, Minnesota, Montana, and Texas allow a broader range in the purchase of services from the PRAs, and so provide avenues—beyond the bonus—for account use. In Mississippi and West Virginia, on the other hand, restrictive policies on service purchases may have the effect of focusing account holders strongly on bonus receipt as the main avenue for account use. As shown in Figure IV.1, bonus receipt rates in Mississippi and West Virginia are slightly higher than in the other states, except Florida.

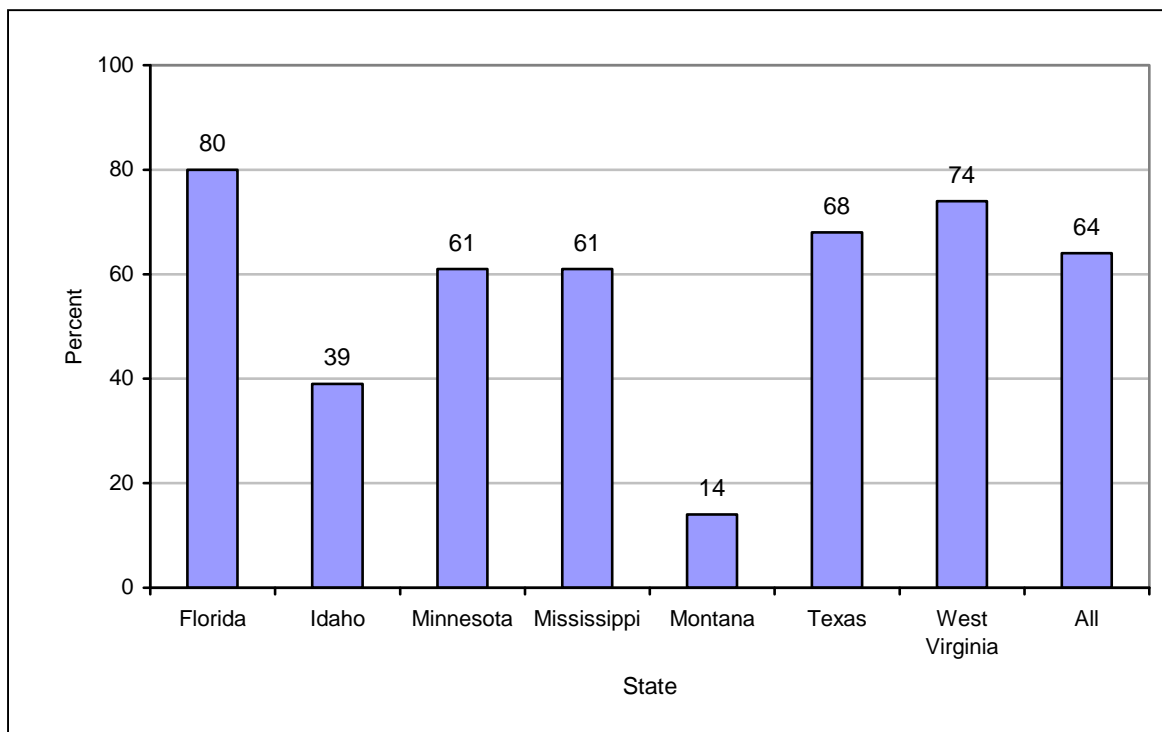
Finally, the method of offering and managing accounts may influence the extent to which PRA recipients receive the bonus, and could help to explain why Florida, with the highest rate of bonus receipt, does not fit neatly with its “policy partners.” Florida’s 52 percent employment entry bonus receipt rate far surpasses that of any of the other states. However, recipients in Florida do not appear to be much different in terms of demographic or employment characteristics upon entry into the PRA than those in other states with similar PRA policies—specifically, Idaho, Minnesota, and Texas (presented in Chapter III). This suggests that there is something about PRA implementation in Florida that encourages higher levels of bonus receipt.

The implementation study found that two of the four regions in Florida set requirements for PRA recipients to be in touch with program staff at least monthly. One of these regions, along with a third region in Florida heavily market intensive career counseling services and have the highest use of intensive services among all the demonstration sites; 32 percent of PRA recipients who purchased intensive services in each of these regions went on to earn the bonus (data not shown). It is possible that this increased contact between staff and PRA recipients improves recipients’ knowledge of details regarding earning the bonus and/or provides services that assist with quick reemployment.

¹⁷ The data show that bonus earners receive the offer slightly (but significantly) later in the UI period, on average (see Appendix C); a result that is likely influenced by the high bonus receipt in Florida where PRA entry occurs later than in most states.

A quantifiable measure that may indirectly capture differences in implementation is the percentage of bonus receipt among the “potentially eligible” PRA recipients. Potentially eligible for the bonus is defined to include those PRA recipients who receive less than 13 weeks of UI receipt, presumably as a result of reemployment. In Florida, four out of every five PRA recipients who are potentially eligible for the first bonus do receive it, contributing to the theory that PRA recipients in Florida are highly attuned to the PRA (Figure IV.2). Looking at receipt rates through this lens also can shed light on the very low bonus receipt rate of 8 percent in Montana. Only 14 percent of PRA recipients deemed potentially eligible for the bonus in Montana actually receive it. Implementation in Montana was disrupted (particularly during the period examined for this analysis) by significant changes in the state’s workforce investment system. At 39 percent, Idaho also has a low bonus receipt rate among those potentially eligible to receive it relative to the other states. This could be a result of the decline in the amount on which bonuses are based from \$3,000 to \$2,000 after the 8th week of UI receipt. PRA recipients in Idaho who do not gain employment by the 8th week may change their strategy in account use; rather than continuing a focus on the bonus they may choose to purchase services prior to employment and, therefore, still have the ability to access the full \$3,000 available.

Figure IV.2. Employment Entry (First) Bonus Receipt Rates Among PRA Recipients That Received Less Than 13 Weeks of UI Benefits (Those “Potentially Eligible” for the Bonus)



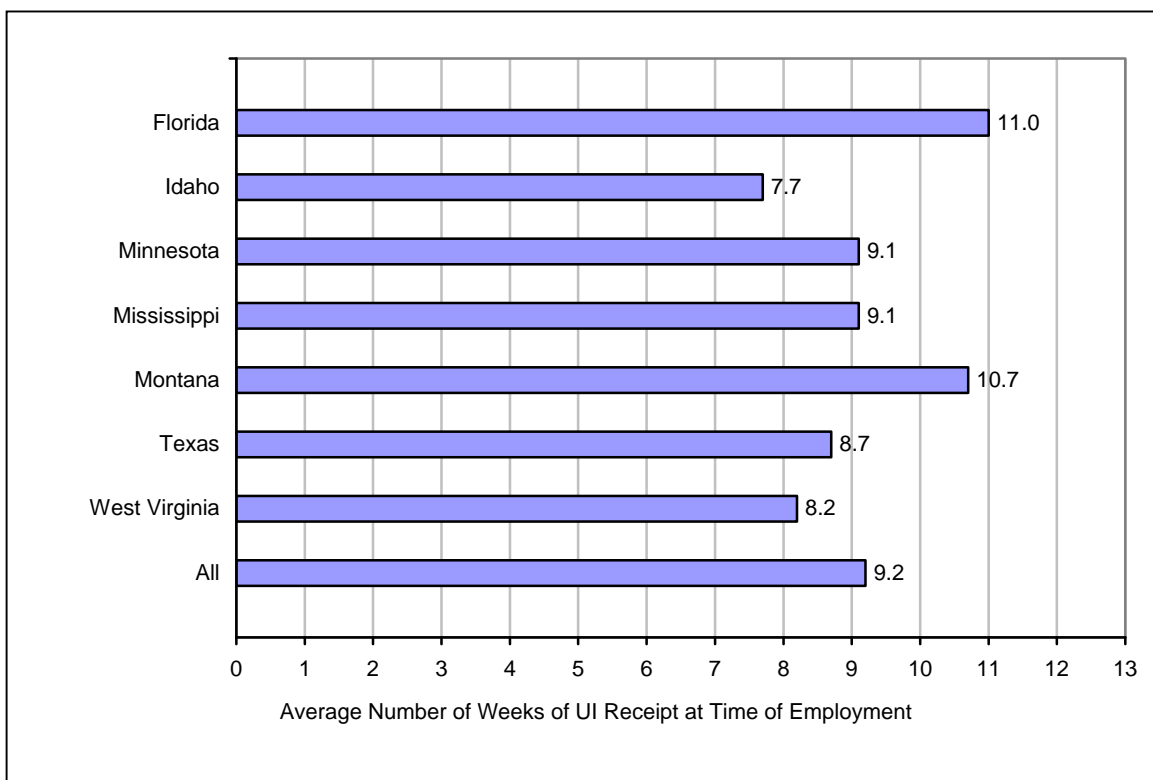
Source: Calculations based on PRA and UI data from the seven demonstration states.

2. Timing of Employment Entry Among Bonus Earners

PRA recipients must gain employment by the end of the 13th week of UI receipt to earn the bonus. On average, employment entry (first) bonus earners gain employment in the 9th week of UI receipt (Figure IV.3). Bonus earners in Montana and Florida come closest to the 13th week cutoff, gaining employment by the 11th week, on average.

Administrators in Idaho, Minnesota, and Texas have structured the bonus in an effort to reward earlier employment entry at a higher monetary level than employment entry that occurs closer to the 13th week of UI receipt. Specifically, the total amount upon which the bonus is calculated decreases from the maximum \$3,000 to the lower bonus cap of \$2,000 if employment occurs after the 8th week of UI receipt in Idaho, and the 10th week in Texas. Minnesota has developed a sliding scale for the bonus that decreases with each passing week, so that UI benefits received, plus the total amount of the PRA will not exceed 80 percent of the individual's maximum eligible UI benefit. This cap kicks in at different times based on an individual's WBA; PRA recipients with higher WBAs do not hit the cap until closer to the 13th week of UI receipt.

Figure IV.3. Timing of Employment Entry Among First Bonus Earners



Source: Calculations based on PRA and UI data from the seven demonstration states.

The timing of employment entry among bonus earners suggests that a policy strategy of higher early bonus awards may have some effect. Bonus earners in Idaho, Minnesota, and Texas gain employment at 8.6 weeks into their UI receipt, on average, compared to 9.4 weeks for bonus earners in the other four states, a significant difference.¹⁸ However, the effect may be on who seeks the bonus and not just promoting a quicker return to work. It is possible that PRA recipients in these three states—that also have a broad range of allowable supportive services purchases—shift their focus away from the bonus and toward service spending if they do not qualify for the maximum bonus (based on the full \$3,000) in the earlier weeks of UI receipt.

3. Retention (Second) Bonus Receipt Rates

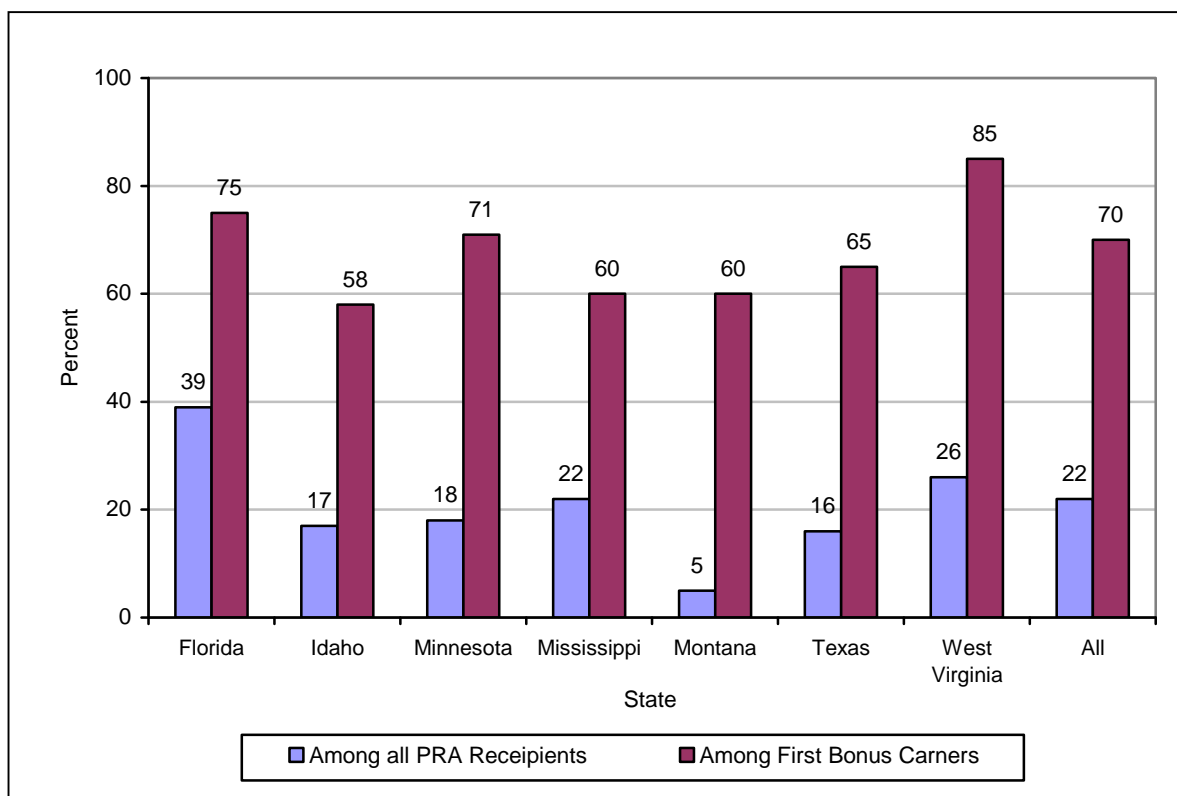
About two out of every three PRA recipients who earn the first bonus also earn the second bonus, suggesting a substantial level of job retention among bonus earners (Figure IV.4). The receipt rate for the retention bonus among first bonus earners is the highest by far in West Virginia at 85 percent, representing a receipt rate of 26 percent among all PRA recipients in the state. In Florida, 75 percent of all first bonus earners also earn the second bonus, and the retention bonus receipt rate for all PRA recipients is just under 40 percent. Overall, just over one in every five PRA recipients across the demonstration states earns the retention bonus.

The retention bonus receipt rates among first bonus earners in Idaho, Mississippi, and Montana, while close to or at 60 percent, are 5 to 25 percentage points lower than those of other states. Given the PRA policy similarities between Mississippi and West Virginia, in particular, which tend to focus recipients on the bonus, it might be expected that Mississippi would have a similarly high rate of first bonus earners who also earn the second bonus. The substantial difference in this measure between these states possibly could reflect less job stability among the Mississippi first bonus earners. Focus group participants in Mississippi reported that they took any job to qualify for the first bonus but, in some cases, found themselves discontented with those jobs and left them.

4. Average Bonus Amounts

PRA account holders also make decisions that determine the size of their bonuses (within established ceilings of \$3,000 or less, depending on the state); any services purchased will draw down the total amount available for bonus payments. The maximum possible payment for the first PRA bonus is \$1,800, and \$1,200 for the second. The analyses conducted prior to the PRA demonstration suggested that PRA recipients would restrict spending on services early in their UI benefit period (i.e., within the first 13 compensable weeks) to maximize the potential amount of their reemployment bonuses (O’Leary and Eberts 2004; Perez-Johnson and Decker 2003).

¹⁸ Significant at the .01 level. However, bonus earners in Florida, who represent the largest portion of bonus earners, contribute to this difference. They gain employment in the 11th week of UI receipt, on average.

Figure IV.4. Retention (Second) Bonus Receipt Rates

Source: Calculations based on PRA data from the seven demonstration states.

Indeed, the average bonus amounts received by PRA bonus earners support these predictions. Account holders who earn the bonuses spend \$230 on services, on average, before employment. Specifically, the average \$1,662 first bonus payment is based on an account balance of \$2,770 at the time of employment entry (Table IV.5). Even the lowest average first bonus amount—seen in Idaho—is based on an account balance of \$2,548, reflecting spending of approximately \$450 on services before employment. As can be expected, the highest average bonus amounts are in Mississippi and West Virginia, states in which service spending is more restricted by policy than in the other demonstration states. Nonetheless, the vast majority of all bonus earners across the states receive the maximum bonus awards (for both the first and second bonus payments).

Average amounts for the second bonus payment indicate that PRA recipients who remain employed for six months and earn this bonus restrict service spending slightly more than the full pool of individuals who earn the first bonus only. This is evident mainly in states with broad supportive service policies—Idaho, Minnesota, and Texas. In these states, the account balances on which second bonus payments are based are \$45 to \$136 more than for the first bonus (Table IV.5). For example, all recipients who earned the first bonus in Idaho spent, on average, \$452 on services before they gained employment and earned the bonus; the account balance on which their bonus was based was \$2,548. Among just the recipients who earned the second bonus, the average spent on services prior to employment

drops to \$316, for an average account balance of \$2,684. While these are not large differences, they are substantial in size relative to the low service spending levels of bonus earners generally.

This approach to the bonus was affirmed by respondents in the focus group study. Bonus earners who participated in the focus groups were confident that they would find a job by the 13th week of UI receipt, and accepted the account with the intent of earning the bonus. The majority of the respondents in all three bonus groups felt little need to use the account to purchase supportive services or training, because they believed they would be reemployed quickly. They preferred to “save” the account so as to earn the full amount of the bonus in the lump sum payments.

Table IV.5. Average Bonus Amounts and Associated PRA Balances at Employment Entry

State	Employment Entry (First) Bonus		Employment Retention (Second) Bonus		Difference in Account Balance for First and Second Bonuses
	Average Amount	Account Balance At Employment Entry	Average Amount	Account Balance At Employment Entry	
Florida	\$1,713	\$2,855	\$1,130	\$2,826	(\$29)
Idaho	\$1,529	\$2,548	\$1,073	\$2,684	\$136
Minnesota	\$1,539	\$2,565	\$1,071	\$2,677	\$112
Mississippi	\$1,795	\$2,991	\$1,200	\$3,000	\$9
Montana	\$1,727	\$2,879	\$1,119	\$2,798	(\$81)
Texas	\$1,602	\$2,671	\$1,086	\$2,716	\$45
West Virginia	\$1,780	\$2,966	\$1,186	\$2,965	(\$1)
Total	\$1,662	\$2,770	\$1,123	\$2,809	\$39

Source: Calculations based on PRA data from the seven demonstration states.

B. SERVICE PURCHASES

Account holders have broad discretion over which services to select. Before the PRA demonstration, a number of assumptions were made about the purchase of services with PRA funds, based on existing research. First, as mentioned previously, account holders were expected to limit PRA outlays for services within the first 13 weeks to “save” the money for the largest possible bonus payments. However, when account holders become disqualified for a bonus because of not finding a job within the 13-week compensable UI benefit period, they were expected to spend their PRA funds on supportive services or training (Perez-Johnson and Decker 2003). Second, it was predicted that when PRAs are used for services within the first 13 weeks, these would include services currently not covered or available through other avenues within the One-Stop system, primarily supportive services, because

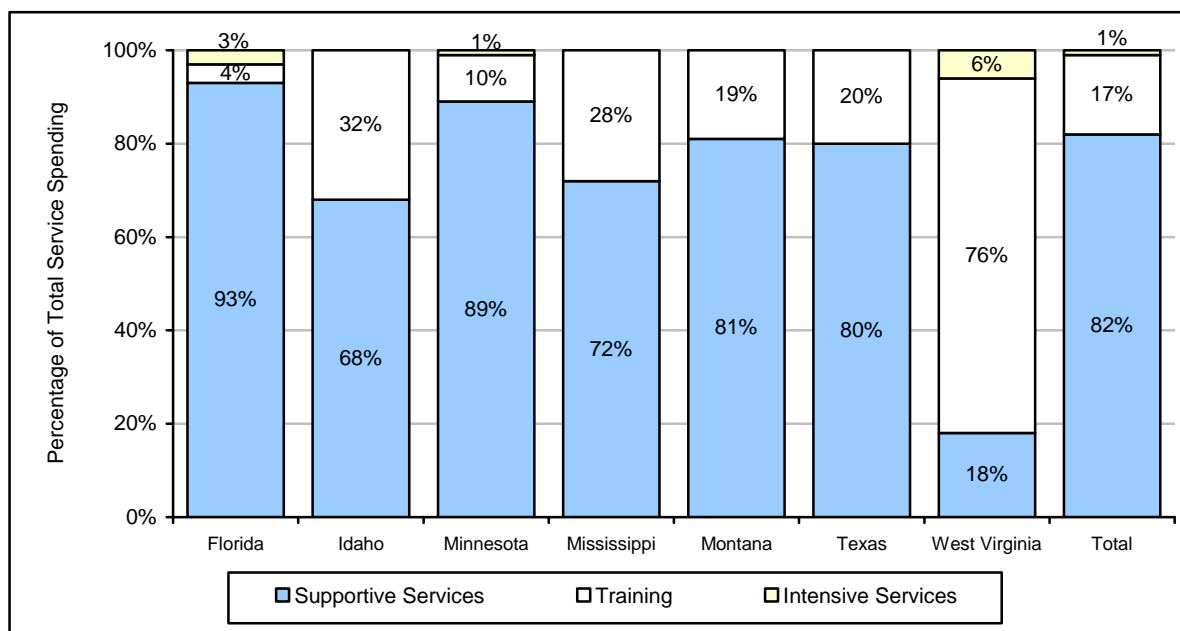
intensive and training services can be covered by other WIA-funded activities. Third, findings from the ITA experiment suggested that few PRA recipients would be likely to use funds for intensive career counseling available from the One-Stop Career Centers regardless of the time period (before or after the bonus qualification period), but recipients interested in training would be likely to pursue it (Perez-Johnson and Decker 2003).

The data now available suggest that these predictions were very much on target. It is evident that recipients save funds to receive large bonuses (discussed in the previous section), that they spend substantial funds on supportive services, very little (if any) on intensive services, and often a slight but noticeable amount on training.

1. Supportive Services

PRA recipients in six of the initial seven demonstration states spend more on supportive services than on any other type of service (Figure IV.5). Spending on supportive services comprise 89 percent or more of all service spending in Florida and Minnesota, and 68 to 81 percent in Idaho, Mississippi, Montana and Texas. In contrast to all of the other states, the purchase of supportive services is only a small portion (18 percent) of service spending in West Virginia.

Figure IV.5. PRA Disbursements on Services, by Service Type



Source: Calculations based on PRA data from the seven demonstration states. Based on average per-recipient service spending among account users.

Across the states, the average account disbursement for the purchase of supportive services per transaction (i.e., one account withdrawal request) is \$441 (Table IV.6). The smallest requests for supportive service purchases are in Florida, where they average \$321. In Mississippi, these requests are the highest among the states, at \$629 on average. Even while these amounts reflect one account disbursement, they likely include several smaller requests bundled together, such as payments for mileage, child care expenses, and clothing for interviews. Examples of supportive service purchases made by PRA recipients are shown in Table IV.7 and detailed in Appendix B. The number of transactions for supportive service purposes is more than 1,000 each in Florida, Idaho, and Minnesota, and just over 2,000 in Texas. In Florida, Idaho, Montana, and Texas the number of transactions relative to total PRA recipients amounts to nearly three supportive service transactions per PRA recipient (data not shown); in Minnesota there are about two transactions per PRA recipient.

Table IV.6. Service Payments Per Transaction

State	Supportive Services		Training		Intensive Services		Total	
	No. of Transactions	Average Amount	No. of Transactions	Average Amount	No. of Transactions	Average Amount	No. of Transactions	Average Amount
Florida	1,138	\$321	28	\$564	67	\$194	1,233	\$308
Idaho	1,333	\$429	170	\$703	0	0	1,503	\$731
Minnesota	1,555	\$580	142	\$652	16	\$534	1,713	\$378
Mississippi	38	\$629	18	\$1,252	0	0	56	\$27
Montana	458	\$454	46	\$762	0	0	504	\$794
Texas	2,020	\$401	157	\$1,224	4	\$381	2,181	\$453
West Virginia	18	\$600	54	\$1,381	4	\$848	76	\$59
Total	6,560	\$441	615	\$898	91	\$286	7,266	\$287

Source: Calculations based on PRA data from the seven demonstration states.

Table IV.7. Examples of Supportive Service Purchases

Vehicle repair	Job uniform
Vehicle insurance payment	Technological supplies
Vehicle purchase or monthly loan payment	Other tools and supplies
Other transportation / mileage reimbursement	Child care
Utilities / rent	Fees for job-related certification / licenses
Mortgage payment / insurance	Health screenings or tests / other medical expenses
Clothing for interviews	Relocation or moving expenses

Source: PRA data from the seven demonstration states; detail shown in Tables 8 and 9 in Appendix B.

The majority of PRA recipients in four states—Idaho, Minnesota, Montana, and Texas—use the PRA to purchase supportive services, while very few (3 to 4 percent) do so in Mississippi and West Virginia (Table IV.8). Just under half of the PRA recipients in Florida purchase supportive services with PRA funds. Across the demonstration states, the average per-recipient spending on supportive services among those recipients who show such spending is \$681, and ranges from a low of \$349 in Florida to \$932 in Minnesota. Of the small number of PRA recipients who make supportive service purchases in West Virginia and Mississippi, such spending amounts, on average, to \$600 and \$696, respectively.

Table IV.8. Service Payments Per PRA Service Purchaser

State	Supportive Services		Training		Intensive Services		Total	
	Percent of Recipients	Average Amount	Percent of Recipients	Average Amount	Percent of Recipients	Average Amount	Percent of Recipients	Average Amount
Florida	47%	\$349	6%	\$585	16%	\$188	59%	\$339
Idaho	64%	\$643	19%	\$892	0%	0	69%	\$704
Minnesota	52%	\$932	11%	\$731	2%	\$553	55%	\$888
Mississippi	3%	\$696	2%	\$1,279	0%	0	5%	\$912
Montana	70%	\$700	17%	\$903	0%	0	73%	\$786
Texas	57%	\$591	19%	\$1,275	<1%	\$487	63%	\$765
West Virginia	4%	\$600	11%	\$1,381	1%	\$848	13%	\$1,168
Total	38%	\$681	11%	\$1,031	2%	\$289	43%	\$747

Source: Calculations based on PRA data from the seven demonstration states.

Focus group respondents who purchased supportive services did not have a particular use for the account in mind from the start, and rarely used it to purchase just one item or type of service (outside of computer purchases). Rather, they used the flexibility of the account to make a variety of purchases to help them find a job (e.g., computer access), carry out their job search activities (e.g., clothing for interviews and gas), and improve their skills to increase their marketability (e.g., computer classes, licenses, certifications).

2. Training

Disbursements from PRAs for training amounts to 17 percent of all service spending overall (Figure IV.5). Training is the main service purchased by PRA recipients in West Virginia; training disbursements comprise 80 percent of all service spending in the state. The purchase of training is one-third of service spending in Idaho and Mississippi, and one-fifth in Texas. PRA recipients in Minnesota and Montana have small but noticeable amounts of disbursements to purchase training (10 and 15 percent, respectively), while training comprises 4 percent of all service spending in Florida.

As can be expected, the average amount of a single training purchase (i.e. per transaction) is higher in every state than that of a supportive service purchase and is \$898, on average, across the states (Table IV.6). Average training disbursements range from \$564 in

Florida to \$1,381 in West Virginia. Job and occupational skills training is the primary purpose of PRA disbursements for training (details presented in Table 8 in Appendix B). PRA disbursements for training also pay for classes in adult basic education, English as a Second Language, and toward a general equivalency degree. A few training disbursements also were used to develop a business plan for self-employment and to purchase on-line or distance learning classes.¹⁹

Among all PRA recipients, 11 percent use the account to purchase training (Table IV.8). More than 10 percent of recipients in every state but Florida and Mississippi pursue training with PRA funds. In these states, only 6 and 2 percent of recipients, respectively, purchase training. The average spending on training among recipients who purchase training is more than \$1,000 each in Mississippi, Texas, and West Virginia, and more than \$500 but less than \$1,000 in the other states.

3. Intensive Services

PRA recipients in Idaho, Mississippi, and Montana do not spend any funds to purchase intensive services, and only 2 percent or less purchase these services in Minnesota, Texas, and West Virginia (Table IV.8). As a result, disbursements for intensive services comprise just 1 percent of all service spending across the states (Figure IV.5). Only in Florida is there a noticeable percentage of PRA recipients (16 percent) who use their accounts to purchase intensive services. The implementation study found that two participating sites in Florida have developed intensive services package and heavily market them to potential account holders during orientation and individual follow-up meetings. The packages offer assistance with resume development, career counseling, development of an Individual Employment Plan, and skills training covering such topics as life skills, interviewing skills, professional conduct, and business ethics. While the full packages are priced at \$216 to \$250, depending on the site, PRA recipients can select the elements of interest to them. This appears to have occurred, given that the average per-recipient disbursement among those who purchase intensive services in Florida is the slightly lower amount of \$188 (Table IV.8).

Average amounts spent by recipients who purchase intensive services in the other states where such spending occurs are higher than that seen in Florida, ranging from \$487 in Texas to \$848 in West Virginia. PRA funds are used by recipients in these states to pay for specialized assessments for occupational skills or aptitude, to purchase resume development assistance and individual career counseling, and to attend specialized workshops (details shown in Appendix B).

Intensive services offered within the One-Stop Career Centers were rarely discussed in the focus groups conducted with PRA recipients, but this in itself suggests that it could simply be a lack of familiarity with these services that leads to nonuse, rather than a

¹⁹ Training purchases are not restricted to providers on the Eligible Training Provider list. However, the percentage of training purchased from ETPs is not known because such detail on providers was not available from the demonstration sites.

conscious decision not to pursue them. A few focus group participants understood that they were “giving up” free access to some career services and job preparation classes by selecting the PRA, but it was not a factor that weighed heavily with them. None of the participants reported using their PRA to purchase individualized, intensive assistance for their job searches from the One-Stop Career Centers or any other providers. Focus group participants were predominantly long-term, consistent workers, and so may have had limited exposure to the types of services that the WIA program could provide. This may have confined their ability to weigh the value of free access to those services in contrast to the PRA, and limited their interest in paying for them with PRA funds.

The patterns of intensive service purchase in Florida suggest that PRA recipients who are made more aware of the types of career counseling and one-on-one job search assistance that are available will pursue them, at least to some extent. Both of the Florida sites that offer the intensive services packages have seen a substantial level of purchase of these services among all PRA recipients—33 percent at one site, and 48 percent at the other (data not shown). As previously discussed, Florida set up a “contact” schedule for PRA recipients and this continued contact could have reinforced the availability of intensive services.

C. THE MIX OF BONUS AND SERVICE USES

The state-to-state differences in the balance among the types of PRA uses are revealing of state policy differences. To examine these differences, this analysis is restricted to those recipients who use the account (excluding those who never make any disbursements at all). First, the discussion focuses on how the average “user” disburses PRA funds between bonus payments and service purchases. The discussion then turns to the degree of distinctness and overlap in the types of uses—bonus receipt or service purchases—among PRA users.

1. Average PRA Disbursements Among Account Users

The average PRA “user” spends slightly more on services (55 percent of disbursements) than he or she receives in bonuses (45 percent of disbursements), but this picture of account use varies considerably, depending on the state (Table IV.9). PRA use in Mississippi is focused almost exclusively on the bonus. In West Virginia, at least \$4 out of every \$5 disbursed from PRAs is in bonus payments and in Florida, bonus payments make up nearly \$3 out of every \$5 in disbursements. As discussed earlier, Mississippi and West Virginia have policies that restrict PRA spending on services, such that recipients are focused on the bonus and little else. The majority of PRA use is directed toward bonus payments in Florida, which is in line with the state’s high bonus receipt rate. This again differentiates Florida from the other states with which it shares a policy to provide broad allowances in the purchase of supportive services.

In the other four states, service purchases comprise the larger share of average disbursements among PRA users; 63 percent in Idaho, 67 percent in Minnesota, 71 percent in Texas, and 87 percent in Montana. These states allow PRA recipients to purchase a broad range of supportive services, and recipients have responded by putting the PRA to use in purchasing these services at a high rate.

Table IV.9. Composition of Average PRA Disbursements Per User (as percentages of total expenditures)

Type of Disbursement	States With Restricted Supportive Service Purchases			States With Broad Allowable Supportive Service Purchases				All States
	Mississippi	West Virginia	Florida	Idaho	Minnesota	Montana	Texas	
First Bonus	68	54	39	26	22	9	20	30
Second Bonus	26	30	19	11	11	4	9	14
Total Bonuses	94	83	59	37	33	13	29	45
Intensive Training	0	1	1	0	1	0	0	1
Supportive Services	2	13	2	20	6	17	14	9
Total Services	4	3	38	43	60	70	57	46
Total Expenditures	6	17	41	63	67	87	71	55
Total	100	100	100	100	100	100	100	100

Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total 100 due to rounding.

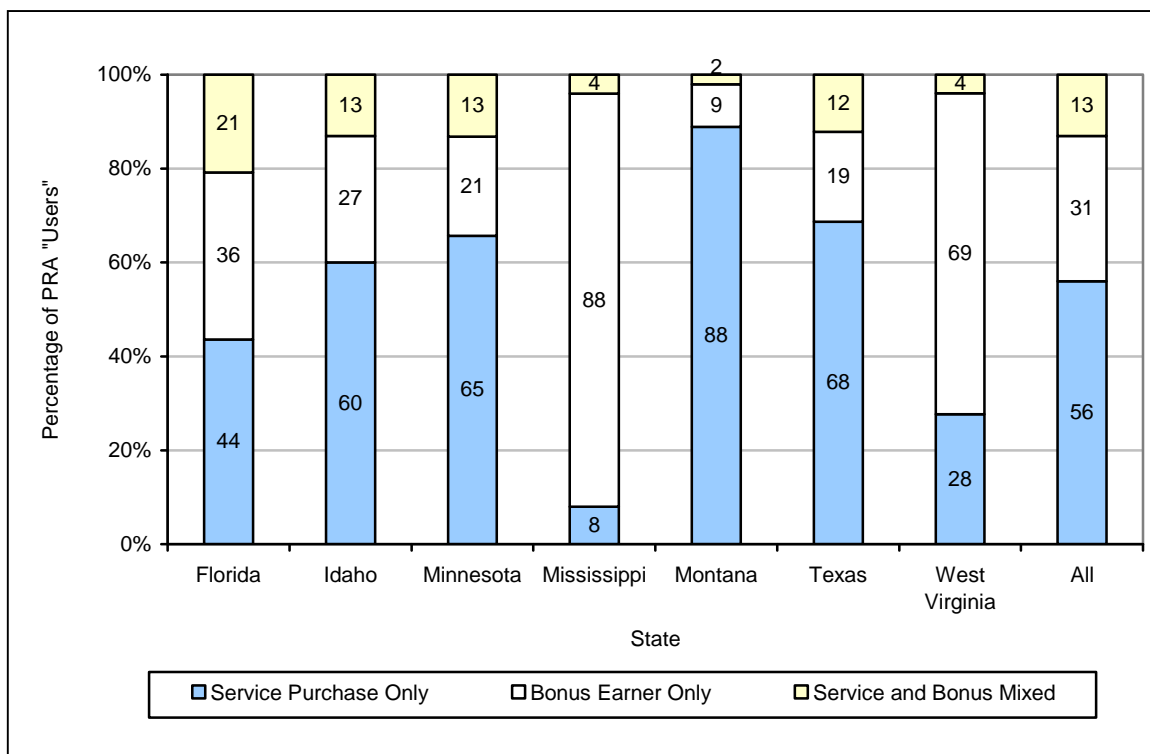
2. Distinct Users and Overlaps in Types of Use

The average bonus payments discussed earlier indicate that there is little overlap between bonus earners and service purchasers. This is seen again when looking at the percentages of PRA users who purchase services only, earn the bonus only, or do both. Overall, just over one in every ten recipients that use the PRA make service purchases *and* earn the bonus (Figure IV.6).

Very few PRA users (less than 5 percent) in Mississippi, Montana, and West Virginia mix uses of the account. As can be expected, the majority of users in Mississippi and West Virginia are bonus earners only. In Montana, it is the opposite. The substantial majority—88 percent—of all PRA users make service purchases only. The composition of users among service purchasers, bonus earners, and mixed users is similar in Idaho, Minnesota, and Texas, with each state having either 12 or 13 percent of all users mixing the account for bonus and service purposes.

The most mixed use occurs in Florida, where one out of every five PRA users earns a bonus and also purchases services. PRA users in Florida also are the most evenly spread between the distinct categories of bonus earners or service purchasers, with 36 and 44 percent in each category, respectively.

Figure IV.6. Types of PRA Users (Excludes PRA Recipients With No Account Disbursements)



Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total to 100 due to rounding.

CHAPTER V

PATTERNS IN PRA USE

The previous chapter detailed the types of uses for which PRA recipients direct funds from their accounts. This chapter delves into the patterns in account use by describing how recipients use the PRA for different purposes and in different timeframes. Analyses conducted prior to the start of the PRA demonstration predicted that patterns in PRA use during the qualification period for the first bonus (the first 13 weeks of UI receipt) could differ from later patterns, depending on whether or not a bonus is earned. Specifically, these analyses suggested that PRA recipients would focus primarily on the bonus and restrict service purchases until the outcome of their initial job search and ability to earn the bonus was known.

The analysis of PRA use in this chapter also describes the timing and extent of use of the accounts to answer such questions as: How much of the \$3,000 do recipients typically use? What proportion of recipients never makes use of the account at all? What proportion uses the account in full? When and why do PRAs close?

A. THE TYPES OF PRA USERS

Findings from the implementation study completed about one year into the PRA demonstration suggested that patterns of PRA use indicate a decision on the part of recipients either to earn the bonus, purchase supportive services, or simply not use the account. As seen at that time, and confirmed with the data now available, PRA recipients have made limited use of the funds to purchase training, and have hardly purchased intensive services at all. The focus group study was conducted with the intent of better understanding the decisions that PRA recipients make about how to use the funds, and when.

Among the key findings of the focus group study were that some individuals made distinct decisions about how to use the account at the time they accepted it, and that others simply were misinformed, or forgot about the range of uses available. Specifically, bonus earners were confident at the time they accepted the PRA that they would find a job quickly and wanted to earn the maximum bonus possible. Focus group respondents who purchased services typically were those who did not feel confident about finding another job quickly. Rather than “saving” their account for a lump sum payment that they might not receive, they put the account to use in supporting their job searches. For the majority of the 28

supportive service focus group respondents, the PRA held appeal because of the range of possible uses to support a job search, which they expected would take some time. For example, in Minnesota, some respondents talked about the decline in manufacturing jobs and others recognized that their industry fluctuated throughout the year, so that when they lost their jobs, it was during a slow period when they were unlikely to find another one quickly. In Idaho, the supportive service group was composed of highly educated individuals who knew their job searches were likely to continue beyond 13 weeks. These respondents viewed the PRA favorably because it could help to support their job searches and supportive service needs while they sought employment in their field or at their professional level. In many instances, they had no intention of earning the bonus, and immediately began using their accounts to support their job search.

These findings from the implementation and focus group studies are used to develop a framework for examining the patterns in PRA use by different types of users, and in different time periods. PRA recipients are divided into four distinct groups based on PRA use in *the bonus qualification period (the first 13 weeks after the UI claim)* in order to explore the specific strategies they may pursue in using their accounts for reemployment. The groups are:

1. **Bonus-Earners:** those who received a first bonus of at least \$1,620²⁰
2. **Supportive Service-Focused Users:** those who spent \$800 or more specifically on supportive services²¹
3. **Other Users:** those whose bonus amounts or supportive services spending did not place them in the bonus-earner or supportive service-focused categories and those whose spending was limited to training and/or intensive services
4. **Initial Nonusers:** those with no disbursements from the PRA in this initial period, but who did spend after their 13th week of UI receipt

The chapter also will explore a fifth group of PRA recipients: the **complete nonusers** who never make any disbursements from the account. However, for the purpose of first examining patterns in PRA *use*, complete nonusers are excluded from this analysis and discussion.

²⁰ The bonus limit was set to capture individuals who specifically saved their account for the bonus and felt that they did not need to spend funds on services to help them get a job. The limit was based on the average first bonus amount across the states (\$1,660) and the fact that 75 percent of bonus earners receive the maximum first bonus.

²¹ The supportive services purchase limit was set to provide at least a \$500 difference in spending between that allowed for bonus-earners and supportive service-focused users, while recognizing that some PRA recipients have only a few weeks in which to make purchases from the time of PRA entry to the end of the 13th week of their UI receipt.

Overall, the highest proportion of PRA users is bonus-earners, but this group still comprises just 36 percent of all users (Table V.1). The next largest group is that of “other users,” within which just over one in every four PRA users falls. The relative size of the supportive service-focused user and the initial nonuser groups is the same, at 19 percent across all the states, suggesting a split among PRA recipients who choose to start spending on supportive services immediately and those who choose to try to earn the bonus before making any service purchases.

As expected, the composition of user groups varies a great deal between the states. Bonus-earners comprise the majority of all PRA users in Mississippi and West Virginia, and the largest portion of recipients in Florida; this could be expected, given what is known about these states already. (West Virginia and Mississippi have policies of restrictive supportive services purchases, while Florida shows the highest bonus receipt rate.) There is very limited use of the PRA outside of the bonus in Mississippi, limited but noticeable use in West Virginia, and a good deal of supportive service-focused and other use in Florida.

Table V.1. Types of PRA Users, by State^a

State	Bonus-Earners	Supportive Service-Focused	Other User	Initial Nonuser
States with the Highest Percentage of Bonus-Earners				
Mississippi	90%	1%	4%	5%
West Virginia	71%	1%	20%	8%
Florida	49%	22%	22%	7%
States with the Highest Percentage of Other Users				
Idaho	24%	17%	44%	16%
Montana	9%	9%	56%	26%
Texas	22%	22%	33%	24%
States with the Highest Percentage of Initial Nonusers				
Minnesota	24%	23%	21%	32%
All States	36%	19%	27%	19%

Source: Calculations based on PRA data from the seven demonstration states.

^aRestricted to PRA accounts with entry dates prior to July 1, 2006 so that the full cycle of use could be observed.

The supportive service-focused group does not comprise the largest share of users in any of the seven demonstration states, and does not exceed 23 percent of all PRA users in any one state. Rather, the largest portion of users falls into the “other user” group in Idaho, Montana, and Texas, and into the initial nonuser group in Minnesota.

B. PATTERNS IN PRA USE BY TIME PERIOD

Despite the range of uses of the PRA overall, the bonus payments tied to reemployment by the end of the 13th week of UI receipt were expected to influence the initial uses of the account. Specifically, the assumption has been that most recipients will restrict initial spending on services to be able to earn the maximum amount of the bonuses. The data presented in the previous chapter reinforce that PRA recipients who earn the bonus do tend to “save” their account, and that there is little overlap among bonus earners and service purchasers. What is yet to be explored is the difference in strategies employed in the initial weeks of account availability, which may or may not be dependent on bonus receipt. Specifically, this section explores (1) whether service purchasers take an approach to saving the PRA similar to that of bonus earners, or whether they begin purchasing services even before they are able to earn the bonus; and (2) whether there are nonusers in the early PRA period who become users after the bonus qualification period passes, suggesting that they attempted to earn the full bonus.

1. PRA Use During the Bonus Qualification Period

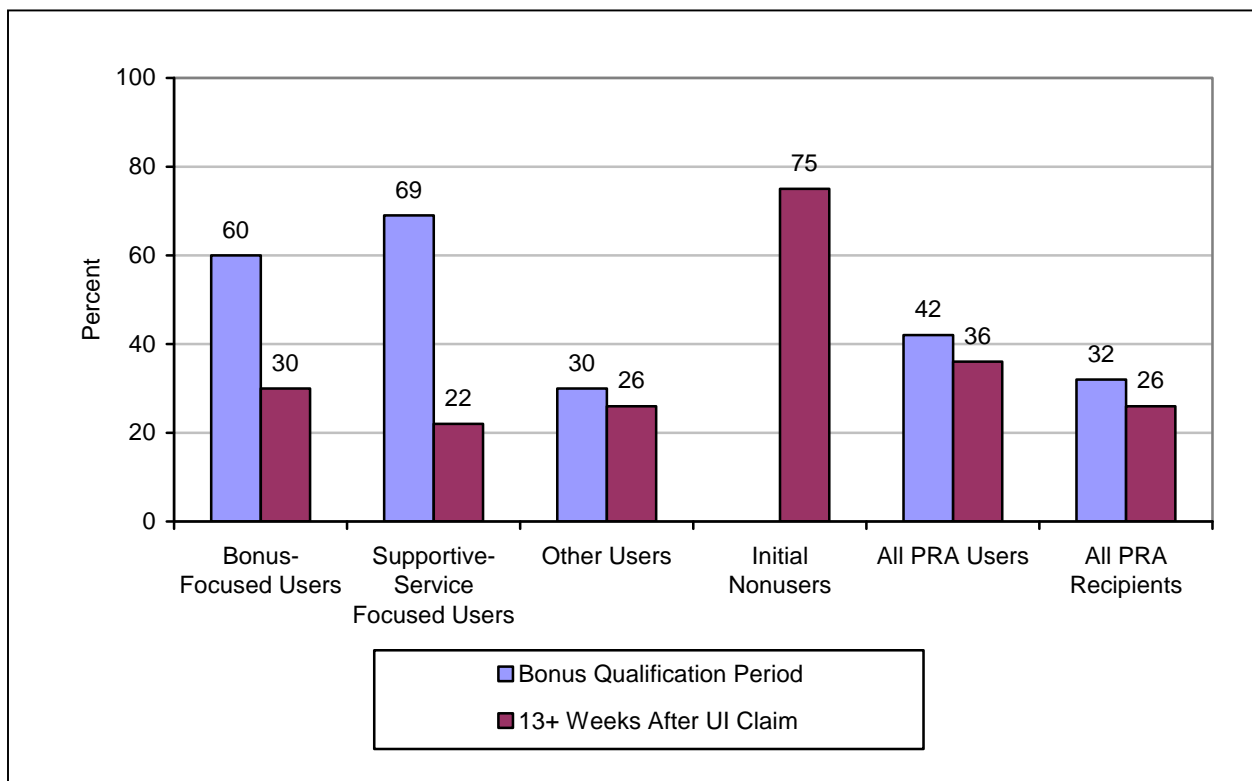
The expenditure patterns of the different user groups indicate that supportive service-focused PRA recipients not only begin spending from the account in the bonus qualification period (the first 13 weeks of UI receipt), but also that they do most of their account spending during this period. By the end of this initial period, supportive service-focused users have spent about 69 percent of the \$3,000 PRA, for a total of \$2,077, on average (Figure V.1). Bonus-earners, on the other hand, use only 60 percent of their accounts by the end of this period, the equivalent of the account formula for the first bonus. PRA recipients in the “other users” group spend just under \$900 on average in this period, using an average of 29 percent of the available funds.

For purposes of consistency in comparing all four of the user groups across the time periods, initial nonusers are included as zeros in the “all PRA user” amounts for this time period. Taken together, PRA users disburse 42 percent of the \$3,000, or \$1,269 per user on average, by the time they reach the end of the bonus qualification period.

As expected, the bonus-earner group shows extremely little service spending in this initial period that is, substantially less than the \$300 “allowed” by its definition (Table V.2). The average expenditure per bonus-earner further confirms that most spend very little, so as to earn the full amount of the bonus. Specifically, this group earns on average a \$1,789 bonus, just \$11 shy of the \$1,800 maximum.

Supportive service-focused PRA recipients spend a total of \$2,077 from their PRA by the end of the bonus qualification period and, of course, nearly all of this spending is on supportive services (Table V.2). These users have a small average expenditure amount per recipient on bonuses (\$113), because some individuals who purchase a substantial amount of supportive services gain employment in this period and earn a small bonus. Average per-recipient expenditures for this group reflect little spending on intensive or training services.

Figure V.1. Average Disbursements as a Percent of the Total \$3,000 PRA, by PRA User Type and Time Period



Source: Calculations based on PRA data from the seven demonstration states.

Recipients who fall into the “other users” category spend only limited amounts on services, but training costs comprise 45 percent, on average, of their total account spending. The small average per-recipient reemployment bonus of \$281 suggests that some of these users spend substantial amounts on training and then earn the bonus. It appears that more service purchasers combine spending on training with bonus receipt, than spending on supportive services with bonus receipt because of the slightly higher per-recipient bonus amount in this “other user” group compared to that of the supportive service-focused users (\$113).

Overall, the reemployment entry bonus is the largest share of the disbursements seen among PRA users in the initial 13 weeks of UI receipt. Specifically, the average per-PRA user bonus amount of \$736 is 58 percent of the total \$1,269 disbursed in this early period. Supportive services are the next largest group, with an average amount of \$403. Less than \$1 in every \$10 spent by PRA users in this period goes toward training.

Table V.2. Average Per-User Disbursements in the Bonus Qualification Period, by Type of PRA User

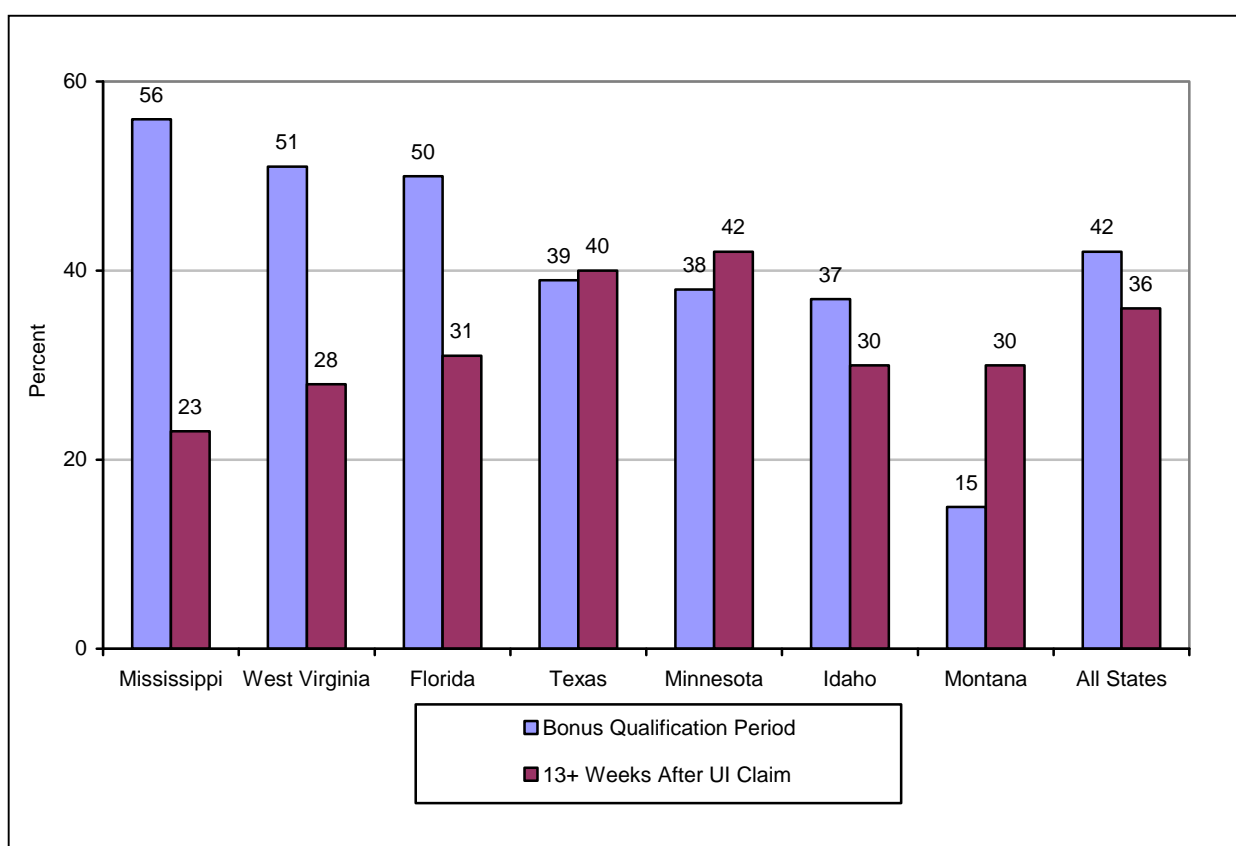
	Bonus-Earners		Supportive Service-Focused		Other Users		Initial Nonusers	All Users	
	Average Amount	Percent of Total	Average Amount	Percent of Total	Average Amount	Percent of Total	Average Amount	Average Amount	Percent of Total
Reemployment Bonus (1 st Bonus)	\$1,789	99%	\$113	5%	\$281	32%	\$0	\$736	58%
Intensive Services	\$4	0%	\$11	1%	\$34	4%	\$0	\$13	1%
Training	\$1	1%	\$62	3%	\$397	45%	\$0	\$117	9%
Supportive Services	\$11	1%	\$1,892	91%	\$173	20%	\$0	\$403	32%
Total Services Received	\$16	1%	\$1,965	95%	\$604	68%	\$0	\$533	42%
Total Average Expenditure	\$1,805	100%	\$2,077	100%	\$885	100%	\$0	\$1,269	100%
Sample Size	603		315		447		320	1,685	

Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total to 100 due to rounding.

Patterns of Use in the States. The states with the highest bonus receipt rates—Florida, Mississippi, and West Virginia—also have the highest level of disbursements by PRA users in the bonus qualification period, relative to the full \$3,000. In these states, PRA users disburse between 50 and 56 percent of their funds in this early period (Figure V.2). In Mississippi and West Virginia, disbursements are focused almost completely on bonus receipt. There is more of an even mix between bonus and service disbursements in Florida, although bonus disbursements still comprise the largest share. The level of disbursements among PRA users in Idaho, Minnesota, Montana, and Texas is lower than that of the “bonus-earner” states in this period. These states each have smaller portions of high bonus-earners, as well as substantial portions of “other users,” who have a relatively low level of account use, and initial nonusers, with no use at all during this period.

Figure V.2. Average Disbursements by PRA Users as a Percent of the Total \$3,000 PRA, by State and Time Period



Source: Calculations based on PRA data from the seven demonstration states.

2. PRA Use After the Bonus Qualification Period Passes

Whether or not the bonus is earned, after the 13th week of UI receipt PRA recipients may continue with the same strategy of PRA use as before or change their course of account use. Disbursements across all types of initial users are lower in the period after the bonus

qualification passes than in the previous 13 weeks (Figure V.1). Bonus- and supportive service-focused users disburse the majority of their PRA funds in the first period, but disburse close to the full amounts that remain in this later period. Other users spend approximately one-quarter of the \$3,000 on average after the bonus qualification period passes. The group that exhibits the greatest break in course is the nonuser group, those recipients who did not use the PRA account during the early period. Some become service purchasers after the 13th week of UI receipt, suggesting that this portion of recipients are saving their PRA funds to earn the maximum bonuses. These initial nonusers who make later service purchases spend 75 percent of their PRA funds in this later period. With the initial nonuser group becoming users in this period, the average amount of disbursements relative to the full PRA among all users—at 36 percent—is not too far behind that seen in the initial period.

Bonus recipients have little choice but to save their PRA funds for the second bonus because, in accordance with federal policy, PRA funds are frozen until such time as they qualify for the second bonus. However, if recipients of the first bonus do not qualify for the second bonus due to lack of job retention, they can access PRA funds to support another job search if they did not lose the job through any fault of their own. The average disbursement per bonus-earner in this later period is \$863, less than the maximum \$1,200 that would coincide with close to the full first bonuses earned by this group; this reflects the fact that not all first bonus earners receive the second bonus (Table V.3). Some first bonus earners do show service spending in this period, presumably after a job loss; however, this spending does not amount to much, at an average of \$26 per bonus-earner.

Supportive service-focused users continue the trend of using the PRA to purchase supportive services in this later period, but do so to a lesser extent because they already have spent most of their funds. Other users shift their service spending from an earlier concentration on training to the purchase of supportive services in this later period. During this period, the other users and the supportive service-focused users have similar levels of supportive services purchases, at \$570 and \$596, respectively.

The initial nonusers now clearly identify themselves as individuals who were interested in earning the bonus and so did not make any purchases during the bonus qualification period. Having missed the opportunity for the lump-sum payments, these PRA recipients typically now choose to use the account to purchase services, and they do so at a substantial level. The average initial nonuser spends \$2,238 after the bonus qualification period passes. Nearly all of this spending is focused on the purchase of supportive services (\$1,875), but with a noticeable amount (\$361) directed toward training costs.

Patterns of Use in the States. PRA disbursements are lower in this later period in four states and higher in three (Figure V.2). In West Virginia and Mississippi, disbursements among users again are focused almost exclusively on bonuses, as the first bonus earners earn the second bonus in this period. But, there is limited use of accounts beyond the bonus

Table V.3. Average Per-User Disbursements After the Bonus Qualification Period, by Type of PRA User

	Bonus-Earner		Supportive Service-Focused		Other Users		Initial Nonusers		All Users	
	Average Amount	Percent of Total	Average Amount	Percent of Total	Average Amount	Percent of Total	Average Amount	Percent of Total	Average Amount	Percent of Total
Retention Bonus (2 nd Bonus)	\$863	97%	\$37	6%	\$123	16%	\$0	0%	\$348	33%
Intensive Services	\$0	0%	\$0	0%	\$0	0%	\$1	0%	\$0	0%
Training	\$0	0%	\$18	3%	\$78	10%	\$361	16%	\$93	9%
Supportive Services	\$26	3%	\$596	92%	\$570	74%	\$1,875	84%	\$628	59%
Total Services Received	\$26	3%	\$614	94%	\$648	84%	\$2,238	100%	\$721	67%
Total Average Expenditure	\$889	100%	\$651	100%	\$771	100%	\$2,238	100%	\$1,069	100%
Sample Size	603		315		447		320		1,685	

Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total to 100 due to rounding.

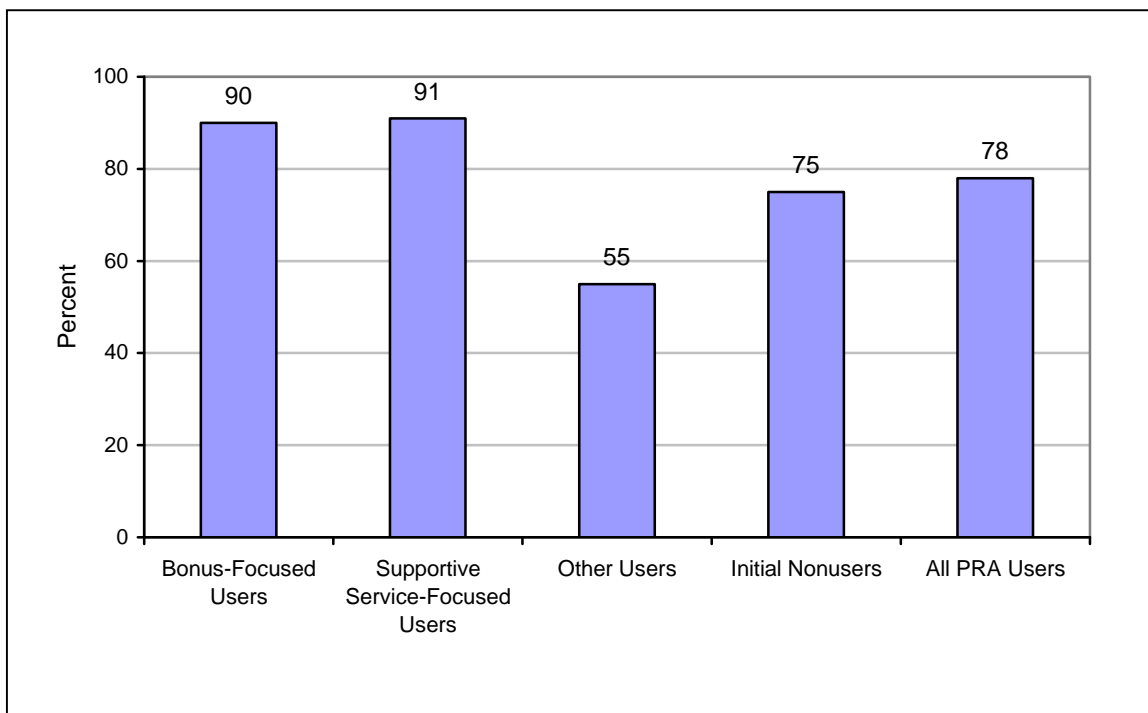
payments in these states resulting in average disbursements of 23 to 28 percent. In Florida, the level of spending also is lower, but the spending that does occur is split nearly evenly between bonus receipt and service spending. Because Idaho has a sizeable portion of other users whose spending drops slightly in this later period, Idaho is the fourth state with lower disbursements.

Initial nonusers now make disbursements in all states but West Virginia and Mississippi. This group likely explains the higher rate of spending seen in this period among users in Minnesota, Montana, and Texas.

3. Patterns in Use Over the Full Course of the PRA

Over the full course of the PRA, bonus- and supportive service-focused users make use of almost all of their accounts, disbursing 90 and 91 percent of the \$3,000, respectively (Figure V.3). Initial nonusers disburse an average of 75 percent of their accounts. Other users have the lowest level of disbursements overall, at 55 percent. On average, PRA “users” (not including those recipients who never use the account at all) disburse 78 percent of the full \$3,000 by the time their accounts close.

Figure V.3. Average Disbursements Over the Full Course of the PRA as a Percent of the Total \$3,000, by PRA User Type



Source: Calculations based on PRA data from the seven demonstration states.

Different users start making service purchases from the account at different times. The timing of bonus disbursements is prescribed by the bonus eligibility requirements, but service purchases can happen at any time. Table V.4 presents the timing of the first service purchases by different users (excluding bonus earners and complete nonusers). Consistent with the findings in the prior sections, supportive service-focused users and other users start making service purchases early, within about one month of receiving the PRA. Initial nonusers delay service purchases until about four months after PRA receipt

Table V.4. Time from PRA Receipt to First Service Disbursement

	Supportive Service-Focused User	Other User	Initial Nonuser
Time to First Service Disbursement			
Average (in months)	0.8	1.0	4.6
Median (in months)	0.7	0.7	4.1

Source: Calculations based on PRA data from the seven demonstration states.

The patterns and level of use over the course of the account are summarized as follows and presented in Table V.5:

1. **Bonus-Earners.** These users disburse \$2,694 on average, receiving nearly all of this money through bonus receipt. They typically earn the full amount of the first bonus, but not all of them earn the second bonus. Very few who do not qualify for the second bonus use the account to purchase services to support another job search.
2. **Supportive Service-Focused Users.** These users also come close to using the PRA in full, with total disbursements of \$2,728, on average. They start spending early in the life of the account, and use most of the funds to purchase supportive services by the end of the bonus qualification period. They spend very little on other services (training or intensive).
3. **Other Users.** These users have the lowest PRA disbursements overall, totaling only \$1,656 over the course of the account. Their initial disbursements are focused on training, but then shift to supportive services purchases after the bonus qualification period ends. Over the course of the account, the largest share of their disbursements goes to purchase supportive services; these total \$743, comprising 45 percent of their disbursements.
4. **Initial Nonusers.** These recipients first save the account, presumably to earn the maximum bonus. Once they do not earn the bonus, they make purchases primarily of supportive services and some training. The average initial nonuser spends \$2,238 from their PRA.

Table V.5. Average Per-User Disbursements Over the Full Course of the PRA, by Type of PRA User

	Bonus-Earner		Supportive Service-Focused		Other Users		Initial Nonusers		All Users	
	Average Amount	Percent of Total	Average Amount	Percent of Total	Average Amount	Percent of Total	Average Amount	Percent of Total	Average Amount	Percent of Total
Reemployment Bonus (1 st Bonus)	\$1,789	66%	\$113	4%	\$281	17%	\$0	0%	\$736	32%
Retention Bonus (2 nd Bonus)	\$863	32%	\$37	1%	\$123	7%	\$0	0%	\$348	15%
Total Bonuses Received	\$2,652	98%	\$150	6%	\$403	24%	\$0	0%	\$1,084	46%
Intensive Services	\$4	0%	\$11	0%	\$34	2%	\$1	0%	\$13	1%
Training	\$1	0%	\$80	3%	\$475	29%	\$361	16%	\$210	9%
Supportive Services	\$37	1%	\$2,487	91%	\$743	45%	\$1,875	84%	\$1,031	44%
Total Services Received	\$42	2%	\$2,578	95%	\$1,252	76%	\$2,238	100%	\$1,254	54%
Total Average Expenditure	\$2,694	100%	\$2,728	100%	\$1,656		\$2,238		\$2,338	
Total as Percent of \$3,000		90%		91%		55%		75%		78%
Sample Size	603		315		447		320		1,685	

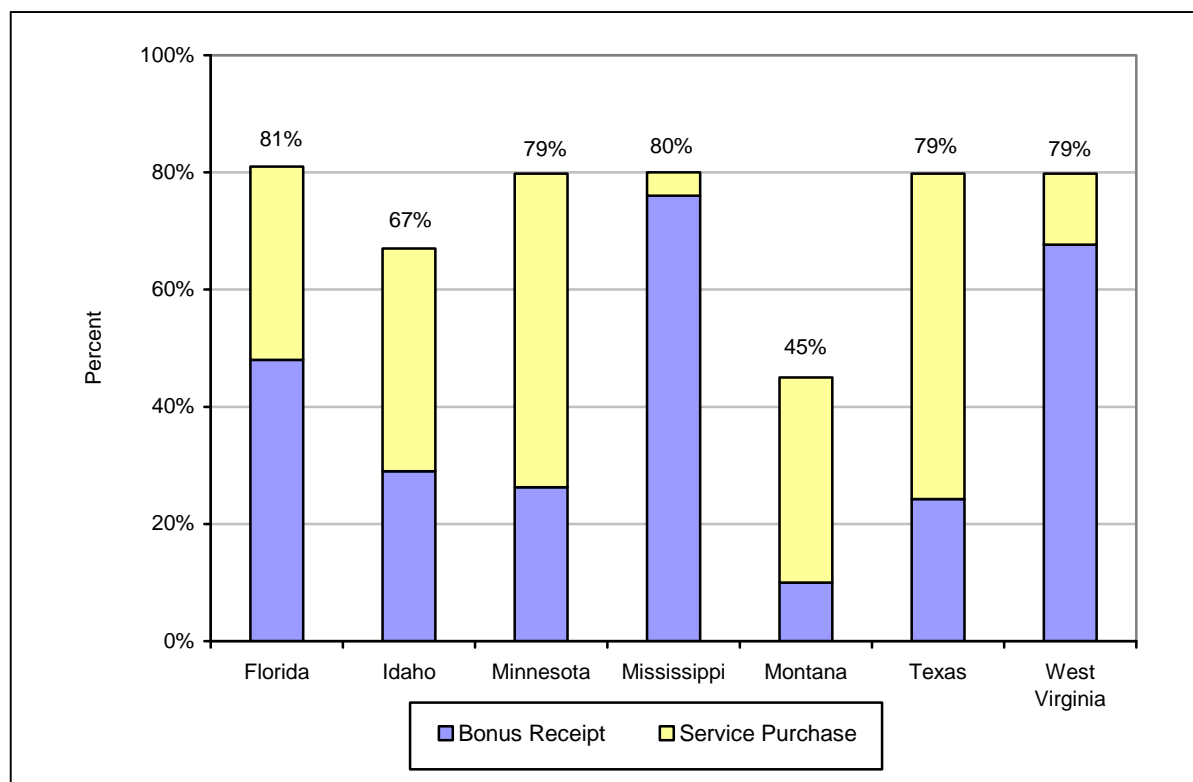
Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total to 100 due to rounding.

Other notable patterns about service purchases are that the purchase of training occurs nearly exclusively among “other users” during the bonus qualification period, and then among initial nonusers in the later period. Also, the limited purchase of intensive services occurs only in the bonus qualification period; there is virtually no spending to purchase intensive services in the later period.

Patterns of Use in the States. By the end of the account cycle, PRA users in five of the seven states have disbursed about 80 percent of the PRA, approximately \$2,400 (Figure V.4). Only in Montana and Idaho do PRA users have lower disbursements, amounting to 43 and 66 percent use, respectively, of their accounts. These states have the highest proportions of “other users,” whose spending overall is lower than that of the other three user groups.

Figure V.4. Average Disbursements of PRA Users Over the Full Course of the PRA as a Percent of the Total \$3,000, by State



Source: Calculations based on PRA data from the seven demonstration states.

C. EXTENT OF PRA USE

Before PRA implementation, estimates of the extent of PRA use per participant ranged from \$1,452 to \$2,519 (O’Leary and Eberts 2004; Decker and Perez-Johnson 2004).²² Unexpended PRA funds were expected to result from (1) recipients of the first reemployment bonus not qualifying for the second bonus, and so not using the remaining funds in their accounts; and (2) individuals not qualifying for any bonus, and not using the full amount of PRAs on services.

The data now show that the average PRA recipient spends \$1,755 from the account (Table V.6). The balance of spending is tipped toward service purchases, for a total of \$971 spent per recipient. The majority of this spending (\$800) is directed toward the purchase of supportive services. The average recipient earns \$783 through the two bonus payments.

Table V.6. Average Per-Recipient Disbursements

	All PRA Recipients	
	Average Amount	Percent of Total
Reemployment Bonus (1 st Bonus)	\$531	30%
Retention Bonus (2 nd Bonus)	\$252	14%
Total Bonuses Received	\$783	45%
Intensive Services	\$9	1%
Training	\$163	9%
Supportive Services	\$802	46%
Total Services Received	\$974	55%
Total Average Expenditure	\$1,757	100%
Total as Percent of \$3,000		58%

Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total to 100 due to rounding.

The discussion in the prior section shows that account use among both bonus-earners and supportive service-focused users is quite high, amounting to average per-recipient disbursements of about \$2,700 for each group. Even initial nonusers who later make primarily supportive service purchases spend \$2,200, on average. Low use is seen mainly among the “other user” group. While average disbursements for PRA *users* are high, the full picture of disbursements is much different because of cases of *complete nonuse* of the accounts.

²² The O’Leary and Eberts simulation that predicted average spending of \$1,452 was based on linked data on employment services and UI claims in Georgia; the Decker and Perez-Johnson analysis that predicted average spending of \$2,519 was based on preliminary results from the ITA Experiment that took the PRA structure into account.

Average disbursements for all PRA *recipients* are substantially lower than those of Mississippi, Montana, and West Virginia *users*, somewhat lower in Idaho, Minnesota and Texas, and only slightly lower in Florida (Table V.7).

To fully examine the extent of account use, this section looks at the extremes—the rate of full disbursement (or exhaust) of PRA funds, and the rate of nonuse.

1. Account Exhaust

Overall, just one in every three PRA recipients uses the full \$3,000 (including the nonuser group) (Table V.8). Among PRA recipients who actually use their accounts (excluding the nonuser group), one in every two uses the account in full. A substantial majority (72 percent) of bonus-earners exhaust the account, while a very slight majority (51 percent) of supportive service-focused users does so. Initial nonusers have a sizeable level of account exhaust at 41 percent, further confirming that individuals in this group spend at a high level in the later period of the PRA. Approximately one in every four “other users” exhausts the PRA.

Table V.7. Average Disbursements for All PRA Users and For All PRA Recipients, by State

State	All PRA Users ^a	All PRA Recipients	Difference Between Users and Recipients
Florida	\$2,445	\$2,238	\$207
Idaho	\$2,333	\$1,750	\$583
Minnesota	\$2,411	\$1,860	\$550
Mississippi	\$2,400	\$996	\$1,404
Montana	\$2,278	\$1,483	\$796
Texas	\$2,483	\$1,926	\$557
West Virginia	\$2,404	\$1,087	\$1,317
All States	\$2,432	\$1,757	\$676

Source: Calculations based on PRA data from the seven demonstration states.

^aDisbursements for PRA users presented in this table will differ slightly with those presented in the prior section. These calculations are based on all accounts with entry dates prior to July 2006 while recipients with missing service transaction dates are excluded from the time period analysis.

Table V.8. Percent of PRA Recipients Who Use the Full \$3,000 (Exhaust the PRA), by State and PRA User Group

State	Percent of Account Exhausted	User Group	Percent of Account Exhausted
Florida	52%	Bonus-Earners	72%
Minnesota	39%	Supportive Service-Focused	51%
Texas	37%	Initial Nonuser	41%
West Virginia	29%	Other User	26%
Idaho	24%		
Mississippi	23%		
Montana	15%		
Total	36%		50%

Source: Calculations based on PRA data from the seven demonstration states.

There is a wide range in the rate of account exhaust across the states, with a low of 15 percent in Montana and a high of 52 percent in Florida. The rates of exhaust in Mississippi and West Virginia virtually mirror the rates of receipt for the second bonus, indicating that it is full bonus earners who receive the \$3,000 account in its entirety.

Potential Reasons for Lack of Full Use. The focus groups uncovered misinformation that affected usage among both bonus earners and supportive service purchasers. For bonus earners, there was particular confusion over the documentation necessary for receiving the bonus payments, and the criteria enabling receipt of the second bonus payment. In one of the bonus groups, respondents had a discussion about the six-month retention payment, and whether it was possible to change jobs and still qualify. It was clear that at least one person did not access his second bonus payment because he had changed jobs and thought this disqualified him from receiving the remaining funds.

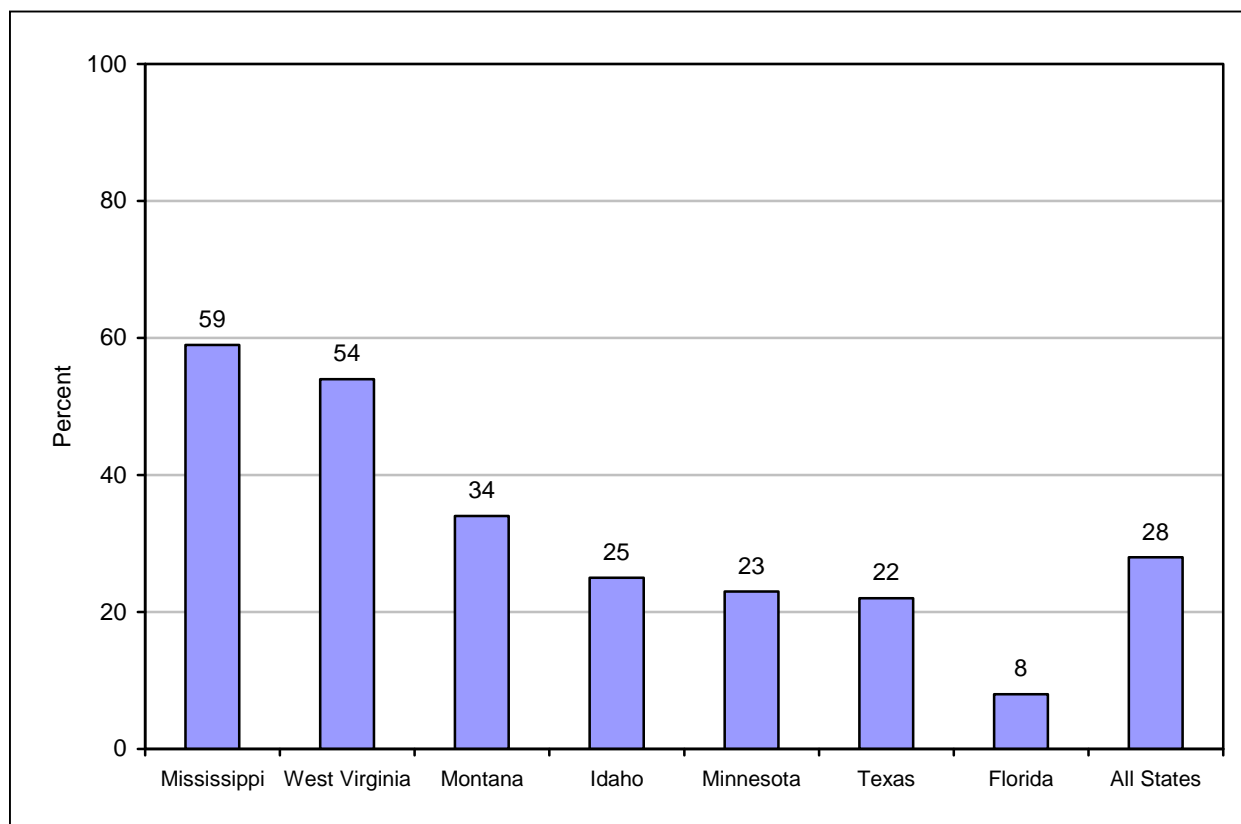
Some supportive service-focused users also may not have used their accounts to the full extent because they were unaware of the full range of purchases allowed by their states. Some did not know that the account could cover transportation and travel costs associated with a job search. Others used the account to purchase items ranging from gas to computers, or to enroll in short-term training classes, but were not aware that the funds could be directed to everyday expenses, such as paying ongoing bills.

2. Account Nonuse

Just over one in every four PRA recipients does not use their account for any purpose (Figure V.5). Nonuse is particularly prevalent in Mississippi and West Virginia—at 59 and 54 percent of all recipients in each state, respectively—where recipients were limited in possible PRA uses beyond the bonus. Throughout the demonstration, account holders in

these two states have either earned the bonuses or do not use the account at all. Nonetheless, sizeable portions of PRA recipients—at least 22 percent—are complete nonusers in every state but Florida. Only eight percent of all PRA recipients in Florida never use the account, suggesting that these recipients have been well-informed about the PRA and/or well-connected with program staff.

Figure V.5. Percent of PRA Recipients that Are Complete Nonusers, by PRA State



Source: Calculations based on PRA data from the seven demonstration states.

Potential Reasons for Nonuse. The focus group study provided some insights into the reasons for nonuse. As could be expected, the nonusers in Mississippi were predominantly individuals who accepted the PRA offer with the sole intent of earning the bonus, but who did not end up finding employment within the required timeframe. They share traits with the bonus-earner groups, in that they wanted the lump-sum bonus. They talked about needing the flexibility that the cash would provide to meet their most pressing ongoing expenses (such as gas, utility bills, and car repairs). When they did not earn the bonus, they let their PRA funds languish. Given the ability to use the PRA for the broad range of uses allowed in other demonstration states, these nonusers most likely would have accessed their accounts to purchase supportive services, particularly those that could assist with everyday expenses.

Even beyond the group in Mississippi, most respondents in all the nonuser focus groups were individuals who accepted the PRA with the intention, or hope, of receiving the bonus. They said that they did not use their PRAs because they had not qualified for the bonus. However, the discussions revealed that many of these nonusers might have made use of their accounts if they had been more aware of the policies governing bonus receipt and service purchases. For example, a few nonusers in Minnesota and Mississippi may have qualified for the bonus, but either did not know about, or misunderstood the processes necessary to claim it.

Most of the nonusers in the focus groups, however, were individuals who did not qualify for the bonus and simply did not know, or perhaps did not remember, that they could use the account to purchase services. In general, they understood little about the purpose of the accounts beyond the bonus. This resulted in misunderstandings about the length of time the account was available to them, as well as their ability to use it to purchase services. During the focus group discussions, these nonusers indicated that they would have used the account to pay bills, buy gas, and purchase computer software had they known that these were available options.

Some nonusers talked about their difficulty in reaching staff, calls left unreturned, feelings of mistreatment by and disrespect from staff, and the lack of program knowledge on the part of staff that left them with unanswered questions about how to use their accounts. At one site in particular, these experiences with staff were cited as substantial disincentives for any account use.

Account disbursements through reimbursement only may have limited the ability of some PRA recipients to make purchases to support their job search. This may be particularly applicable to Idaho, in which PRA funds for purchases are available through reimbursement only, rather than as vendor direct payments or vouchers. As a result of this policy, several respondents in the Idaho focus groups did not use their accounts, or did so only minimally, because any purchases would require an initial cash outlay on their part.

D. PRA CLOSURES

While the PRA is valid for one year, there are reasons that the accounts can close early, such as full use of the \$3,000 before the year ends, or the opposite—early closure for lack of use (only applicable in West Virginia and Minnesota). This section discusses the reasons that PRAs close, and the typical length of time they remain open.

1. Reasons for Closure

The majority of PRAs close because they are exhausted, or because the one-year time period ends. Fully 68 percent of all PRAs are closed for these two reasons (Table V.9). Minnesota and West Virginia are the only states that make a practice of closing accounts early due to nonuse. In West Virginia, half of the accounts close due to inactivity, and in Minnesota, 16 percent close for this reason. Texas reports a substantial number of accounts closed due to participant withdrawal. In general, this occurs when an individual is offered a

PRA but later is deemed eligible for Trade Act Assistance (TAA), which disqualifies him/her from receiving a PRA. However, this percentage is too high to reflect so much PRA eligibility error, and also would have to be reflected in higher percentages of nonuse (which is 22 percent in Texas). In Florida, 12 percent of PRAs close because the recipients become employed. The data show that two regions in Florida close accounts for individuals who become employed after the bonus qualification had passed, suggesting that these regions do not allow PRA use after employment, regardless of the timing of employment entry. PRAs closed for “other” reasons include becoming ineligible for the account due to UI eligibility issues, or due to a return to a previous employer.

2. Length of Accounts

The time that PRAs remain open is largely a factor of their use. If recipients spend down the full \$3,000, then the account closes at the time of the last disbursement. In West Virginia and Minnesota, unused accounts close early, typically at about 26 weeks. In the other states, unused accounts remain open for the full 52 weeks. In all of the states, accounts that have some but not full use typically remain open for the full year. Just over one-third of PRAs remain open for 52 weeks (Table V.10). The states with the highest rate of exhaustion—Florida and Texas—and those with high exhaustion rates and/or early closure policies based on inactivity—Minnesota and West Virginia—have fewer than half of PRAs that are open for less than the full 52 weeks.

Table V.9. Reasons for PRA Closures, by State

	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Funds exhausted	52	24	39	23	15	37	29	36
Time expired (one year)	15	57	40	64	54	29	12	32
Participant withdrawal	0	0	0	0	0	28	0	9
Inactivity within required timeframe	0	0	16	0	0	0	51	10
Became employed	12	0	0	0	0	0	0	2
Other	4	0	2	0	0	2	0	2
Unknown	18	19	3	14	31	4	7	8

Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total to 100 due to rounding.

Table V.10. Length of PRAs (percentages)

	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Length of Open PRA Account								
0-13 Weeks	11	4	12	10	8	5	6	8
14-26 Weeks	10	7	17	2	3	10	31	13
27-39 Weeks	44	25	20	15	19	37	42	32
40-51 Weeks	11	8	9	9	12	15	9	11
52 Weeks	24	58	41	65	59	33	13	36
Average	34.7	43.4	37.0	43.4	43.2	38.6	31.8	37.7
Median	34	52	40.0	52	52	39	30	38

Source: Calculations based on PRA data from the seven demonstration states.

Note: Sums may not total to 100 due to rounding.

Even while PRAs tend to remain open the full year, the last disbursements are made much earlier. The timing of the last disbursement is of importance only for service purchases since the timeframes for bonus disbursements are predetermined (within the first 13 weeks of UI receipt for the first bonus, and six months later for the second). The average time from PRA entry to the last disbursement is just about four months for both supportive service-focused users and “other” users (Table V.11). As might be expected, the last disbursement occurs later for the initial nonuser group that begins spending only after the bonus qualification period passes. For this group, the last disbursement is made, on average, about six and a half months after PRA entry.

Table V.11. Time from PRA Receipt to Last Service Disbursement

	Supportive Service-Focused User	Other User	Initial Nonuser
Time to Last Service Disbursement			
Average (in months)	4.2	3.8	6.6
Median (in months)	3.2	2.5	5.9

Source: Calculations based on PRA data from the seven demonstration states.

CHAPTER VI

PATTERNS OF UI RECEIPT AND EMPLOYMENT OF PRA RECIPIENTS

The ultimate goal of PRAs is to help targeted UI recipients obtain jobs. The effectiveness of PRAs in meeting this goal can be judged by the extent to which they shorten the length of UI receipt and speed reemployment. Absent an impact evaluation, it is not possible to ascertain the true impacts of PRAs on UI receipt or employment. This chapter compares UI receipt, employment, and earnings among PRA recipients and among all UI recipients. However, because PRA recipients differ from all UI recipients—in being eligible for a PRA and in deciding to accept a PRA—differences in these outcomes could be a result of underlying characteristics of the PRA recipients rather than the offer of a PRA and should not be viewed as the *impacts* of a PRA. Despite this caution about interpretation, these comparisons are still interesting and can provide some insights into the expected future outcomes of PRA recipients.

A. UI RECEIPT

By definition, PRA recipients are considered more likely than other UI recipients to exhaust their benefits—that is, to receive UI for all weeks they are eligible for benefits—yet many do not exhaust their benefits to the degree expected. States estimate the probability that each UI claimant will receive their benefits in full through the WPRS models.²³ The estimated average rate of exhaust for PRA recipients based on WPRS scores in the five states for which these data are available is 52 percent (Table VI.1). The actual average rate of exhaust for PRA recipients is substantially lower at 40 percent. Actual exhaust rates for recipients are consistently lower, on average, than the estimated rates in each of the four states for which both are available. Overall, in these four states the average estimated UI exhaust rate for PRA recipients is 55 percent while the actual rate is 47 percent (data not shown).

²³ WPRS models are discussed briefly in Chapter I. Additional detail of these models and their role in determining PRA eligibility is provided in the interim evaluation report (Kirby 2006).

As can be expected, the actual rate of exhaust by PRA recipients is higher overall than that for all UI beneficiaries (including those not deemed likely to exhaust their benefits). Two states, however, are notable exceptions; in Florida and Idaho, exhaust rates among PRA recipients (36 and 21 percent, respectively) are lower than statewide exhaust rates based on *all* UI beneficiaries (44 and 26 percent, respectively).

Table VI.1. UI Exhaust Rates (percentages)

State	Estimated Exhaust Rate For PRA Recipients Based on WPRS Scores 2005-06	Actual Exhaust Rate Among PRA Recipients in 2005-06	Statewide Exhaust Rate for all UI Recipients in FY 2006	Percent of PRA Recipients Who Come Within 1 Month of Exhausting	Percent of PRA Recipients Who Do Not Come Within 1 Month of Exhausting
Florida	--	36	44	11	53
Idaho	--	21	26	17	63
Minnesota	45	--	31	--	--
Mississippi	43	36	27	7	58
Montana	66	60	32	8	32
Texas	56	53	36	8	39
West Virginia	55	39	25	7	54
All States	52	40	32	10	50

Source: Calculations are based on PRA data from the seven demonstration states. Statewide exhaust rates are based on state-reported data in the Unemployment Insurance Data Base (UIDB); see <http://workforcesecurity.doleta.gov/unemploy/content/data.asp>.

-- Data not available.

The vast majority of PRA recipients who do not exhaust their benefits end their UI receipt at least one month before reaching the number of weeks for which they are eligible (Table VI.1). For example, while 53 percent of PRA recipients exhaust their UI benefits in Texas, only another 8 percent come close to UI benefit exhaust—the remaining 39 percent do not come within one month of exhausting them. Similarly, only 7 to 8 percent of PRA recipients in three other demonstration states—Mississippi, Montana, and West Virginia—come within one month of exhausting their benefits; in Florida and Idaho the percentages who come close to exhaustion are slightly higher but remain less than 20 percent.

As a reemployment strategy, the PRA is intended to help recipients reenter the workforce by providing assistance (through service purchases) and/or an incentive (through the bonus payment) to do so quickly. Data are not available to pinpoint the timing of employment entry for all PRA recipients (beyond those who qualify for the employment entry bonus). UI receipt duration can be used as a proxy for employment entry, under the assumption that the primary reason a recipient discontinues their UI receipt early is because

they get a job. Just over one in every three PRA recipients receives UI benefits for 13 weeks or less, suggesting that they gain employment within one quarter of PRA entry (Table VI.2). In Florida and Mississippi, the majority of PRA recipients receive less than 13 weeks of UI receipt, while in Minnesota and Montana less than 30 percent of PRA recipients end UI receipt and presumably become employed within 13 weeks of their UI claim

PRA recipients receive UI benefits for 17 weeks, on average—about one month shorter than their full period of eligibility and about one month longer than all UI recipients in the demonstration states (Table VI.2). In three states—Florida, Mississippi, and Montana—PRA recipients received UI benefits for the same amount of or less time on average than all UI beneficiaries. This may suggest that in these states, the PRA may reduce UI receipt as it is expected that PRA recipients are more likely to exhaust. In states where information on UI receipt for PRA decliners is available, PRA recipients remain on UI about two weeks less on average and exhaust benefits at a substantially lower rate (40 versus 69 percent) than those who were offered but declined the PRA.²⁴ While the PRAs may account for some of this difference, other factors such as differences in the types of UI recipients who accept and decline the PRA offer may be contributing as much or more. For example, if decliners do pursue training as a reason for not accepting the PRA, as suspected, then their return to work may be delayed and their receipt of UI benefits prolonged.

Table VI.2. Duration of UI Receipt (in weeks)

State	Percentage of PRA Recipients with UI Receipt Duration of 13 Weeks or Less	Average Duration of UI Eligibility Among PRA Recipients in 2005-06 (in weeks)	Average UI Duration Among PRA Recipients in 2005-06 (in weeks)	Average UI Duration Among all UI Recipients in FY 2006 (in weeks)
Florida	53	22	14	14
Idaho	37	26	17	12
Minnesota	29	--	18	15
Mississippi	53	24	14	17
Montana	28	20	15	15
Texas	31	22	17	14
West Virginia	42	26	17	14
All States	37	24	17	13

Source: Calculations based on PRA and UI data from the seven demonstration states. Statewide UI durations are based on state-reported data in the Unemployment Insurance Data Base (UIDB); see <http://workforcesecurity.doleta.gov/unemploy/content/data.asp>.

-- Data not available.

²⁴ Comparisons between PRA accepters and decliners are based on data from Idaho, Mississippi, Texas, West Virginia and one of four demonstration sites in Minnesota. Detailed data tables are included in Appendix C.

B. EMPLOYMENT

In the quarter following PRA entry, half of all PRA recipients are employed and this overall rate does not change much by the third quarter (Table VI.3). Employment rates fluctuate from quarter to quarter rather than rising consistently. For example, across all seven demonstration states, a higher percentage of PRA recipients are employed in the second quarter after PRA receipt than in the first. But, in four states—Idaho, Minnesota, Mississippi, and Texas—employment rates are lower in the third quarter after PRA receipt than in the second (though only slightly so in two of the states—Texas and Mississippi). In Florida, the employment rate stagnates from the second quarter to the third, and in Montana and West Virginia it rises slightly.

Table VI.3. Employment Rates After PRA Entry (percentages)

State	Employment In:		
	Quarter 1 Following PRA Entry	Quarter 2 Following PRA Entry	Quarter 3 Following PRA Entry
Florida	67	74	74
Idaho	29	34	23
Minnesota	56	72	58
Mississippi	83	85	81
Montana	24	27	29
Texas	57	68	66
West Virginia	34	39	42
All States	50	59	54

Source: Calculations based on PRA and UI data from the seven demonstration states.

The rates of employment between PRA recipients and those who decline it are similar in the first two quarters after PRA entry; just under half of the individuals in each group are employed in the first quarter and the rates rise for both in the second quarter. However, by the third quarter following PRA entry (or offer), the employment rate among PRA recipients falls while it rises slightly for decliners. In this quarter, the employment rate for decliners is significantly higher than for PRA recipients (data not shown; refer to Table C.6 in the Appendix).

Beyond employment entry and ending UI benefit receipt, the two-tiered bonus structure of the PRA is intended to encourage and reward job retention. While many PRA recipients gain employment, job instability is an issue in some states. In three states—Idaho, Montana, and West Virginia—38 percent or less of recipients are employed in any two consecutive

quarters after receiving a PRA—that is, in the first and second quarters after PRA receipt, or in the second and third quarters after PRA receipt (Table VI.4).²⁵ In two other states—Minnesota and Texas—about two-thirds are employed in any two consecutive quarters after receiving a PRA, while in Mississippi and Florida rates of employment in two consecutive quarters are substantially higher (83 and 72 percent, respectively). Across all demonstration states, substantially fewer are employed in three consecutive quarters than in two. This measure essentially only captures consistent employment among bonus-earners who gain employment early after PRA receipt and have the opportunity to maintain employment for the full three-quarter follow-up period.

Table VI.4. Consistent Employment After PRA Receipt (percentages)

State	Employed in Two Quarters Consecutively	Employed in Three Quarters Consecutively
Florida	72	56
Idaho	31	18
Minnesota	65	40
Mississippi	83	68
Montana	26	19
Texas	66	44
West Virginia	38	27
All States	56	38

Source: Calculations based on PRA and UI data from the seven demonstration states.

C. EARNINGS

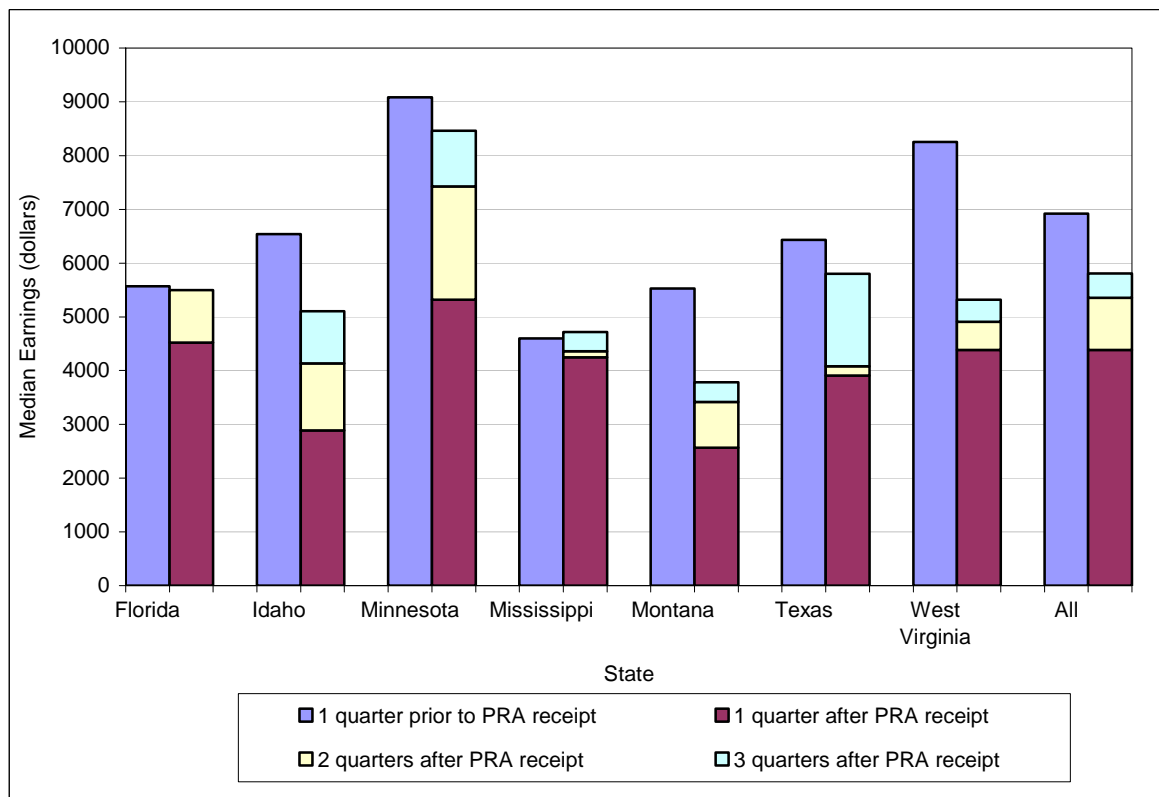
The structure of the PRA (the bonus incentives and the \$3,000 cap, specifically) made it a reemployment strategy that focused on quick reemployment and fast access to services. In addition, its targeting criteria to UI recipients deemed likely to exhaust their benefits tended to include individuals in the middle of their careers (based on age and job tenure discussed in Chapter III). Some of these individuals, as reported in focus groups, were stunned to find themselves unemployed after many years in the workforce.

The earnings of PRA recipients suggest that many have had to take a step back in their careers, at least temporarily; an experience similar to most unemployed workers when they return to work. In each demonstration state except Mississippi, median quarterly earnings among those employed were highest in the quarter prior to PRA receipt (Figure VI.1). On average, median earnings among those employed in the first quarter after PRA entry were

²⁵ Employment and earnings data in the quarter of PRA entry could pertain to jobs that PRA recipients held prior to being determined eligible for UI and receiving a PRA. To ensure a focus on employment and earnings after PRA entry, this quarter is excluded.

less than two-thirds of median earnings among those employed in the quarter prior to PRA entry. It is possible that the PRA recipients who were in relatively lower paying jobs prior to PRA entry disproportionately returned to work soon after PRA entry and took jobs on par with their previous ones (that is, that individuals in the low-wage labor market may become re-employed more quickly than those with relatively more skills because of the transient nature of jobs in the low-wage labor market). Another explanation for this pattern in earnings is that many PRA recipients reentering employment took jobs that paid less than their previous jobs, perhaps because the new jobs were in different fields than those in which they were experienced.

Figure VI.1. Median Earnings Among Those Employed Before and After PRA Receipt



Source: Calculations based on PRA data from the seven demonstration states.

PRA recipients do earn more over time, although within three quarters after PRA entry they had still not caught up to prior earnings. In each demonstration state, median quarterly earnings among those employed increases steadily between the first and third quarters after PRA entry (though in Florida, median earnings do not change between the second and third quarter after entry). By the third quarter after PRA entry, median earnings among those employed approach 84 percent of median earnings among those employed in the quarter prior to entry (up from 63 percent in the first quarter after PRA entry). This trend could reflect changing labor market conditions or other environmental factors in the demonstration states. However, it could also suggest upward job mobility among those

recipients who remain employed over time and/or the job search strategies of PRA recipients—specifically, that instead of taking any job right away, many PRA recipients wait to find better quality jobs that are more in line with their experience, goals, and salary expectations.

Specifically for bonus earners, the median rate of pay declines from \$13.75 per hour prior to PRA entry to \$12 at the time of reemployment (Table VI.5). Among second bonus earners, the median pay remains the same after six-months on the job (the time of the second bonus). The majority of all bonus recipients earn between \$10 and \$20 per hour both before PRA entry and at the time of reemployment.

Table VI.5. Hourly Rate of Pay for Bonus Earners (percentages, unless otherwise stated)

Hourly Rate of Pay	Among All Earners of the Employment Entry (First) Bonus		Among All Earners of Both the Employment Entry and Retention Bonuses		
	Prior to PRA Entry	At Employment Entry	Prior to PRA Entry	At Employment Entry	At Employment Retention
Less than \$10	24	28	16	25	21
\$10 to Less than \$20	53	52	42	56	58
\$20 to Less than \$30	16	10	15	10	10
\$30 or More	8	10	26	9	11
Average	\$16.29	\$14.23	\$17.24	\$14.89	\$14.95
Median	\$13.75	\$12.00	\$14.41	\$12.50	\$12.50
Number of Bonus Earners		1,179			676

Source: Calculations based on PRA data from the seven demonstration states.

D. CHARACTERISTICS AND OUTCOMES OF PRA RECIPIENTS BY USER TYPE

Based on the patterns in PRA spending between different groups of users and nonusers, this section describes the characteristics of each group prior to PRA entry, the patterns of UI receipt and employment following entry, and the ways in which groups share similarities or differences.²⁶

1. Characteristics at PRA Entry

The complete nonusers and bonus-earners appear most similar in their demographic and employment characteristics, while the supportive service-focused and “other” user groups also seem to share many traits. For example, both bonus-earners and complete nonusers are more likely to be men, the majority have high school diplomas or less, and they worked the longest hours per week and earned the least pay in their jobs prior to PRA entry,

²⁶ All tests of significant differences are relative to bonus-earners.

on average, across the groups (Tables IV.6 and IV.7). Supportive service-focused and “other” users are more likely to have a high school diploma but less than a four-year college degree and fewer show earnings of less than \$10 per hour in their previous job.

Given the similarities in characteristics, it is likely that the complete nonusers are actually “bonus-focused” in their approach to the accounts—that is, they want to earn the lump sum bonus payment but do not find a job in time. Many of these complete nonusers live in West Virginia and Mississippi, where they have less ability to use the PRA funds, at least for supportive services, once they do not qualify for the bonus. The supportive service-focused and “other” users also are likely to be similarly focused; they may be less confident about their ability to gain employment within the bonus qualification period, but have service needs on which they could spend the PRA funds from the start.

The initial nonusers are the most distinct group; they appear to be the most professional, experienced, and well-paid group of recipients at the time of PRA entry. Recipients in this group tend to be older and more likely to have some education beyond high school, in comparison to the other groups of PRA recipients (Table VI.6). This group was also the highest paid, on average, in the jobs they held prior to PRA entry, and they held these jobs the longest when compared with other PRA recipients (Table VI.7). As a result, this group also receives the highest average WBA while receiving UI benefits (Table VI.8). They also are the most likely to have been employed in the professional and business services and information industries (data not shown, detailed in Table 13 of Appendix C).

The strategy of the initial nonuser is to “save” PRA funds during the bonus qualification period with the hope of earning the bonus, and then spend the funds when employment does not occur. This group may not be willing or able to speed reemployment to earn the bonus because of the type and level of jobs they are seeking, but they also do not want the account go to waste, and so tend to use it for supportive service purchases after the bonus qualification period passes.

2. UI Receipt and Employment Outcomes

The similarities between the bonus-earner and the complete nonuser groups break down when examining their employment experiences after PRA entry (Table VI.8). As expected, the bonus-earners tend to enter employment within 13 weeks of UI receipt, and are, by far, the least likely group to exhaust their UI benefits. They have the highest rate of consistent employment and the highest employment rates in all quarters after PRA entry. As a result, median earnings of the bonus-earner group by the third quarter after PRA entry are nearly at the level they were in the quarter prior to entry.

The employment outcomes of complete nonusers after PRA entry are not as promising. The majority of recipients in this group exhaust their UI benefits. These PRA recipients have the lowest employment rates in the second and third quarters after receiving the PRA and are significantly less likely to be employed consistently—in either two or three quarters after PRA entry relative to bonus-earners. By the third quarter, their median earnings are about 70 percent of their prior earnings.

Table VI.6. Characteristics of Recipients at PRA Entry, by User Group (Percentages, Unless Stated Otherwise)

	Bonus Earners	Support Service Focused Users	Complete Nonusers	Other Users	Initial Nonusers	All Recipients
Gender						
Male	55	49	53	43***	49*	51
Female	45	51	47	57	52	49
Age						
Less than 25 years	6	5	8	6	5	7
25 to 34 years	22	19	18**	18	16**	19
35 to 44 years	28	31	23	27	25	26
45 to 54 years	29	30	31	31	35	31
55 years and over	15	15	21**	19	19	18
Average Age in Years	42.2	42.6	43.6**	43.3	44.3**	43.2
Median Age in Years	43	43	45	44	45	44
Ethnicity/Race						
Non-Hispanic, white	70	66	70	69	65	69
Non-Hispanic, black	19	11***	21	15	11***	17
Non-Hispanic, other races	2	5***	3	5***	6***	4
Hispanic, any race	10	18***	6***	11	19***	11
Educational Attainment						
Less than high school diploma / GED	9	9	13**	5**	5*	9
High school diploma / GED	46	34***	50	34***	33***	42
Some college / 2 year degree	28	34*	27	36***	37***	31
Completed 4 year college	13	15	8***	16	18**	13
Post-graduate education	5	8**	3	9***	8*	6
Total Number of Recipients	877	529	1,146	600	458	3,610

Source: Calculations based on PRA data from the seven demonstration states.

Notes: Two-tailed t-tests were conducted to test for differences across groups. The t-tests were pairwise comparisons of the bonus-earner group against every other group. Sums may not total to 100 due to rounding.

*/**/** Difference is statistically significant at the .10/.05/.01 level.

The supportive service-focused and other users continue to be similar to each other and to land somewhere between the bonus-earners and complete nonusers in terms of employment outcomes. Roughly half exhaust their UI benefits, and these recipients have consistent employment rates and quarterly employment rates that are lower than bonus-earners, but higher than complete nonusers. Interestingly, the supportive service-focused users achieve median earnings in the third quarter after PRA entry that equal the level of earnings prior to entry; they are the only group to do so.

Table VI.7. Characteristics of Last Job Held Prior to PRA Entry, by User Group (Percentages, Unless Stated Otherwise)

	Bonus Earners	Support Service Focused Users	Complete Nonusers	Other Users	Initial Nonusers	All Recipients
Hours Worked Per Week						
Less than 20	2	4	3	3	7***	4
20 to 34	6	7	8	7	8	7
35 or more	92	89	89	90	86***	89
Average	41.4	38.7***	41.2	39.0***	38.1***	40.0
Median	40	40	40	40	40	40
Hourly Rate of Pay						
Less than \$10	24	17**	28	18*	19	23
\$10 to Less than \$20	51	55	52	57	50	53
\$20 to Less than \$30	17	17	12**	13	19	15
\$30 or More	8	11	9	12	12	10
Average	\$16.53	\$17.63	\$16.10	\$17.95	\$18.73*	\$17.07
Median	\$13.88	\$14.03	\$12.60	\$14.00	\$15.00	\$13.69
Years on Job						
Average	6.8	7.9	7.1	8.0	8.3*	7.4
Median	3.4	4.0	3.3	4.5	5.0	3.8
Total Number of Recipients	877	529	1,146	600	458	3,610

Source: Calculations based on PRA data from the seven demonstration states.

Notes: Two-tailed t-tests were conducted to test for differences across groups. The t-tests were pairwise comparisons of the bonus-earner group against every other group. Sums may not total to 100 due to rounding.

*/**/** Difference is statistically significant at the .10/.05/.01 level.

The initial nonusers do not appear to fare as well as the others in the three quarters following PRA entry, but they also may be the group likely to be most interested in holding out for high-quality jobs that may take more time to secure. Nine out of every ten initial nonusers receive at least 14 weeks of UI benefits, and roughly two out of every three receive their UI benefits in full. This group is the least likely to be employed in three consecutive quarters and has the lowest rate of employment in the first quarter after PRA entry. Due to their delayed reemployment, median earnings in the last follow-up quarter are about 74 percent of median earnings prior to PRA entry.

Table V1.8. UI Receipt and Employment After PRA Entry, by User Group (Percentages, Unless Stated Otherwise)

	Bonus Earners	Support Service Focused Users	Complete Nonusers	Other Users	Initial Nonusers	All PRA Recipients
UI Eligibility						
Average number of weeks	24	23***	24***	23	23***	23
Average weekly benefit amount	\$291	\$294	\$291	\$291	\$309***	\$294
UI Receipt						
13 weeks of less	86	25***	20***	27***	10***	37
14-28 weeks	14	75***	80***	73***	90***	63
Average duration	9.2	18.0***	19.7***	18.0***	20.5***	16.6
Average amount	\$2,717	\$5,490***	\$5,976***	\$5,453***	\$6,706***	\$5,127
UI Exhaust						
Percent who exhaust benefits	7	51***	55***	49***	62***	42
Percent who come within one month of exhausting	4	12***	9**	12***	16***	10
Percent who do not come within one month of exhausting	89	37***	36***	39***	23***	49
Consistent Employment Following Entry:^a						
In two consecutive quarters	77	54***	48***	56***	49***	58
In three consecutive quarters	63	34***	30***	39***	25***	39
Employment In:						
Quarter Prior to PRA Entry	85	79*	73***	82	79*	79
Same quarter as PRA receipt	80	63***	56***	63***	55***	64
One quarter of PRA receipt	80	47***	39***	51***	36***	52
Two quarters of PRA receipt	78	59***	50***	60***	54***	61
Three quarters of PRA receipt	70	49***	50***	58***	51***	56
Median Earnings In:^b						
Quarter prior to PRA entry	\$7,211	\$6,432	\$7,002	\$6,516	\$7,538	\$6,920
Entry quarter	\$3,896	\$2,896	\$4,362	\$3,125	\$3,997	\$3,775
Quarter 1 following PRA entry	\$5,603	\$3,762	\$3,618	\$3,616	\$2,250	\$4,384
Quarter 2 following PRA entry	\$6,489	\$5,638	\$4,189	\$4,855	\$3,534	\$5,357
Quarter 3 following PRA entry	\$6,780	\$6,549	\$4,963	\$5,123	\$5,602	\$5,804
Sample Size	740	507	842	570	442	3,101

Source: Calculations based on PRA and UI data from the seven demonstration states.

Notes: Two-tailed t-tests were conducted to test for differences across groups. The t-tests were pairwise comparisons of the bonus-earner group against every other group. Sums may not total to 100 due to rounding.

*/**/** Difference is statistically significant at the .10/.05/.01 level.

^aConsistent employment in two consecutive quarters is defined as employed in the first and second quarters after PRA receipt, or in the second and third quarters after PRA receipt. Consistent employment in three consecutive quarters is defined as employed in the first, second, and third quarters after PRA receipt.

^bAverage and median earnings restricted to those PRA recipients who were employed.

CHAPTER VII

MANAGING PRAS AT THE STATE AND LOCAL LEVEL

The demonstration states and participating sites were pioneers in exploring the use of self-managed accounts for reemployment services. Not only was the hands-off service approach substantially different, but so was the management of the demonstration grant itself. The practice of obligating PRAs in full at the time the accounts were opened gave a great deal of flexibility to account holders, but presented the states with challenges in spending down their full demonstration grants while maintaining fiscal responsibility. The states entered the PRA demonstration with open minds about the feasibility and usefulness of self-managed accounts. In reflecting on their experience with PRAs, they remain open to the possibilities that customer-choice strategies still hold, but are skeptical about the specific contribution PRAs can make in helping unemployed workers reattach to the workforce. Hawaii is included in the discussion throughout this chapter because the discussion and analysis are drawn from qualitative information and aggregate data that were available for all eight demonstration states.

A. ESTABLISHING PRAS: ACHIEVING INITIAL TARGETS AND MAKING THE LAST OFFERS

ETA disbursed funding for the PRA demonstration with the expectation that all funds slated for direct use by account holders would be fully expended by the demonstration states. And while funding for accounts was based on a target number of PRAs, this target implicitly was a minimum, since not all recipients would fully spend down their accounts. States were expected to recycle funds remaining in closed accounts in order to extend offers to additional eligible individuals.

1. Progress in Achieving PRA Targets

By September 2007, seven of the eight demonstration states reached or exceeded their targets for the minimum number of accounts that their PRA grants could accommodate (Table VII.1). The eighth, Idaho, fell short of its target by 116 accounts, achieving about 80 percent of the intended minimum number. Since the beginning of the demonstration, a strong economy in Idaho has reduced the overall number of UI claimants identified as likely

to exhaust their benefits. Additional criteria specific to PRA entry further reduced the eligible pool of individuals and resulted in fewer than 10 offers made each week in any of the demonstration sites in the state.²⁷ The state workforce agency added four additional demonstration sites to the original two at the time it received a second round of funding from ETA with the purpose of increasing the number of PRA offers they could make.

Table VII.1. Progress in Achieving Targeted Number of PRAs, as of September 2007

	Target (Minimum Number of Established PRAs)			Number of Established PRAs	Established PRAs as a Percent of Target ^a
	2005 Grant	2006 Grant	Total		
Florida	495	n/a	495	513	104%
Hawaii	n/a	160	160	211	132%
Idaho	200	393	593	477	80%
Minnesota	363	450	813	1,035	127%
Mississippi	233	270	503	841	167%
Montana	158	n/a	158	157	99%
Texas	625	n/a	625	733	117%
West Virginia	196	n/a	196	513	262%
Total	2,270	1,273	3,543	4,480	126%

Source: Calculations based on state quarterly activity and expenditure reports on the PRA demonstration, as of September 2007.

^a All calculations are based on totals across both grant years.

n/a = not applicable.

Other states also experienced challenges in making the number of offers necessary to achieve their targets, even while they ultimately succeeded. Similarly to the experience in Idaho, participating sites in Texas had lower than expected numbers of individuals eligible to receive the PRA offer. Early in the demonstration the state workforce agency adjusted PRA eligibility to expand this pool.²⁸ Montana experienced a hiatus in making PRA offers for

²⁷ PRA eligibility criteria in Idaho pertain to the timing of the first UI payment and the number of weeks of total UI eligibility. Details are included in Kirby 2006.

²⁸ Texas was the only other state (along with Idaho) that established eligibility criteria specific to the PRA after UI recipients were targeted for reemployment services based on the WPRS model. PRA-specific criteria included the timing of the first UI payment, the number of weeks of total UI eligibility, and a minimum “probability of exhaust” score. To increase the eligible pool early on, Texas expanded the range in the number of weeks of total UI eligibility, from 17 to 22 weeks to 17 to 26 weeks, and dropped the minimum score from .61 to .50 (Kirby 2006).

most of 2006 due to structural changes in the state's workforce investment system. The state began making PRA offers again in September 2006 and by the end of that year had substantially increased the number of accounts established (from 49 at the end of 2005 to 125 at the end of 2006). Lastly, the largest demonstration site in Mississippi—Gulfport—suspended PRA offers for one year, from August 2005 to September 2006, as a result of Hurricane Katrina.

2. Timing of the Last PRA Offers

All but two of the demonstration states made their final PRA offers by June 2007 (Table VII.2). In general, the last offers in each state were made at least one year prior to the end of the DOL grant period. However, in Minnesota and West Virginia, offers continued into the last 12-month period of the grant because both of these states have practices to close inactive accounts early (discussed in Chapter II). State administrators in these states expect that accounts will either be exhausted or closed due to inactivity within the allotted time.

Table VII.2 PRA Demonstration Grant End Dates and Timing of Last Offers

State	Last Offers Made	End of DOL Grant Period
Florida	February 2006	April 2007
Hawaii	June 2007	June 2008
Idaho	June 2007	June 2008
Minnesota	February 2008	June 2008
Mississippi	June 2007	June 2008
Montana	February 2007	February 2008
Texas	September 2006	February 2008
West Virginia	August 2007	February 2008

Source: Interviews with state PRA coordinators, November 2007.

B. PRA DEMONSTRATION GRANT MANAGEMENT

Managing the demonstration grant in order to expend as much of the funding slated for accounts as possible was a considerable challenge for the states. The extent of use of the accounts could not be known until states had implemented the strategy for some time. And, because PRAs are obligated in full to an individual for up to one year, any actual recycling of funds would take time. In order to accommodate the need to expend the grant within a three- to three and a half-year timeframe while allowing accounts to run their full course, states had to obligate funds greater than the total of their PRA grant. Even doing so, none of the states is likely to fully expend its DOL grant, although some will come close.

1. PRA Funding Levels and Obligations

On average, obligations to PRA accounts exceeded grant funding by 26 percent, but there was a substantial range in how far states were willing to go in order to fully spend down PRA funding (Table VII.3). In Florida, Montana, and Idaho, state administrators focused their sights on hitting the targeted number of PRAs, rather than on expending the full demonstration grant. These states did not overobligate funds, or did so very minimally. At the other extreme were the demonstration states of Mississippi and West Virginia, in which nonuse of accounts was substantial (as discussed in Chapter V). State administrators carefully tracked the extent of use among current account holders in order to estimate the number of accounts they would need to spend down the grant. They were willing to overobligate available funding by substantial amounts (67 and 162 percent, respectively) to serve more unemployed workers with accounts. Yet, while state administrators in Mississippi were willing to overobligate PRA funds, they were not willing to go to the level that would have been needed to fully expend the grant. At one point the state estimated that they would have to overobligate by 200 percent or more, a proportion they believed was too precarious to pursue.

Table VII.3 Funding Levels and Obligations for PRAs, as of September 2007

	Funding for PRAs ^a	Total Number of PRAs Established	Total Obligations for Accounts	Percent of Obligations Relative to Funding
Florida	\$1,485,000	513	\$1,539,000	104%
Hawaii	\$480,000	211	\$633,000	132%
Idaho	\$1,779,000	477	\$1,431,000	80%
Minnesota	\$2,439,000	1,035	\$3,105,000	127%
Mississippi	\$1,509,000	841	\$2,523,000	167%
Montana	\$474,000	157	\$471,000	99%
Texas	\$1,875,000	733	\$2,199,000	117%
West Virginia	\$588,000	513	\$1,539,000	262%
Total	\$10,629,000	4,480	\$13,440,000	126%

Source: Calculations based on state quarterly activity and expenditure reports on the PRA demonstration, as of September 2007.

^a Excludes the portion of the demonstration grant that covered administrative costs.

2. Remaining PRA Grant Funds

Despite the efforts in most states to manage the PRA grant by tracking the extent of use among established accounts and overobligating funding into new accounts, all the states are likely to have funds remaining from their demonstration grants. In total, estimated remaining funds could amount to \$3.5 million, or nearly one-third of the total original funding for accounts (Table VII.4).

Table VII.4. Estimated PRA Grant Funds Remaining, by Demonstration State

	Funding for PRAs ^a	Projected Total Expenditures for Established Accounts ^b	Actual Expenditures, as of September 2007	Projected Expenditures to End of Grant Period	Projected Funds Remaining	Projected Percent Unexpended
Florida	\$1,485,000	\$1,148,094	\$1,100,541	\$0	\$384,459	26%
Hawaii	\$480,000	\$193,014	\$165,572	\$27,442	\$286,986	60%
Idaho	\$1,779,000	\$834,750	\$959,370	\$0	\$944,250	53%
Minnesota	\$2,439,000	\$1,925,100	\$1,781,902	\$143,198	\$513,900	21%
Mississippi	\$1,509,000	\$837,636	\$647,488	\$190,148	\$671,364	44%
Montana	\$474,000	\$232,831	\$270,295	\$0	\$241,169	51%
Texas	\$1,875,000	\$1,411,758	\$1,444,819	\$0	\$430,181	23%
West Virginia	\$588,000	\$557,631	\$513,663	\$43,968	\$30,369	5%
Total	\$10,629,000	\$7,140,814	\$6,883,650	\$404,756	\$3,502,678	33%

Source: Calculations based on state quarterly activity and expenditure reports on the PRA demonstration, as of September 2007.

^a Excludes the portion of the demonstration grant that covered administrative costs.

^b Total number of established accounts multiplied by the average per recipient expenditure based on analysis of individual-level PRA data for all states but Hawaii; Hawaii average per recipient expenditure level estimated using data reported in the September 2007 quarterly PRA report.

The nature of PRAs as fully obligated, self-managed accounts with up to a one-year life presented a substantial challenge to grant management for the states. Program administrators were unaccustomed to the practice of overobligating grant funding to the extent that would have been necessary to fully expend the funds, and estimating how many accounts were needed in order to spend the full grant was not an exact science. Even in the best scenario of consistently tracking and carefully estimating account use, each overobligation carried a risk because the eventual outcome was left to the needs and preferences of individuals with open accounts, and spending patterns and levels could change at any time.

C. KEY LESSONS FROM THE EXPERIENCE OF THE DEMONSTRATION STATES

The PRA demonstration was truly a “learn as you go” endeavor for the participating sites and states. The self-managed approach of the PRA and its inherent flexibility meant that the demonstration states had to implement a hands-off strategy to reemployment services that administrators and staff alike were not used to and for which little policy guidance was provided. The initial policy ambiguity was unsettling to the states and participating sites, though ultimately they worked through the challenges and, for the most part, maintained the intent of “personal” accounts for unemployed workers with few limitations. The states were surprised, and at times frustrated, by the level of staff time and administrative management that these self-managed accounts required. And, while staff perceived a general sense of satisfaction among PRA recipients, staff and administrators in most of the states were skeptical that the PRAs improved the timing of reemployment or the employability of recipients. Overall, they did not anticipate that the PRA demonstration would have any lasting effect on the approach to reemployment services in their states.

- **States struggled with the lack of policy and program parameters at the start of the demonstration, but achieved a steady state of implementation relatively quickly.**

PRAs were intended to be “self-managed” and therefore, controlled by each recipient, not limited by extensive policies and procedures. Broad federal guidance freed the demonstration states and sites to determine the appropriate uses of the funds. Yet the reality of addressing the range of requests for PRA funds and distinguishing the “reasonable” from the “unreasonable” was startling to the demonstration states at times. While every state and site thought carefully about developing some basic policy guidelines, it was impossible to anticipate the various requests they received. For example, career counselors in the One-Stop Career Centers were uneasy, at least initially, in addressing requests for funds that included paying utility bills, purchasing prescription medications, fixing a chipped tooth to improve one’s appearance for interviews, and printing business cards for networking purposes. In the first few months of implementation, the number of policy questions spawned by these requests exploded, and “Q&A” documents were developed at the federal and, often, at the state level to clarify policies and procedures.

Ultimately, administrators at the state level and staff at the local level achieved a comfort level with the limited policies that governed PRAs and learned to manage within the broad flexibility of PRAs. As a result, implementation of the demonstration improved and became more routine over time. In the words of one state-level staff person, “PRA threw some chaos into the system, but it was relatively short-lived.” Over the course of the demonstration, local staff felt they became better at explaining the PRA during orientation sessions, and they learned to anticipate recipients’ questions. The local demonstration sites also required less assistance from state officials as time went on. After about one year of implementation, the states had largely addressed any outstanding issues related to use of the accounts and enrollment of eligible individuals.

➤ **States were interested in learning what customer choice would yield and successfully implemented PRA as a self-managed account.**

State and local staff in the demonstration states had to adjust to the PRA approach to reemployment services that left decisions to the recipient and that limited staff roles in career counseling and case management. This was not a practiced or comfortable approach to most, but to their credit, they rose to the challenge and generally maintained the highest degree of flexibility, choice, and recipient control in use of the accounts. The states generally left the allowable uses of the PRAs broad and allowed access to a range of providers and programs (beyond eligible provider lists). Local staff did not provide directive counseling and did not follow up with recipients to encourage account use. Once the offers were made, accounts established, and information on uses provided, PRA recipients were left on their own to decide how and when they would use their accounts.

The one aspect of the account that proved problematic and inconsistent was the pricing of intensive services that provided a route for PRA recipients to access one-on-one career services from the One-Stop Career Center. A few of the demonstration states did not price WIA intensive services for purchase by PRA recipients, because setting accurate prices was cost prohibitive from an administrative perspective. Other states set prices but believed that they came out too high to be attractive to PRA recipients, in essence limiting access even while a price structure was in place. Distinctions between the services considered core and those considered intensive varied across the states that did price services; PRA recipients in one state could receive a service for “free” (for example, development of an Individual Employment Plan or a resume) while the same service in another state required payment from the PRA. Whether states (or sites) priced intensive services or not, there was general discomfort among staff about restricting free access to these services.

➤ **States found that implementing a strategy focused on customer choice still took a substantial amount of staff time and administrative management.**

While the states adopted hands-off service approaches true to the intent of PRAs, they found that two aspects of the accounts took more time and resources to manage than expected. First, the extensive use of supportive services in a number of the states overwhelmed staff, who felt besieged by calls, emails, or office visits from PRA recipients seeking to withdraw funds. In general, staff reported that PRA recipients who used the account to purchase supportive services tended to make many small requests (which take more time to process than two bonus payments) and that these recipients often called to get requests approved before submitting them and to track the progress of disbursements. A few of the sites refined implementation to handle the volume of requests more efficiently using approaches such as: (1) restricting “face-time” with staff and encouraging recipients to submit questions by email; (2) requiring PRA recipients to bundle all supportive service requests into one monthly submission; (3) designating specific days and times when requests could be made; and, (4) creating a web-based tracking system for recipients to check the

status of a supportive service request and track their account balance.²⁹ While many sites developed ways to streamline the process, the staff time necessary to address questions about and manage the paperwork generated by supportive service requests was a continuing concern throughout the demonstration period.

Second, the “personal” component of the PRAs that required that they be obligated in full to an individual for up to one year was challenging to balance against the interest in spending the full demonstration grant. If account spending had been high and consistent across account holders, the time and resource issues around state- and local-level account management might have been minimized. But in the face of substantial levels of account inactivity, the demonstration states needed to increase the number of accounts established in order to spend down grant funds (as discussed in the previous section). This effort became more time-consuming than expected at both the state and local levels. At the state level, administrators had to continually estimate the number of new offers that had to be made and decide how much they were willing to overobligate grant funds at any given time. At the local level, staff had to conduct more orientations to make new offers and spend additional time establishing a larger number of accounts than initially planned. As a result, the offer and enrollment process continued longer into the demonstration period than program administrators and staff had initially expected.

➤ **States believe there may be value in customer-choice strategies, but ultimately they were not enthusiastic overall about their experience with PRAs.**

The states entered into the PRA demonstration with an open mind and followed through with an open approach. About one year into the demonstration, administrators and staff expressed concerns about the substantial use of the accounts to purchase supportive services, but still maintained enthusiasm for the employment bonuses and the possibilities that self-managed accounts could hold. However, as the demonstration comes to a close, the states are less convinced that the flexibility of the PRA approach holds promise for preparing unemployed workers for their next career.

It is the specific design of the PRA, however, that proved problematic from the perspective of the demonstration states, rather than the self-managed nature of the accounts. The states believed that the structure of the PRAs sent mixed messages for implementation and for use of the accounts. The bonuses suggested an emphasis on quick reemployment, while the initial language around the purchase of services was focused on retraining unemployed workers for high growth industries. In practice, there was general agreement among the states that the \$3,000 accounts were not substantial enough to support training and compete with ITAs. This essentially removed any consideration of the PRAs for use to purchase training (by staff, by recipients, or some combination of the two).

²⁹ Most of these methods were developed and adopted by the demonstration sites in either Florida or Texas. Chapter IV of the interim evaluation report (Kirby 2006) includes a discussion about the type and frequency of contact between PRA recipients and One Stop Career Center staff.

As a result, recipients became focused on earning the bonuses and/or purchasing supportive services. Administrators and staff had no qualms about the bonuses, which they perceived as rewarding those who returned to work. They were uncomfortable with the substantial use of the accounts to purchase supportive services because they questioned whether this use coincided with the goal of building recipients' skills. To staff, use of the account to purchase supportive services seemed to place a focus on current expenses or short-term needs rather than on longer-term employability skills and prospects. Staff would have preferred to spend time assisting recipients in thinking through their reemployment approaches rather than processing supportive service requests.

State administrators and program staff agreed that some people do not need assistance in getting back to work and can surely benefit from a hands-off approach; others, however, need additional guidance. The trick is figuring out who falls into each category. They suggest that the way to do this effectively is to provide some upfront triage by working with individuals to develop reemployment plans that meet their skills, interests, and needs. Or, develop another way to target flexible accounts to individuals in need of employment services and training. Upon reflection, state administrators suggested that UI recipients identified as likely to exhaust their benefits may not be the right population for accounts intended to help unemployed workers build skills and find jobs. They perceive this group to be long-term workers with narrow skill sets who are likely to want to find jobs that are similar to their former ones. With this in mind, administrators understood why many PRA recipients took advantage of the financial flexibility offered by PRAs to meet basic needs while they searched for work and did not pursue training.

Based on their experience and as currently structured, the demonstration states could not wholly recommend PRAs as a worthy approach to pursue in reemployment services. Nonetheless, they continue to be open to the broader concept of self-managed accounts, and particularly those that would focus specifically on training and employment services rather than on supportive services.

CHAPTER VIII

FINDINGS AND IMPLICATIONS BASED ON THE PRA EXPERIENCE

The seven original PRA demonstration states assumed responsibility for testing the PRAs and the concept of self-managed accounts within the workforce investment system. Much has been learned from the states' experiences in implementing these accounts, and from the responses of individual account recipients. The evaluation explored the PRA administrative and delivery structures, the policy decisions made by program administrators, and implementation details. It also gathered information from focus groups, and from the quantitative analysis, to elucidate how recipients respond to these accounts—at what rate they accept them, for what purposes they use them, and to what extent. This chapter summarizes the findings from the implementation study, the focus group study, and the data analysis, by discussing what has been learned about the uses of the PRA, the patterns in use or nonuse, and the overall messages. The chapter concludes with a discussion of the structure of the PRA, as well as potential considerations for similarly structured self-managed accounts.

A. FINDINGS ABOUT THE USES OF THE PRA

The PRA has a number of potential uses, and provides recipients with flexibility and choice in determining the ways in which they wish to spend their accounts. This section summarizes evaluation findings about how recipients have used their accounts, and discusses the potential contributing factors as to why and how these decisions were made.

Training. All of the information now available indicates that PRAs often are not considered as a route for training, particularly training of any substantial duration (beyond a few days or weeks). The initial factor in this equation is the PRA offer decision itself. Findings from the implementation and focus group studies, as well as this current data analysis, all point toward an interest in training as one of the primary reasons *not* to accept the PRA.

The implementation study found that, at all but a few sites, the PRA and ITA often are not viewed by staff as comparable options, nor are they presented as such to eligible individuals. Individuals who express interest in long-term training and education are almost always encouraged to get the full information about the ITA before making a decision to accept the PRA offer—as well they should be, if they are to make an informed decision. These individuals may then pursue the ITA route and simply never respond to the PRA offer. Individuals in the focus groups also indicated that the PRA/ITA decision seemed clear-cut. Rather than viewing PRA and ITA as different ways to receive similar services, respondents viewed them as programs that serve distinct purposes (often because of the way each program was presented by staff)—for training, go with ITA; for other services, go with PRA.

While the intent of PRAs may be to provide a flexible alternative to the ITA, featuring easier and faster access and limited to no restrictions on training programs or providers, in reality it seems that flexibility does not outweigh the potential for greater financial support. Individuals interested in long-term training who receive the PRA offer, and the staff who come into initial contact with them, seem to make a tangible decision between different levels of financial assistance, rather than an esoteric decision between different service approaches.

The data analysis found that those who declined the PRA have less education, in general, than those who accept the offer, suggesting that an interest in training is possible. The data are not available to confirm that decliners do, in fact, pursue training. However, the UI and employment trends of decliners, compared with PRA recipients, suggest that this may be so. Specifically, on average, decliners receive UI benefits longer than PRA recipients, and are more likely to run the full course of their benefit periods. (Individuals can continue to receive UI benefits while they are enrolled in an approved training program, such as an ITA-funded program.)

Combined, these findings explain the overall low level of use of the PRA to purchase training. To the extent that training purchases do occur, they follow a relatively predictable pattern. Early predictions presumed that those individuals already interested in pursuing training would do so immediately, while those who “save” the funds for the bonus and then do not qualify, might consider training (Perez-Johnson and Decker 2003). Training purchases made with the PRA tend to be made by the “other user” group who purchase training early, within the bonus qualification period. The initial nonusers, who first save PRA funds, presumably to earn the bonus, become the only group with any noticeable level of training purchases after the bonus qualification period has passed.

Intensive Services. For state program administrators and demonstration site staff, limiting “free” access to individual career counseling and specialized job search services, and pricing these services for purchase by PRA recipients presents a particularly challenging aspect of the accounts. State administrators have struggled to develop pricing structures for services. Some developed prices, but thought they would be too costly to be attractive to PRA recipients; some initiated a process to determine prices, but abandoned the process when it became too costly—from an administrative standpoint—to complete or implement

because of challenges in tracking services and “collecting” payment. Still others opted not to set prices, and simply allow PRA recipients to purchase equivalent services from providers outside of the One-Stop Career Center system.

Again, in line with early predictions, there has been an almost imperceptible amount of intensive service purchases made with PRA funds. The ITA Experiment found that customers who did not have to meet counseling requirements to access training (most similar to the PRA approach), rarely pursued counseling voluntarily (Perez-Johnson et al. 2004). The intensive service purchases made by PRA recipients occur exclusively during the bonus qualification period, presumably when recipients are seeking employment most actively.

What is unclear, however, is the degree to which PRA recipients make conscious decisions not to purchase intensive services, rather than simply not being aware of either their availability, or of the ways such services could be helpful. Two findings help to illuminate this issue. First, PRA recipients at two demonstration sites in Florida have been made specifically aware of the intensive services packages for purchase, and a substantial portion of recipients at these sites have purchased these services. At all of the other demonstration sites, the availability of intensive services has been mentioned briefly during PRA orientations, but it is not always made clear what these services are, or how to receive them. Second, discussions with focus group respondents revealed that most of them were unfamiliar with the One-Stop Career Centers at the time of PRA entry. In many cases, respondents were experiencing unemployment for the first time, or for the first time in many years. In these circumstances, individuals had no reason for previous exposure to these centers. There were respondents in virtually every focus group who, upon enrollment in the PRA, made use of the core services at the One-Stop Career Centers, suggesting that the orientation and/or involvement with the PRA successfully introduced individuals to service opportunities they might not have known about otherwise. The same is likely to hold true about intensive services. Participants’ low levels of purchase of intensive services may simply be due to the fact that it is difficult to make a decision about something you know very little about.

Supportive Services. PRAs were designed by ETA to be as broad and flexible as possible, to give unemployed workers the opportunity to structure their own reemployment plans, and to provide the resources that would help them to do so. For the most part, the states followed suit and gave PRA recipients close to free rein in purchasing services to support their reemployment efforts. At first, the “signing off” on supportive service requests was a struggle for staff and state administrators alike, because of the subjective nature of assessing the ties between some purchases and their roles in supporting a job search. Ultimately, a broad range of supportive service purchases were deemed allowable in five of the seven states.

There are two distinct and equally common strategies that have evolved among PRA recipients who use their accounts primarily to purchase supportive services. First, the supportive service-focused users start spending funds—and at high levels—to purchase services during the bonus qualification period. Second, initial nonusers save their PRA

funds until the bonus qualification period ends, and then spend a substantial portion of their accounts on supportive services.

Overall, the purchase of supportive services is the primary use of PRA accounts (just over half among all users and all recipients); the bonuses comprise the largest share of account disbursements in the early period, but the balance tips heavily toward supportive services after the bonus qualification period ends. Supportive service purchases comprise the majority of PRA disbursements for all but the bonus-earner group.

While recipients certainly seem to appreciate the supportive services aspect of the PRA (based on staff reports and focus groups with recipients), program staff have had some difficulty in reconciling the extensive use of supportive services with their mission to help workers build skills and improve their employability prospects. They question the value of focusing resources on short-term needs, rather than long-term career planning. Staff feel that the time it takes them to respond to questions, and approve and process multiple supportive service requests could be put to better use.

Bonuses. The bonuses clearly are an attractive feature to many individuals who are offered the PRA. The composition of the user groups suggests that the majority of PRA recipients have their sights set on the bonus from the start—one-third are bonus-focused users who receive the bonus (bonus-earners), and an additional 19 percent are initial nonusers who start spending PRA funds only after not qualifying for a bonus. All of these PRA recipients spend little or nothing on services during the bonus qualification period, so as to maximize the bonus they can earn. As a result, there is not much “mixing” of uses of the PRA between bonus receipt and service purchases; bonus earners primarily receive only the bonus, while the initial nonusers typically never earn the bonus, and mainly purchase services. (The supportive service-focused users and “other users” show some mixing but earn such small bonuses on average.)

Overall, 31 percent of all PRA recipients receive the reemployment entry (first) bonus, and two out of every three recipients who earn the first bonus also earn the second. PRA recipients who are bonus-earners have the highest rate of full use of the \$3,000 (account exhaust), and on average disburse 90 percent of their funds. The three states with the highest bonus receipt rates are those in which recipients are most “keyed” into the bonus because the other options in PRA use are limited (Mississippi and West Virginia), or because they understand best how to earn it through contact with staff (Florida).

On average, bonus recipients tend to be younger and are less educated than those who do not receive the bonus. The focus group study found that respondents assessed their prospects of getting a job quickly so as to determine whether to “save” for the bonus or not. Older respondents with mid- to high-level positions in their previous jobs and many years of experience were fairly certain that they would not find a job during the bonus qualification period. For these people, the amount offered by the bonuses was not substantial enough to cause them to change their job search strategies or accelerate their efforts. They were eager to get a job, but usually were searching for a job in their field or at their professional level, which could take time to secure.

The financial incentive of the bonus may have spurred quick employment for some, however. The experience of focus group respondents in Mississippi suggests that the type of response the bonus elicits may depend partly on the financial status of the account holders. Numerous respondents in Mississippi (across both the bonus and nonuser groups) reported that the amount of the bonus was a compelling incentive to find *any* job quickly. These respondents, who were less educated and had lower earnings on average than respondents in other sites, stated that they took jobs that ordinarily would not have satisfied them, just to earn the bonus.

Idaho and Texas provide some additional but limited information on the financial incentive for quick employment entry. These states lower the bonus cap to \$2,000 after the 8th and 10th weeks of UI receipt, respectively. PRA recipients who earn the bonus do enter employment more quickly in these states than in all of the other states combined. It is likely that the higher bonus amount is attractive, but it also is possible that, rather than prompting quicker employment entry, it simply affects who claims the bonus. The decrease to a \$2,000 bonus ceiling in the later part of the qualification period, while the PRA amount remains at \$3,000, could decrease interest in access to the bonus in favor of service uses for the account; those recipients who do not qualify for the full \$3,000 bonus simply may become service purchasers instead.

The data available suggest that this is a likely scenario. Idaho and Texas (also Minnesota, which has a different, but graduated bonus scale) are at the lower end of bonus receipt rates among the states. Also, Idaho has the lowest percentage of PRA recipients who earn the bonus and receive 13 weeks of UI receipt or less (i.e., those potentially eligible for the bonus, assuming UI exit is due to employment). The rate in Texas is 65 percent, which is mid-range among the seven states. The latter data suggest that substantial portions (35 to 40 percent) of those who are potentially eligible for the bonus do not seek it in these two states.

B. FINDINGS ABOUT THE PATTERNS IN ACCOUNT USE

Findings from the different components of the evaluation suggest that personal circumstances and employment prospects may influence the *type* of PRA use (bonus receipt or service purchase), but that programmatic factors and knowledge about program rules influence the *extent* of account use. Respondents in the focus groups discussed their PRA acceptance and use decisions as being very intertwined; they seemed to use the same factors to decide whether they would accept at the time of the offer and, if so, how they would use the account. This decision was based primarily on their employment prospects and, in turn, their ability to qualify for the bonus. Respondents who were most confident that they would find a job quickly accepted the offer and saved their account so that they could receive the full bonus. Supportive service-focused users typically were respondents who did not think they would qualify for the bonus, and so accepted the offer and started purchasing services from the start. Nonusers probably accepted the offer with the intent of earning the bonus, but did not qualify for it. The data analysis found that, indeed, bonus-earners and complete nonusers share similar characteristics and supportive service-focused and “other” users are

also similar. Initial nonusers are distinctive as a group with the highest level of education and prior earnings.

State PRA policies and implementation do appear to influence the extent of account use; that is, how much of the \$3,000 the recipients spend, and how many recipients never use the account at all (become nonusers). It is clear that in the states with restrictive supportive service purchase policies, there is lower overall use of the PRAs, compared to the other states. While the recipients who do use the PRA in West Virginia and Mississippi tend to use their accounts in full, the majority of recipients in these states never use them at all. As a result, average per-recipient disbursements amount to only \$1,087 in West Virginia and \$996 in Mississippi.

Focus group respondents also discussed the lack of information, staff's negative attitudes and lack of knowledge, and the reimbursement-only policy for service purchases (in some states) as reasons for less than full or total lack of PRA use. While it is not possible to assess the influence of these factors with certainty, some usage patterns seen across the states through the data analysis appear to agree with these reports. For example, the majority of the focus group nonusers were individuals who accepted the PRA offer with the intent of receiving the bonus. When they did not earn it, they let the account languish, often because they did not understand or remember that there were other ways in which the funds could be used. Because PRAs are self-managed, it is not the responsibility of program staff to follow up with nonusers and remind them about how to use the account. Nevertheless, some of the confusion may relate to the lack of breadth and quality of the information provided during the initial PRA orientation or the inattention that recipients give to the information.

All that can be surmised from patterns in the data is that Florida has by far the lowest complete nonuse of the PRA—at 8 percent—and is the only state in which recipients were “required” to maintain monthly contact with program staff. Given the workload of program staff, and the lack of any real consequences for PRA recipients associated with a lack of contact, it is unlikely that contact actually occurred consistently in Florida. To the extent it did happen, this ongoing contact may have reinforced account use. In addition, two demonstration sites in Florida provided intensive services to substantial portions of PRA recipients, again offering opportunities to talk about the PRA and its range of uses.

Finally, the method of payment for service transactions also could contribute to the levels of use or nonuse. For example, a few focus group respondents in Idaho did not use the PRA, or did so only minimally, because they could not make the initial cash outlay for certain expensive items to support their job searches (examples included a computer and reading glasses). Idaho has one of the highest percentages of “other users”: the user group that makes the least use of the PRA, on average.

The average per-recipient disbursement of all PRA recipients across the seven demonstration states is \$1,757 of the total \$3,000. Ultimately, the patterns of PRA use in each state depend on the types of users—how recipients initially fall into the different categories of bonus-earner, supportive service-focused, other user, and initial nonuser—and the proportion of complete nonusers. Overall, PRA use is highest in Florida (\$2,238), just

under \$2,000 in Idaho, Minnesota, and Texas, and lowest in Mississippi, West Virginia, and Montana (under \$1,500).

C. THE MESSAGE AND OUTCOMES OF THE PRA

The PRA originally was intended to provide unemployed workers with a flexible means of support in their reemployment efforts. Given its different components, however—the lump-sum bonus payments and the ability to purchase services—the PRA may have sent some mixed messages. From the perspectives of state administrators and staff, the message of the PRA has been mixed between that of quick reemployment (through the bonus) and building job skills (the ability to choose between the PRA and the ITA to purchase training). In practice, the ITA seemed to be the preferred route for training, due either to staff preferences, individual customer preferences, or some combination of the two.

Another issue is the contribution that the PRA may make to speeding reemployment, shortening the length of UI receipt, and promoting job retention. Only an impact evaluation can assess the effectiveness of the PRA. In the absence of such a design, the PRA demonstration evaluation cannot evaluate PRA's contributions with certainty.³⁰ This outcomes study found that in the first quarter after PRA entry, half of all PRA recipients are employed and this rate increases only slightly by the third quarter. However, UI receipt patterns and employment rates are quite different across different groups of PRA recipients. For example, bonus-earners enter employment quickly and have employment rates in each of the three follow-up quarters that are significantly higher than all other groups of PRA recipients. They are also most likely to be employed consistently (in two and three consecutive quarters). Just about half of all supportive service-focused and “other” users receive their full UI benefits and have similar employment rates (of 62 and 63 percent) in the first quarter after PRA entry. Supportive service-focused users make the greatest gains in earnings over the full follow-up period, fully achieving the median level of earnings they received prior to PRA entry. Complete nonusers and initial nonusers are most likely to receive their full UI benefits and have the lowest employment rates in each follow-up quarter. But as initial nonusers have higher education and earnings prior to PRA entry they may be holding out for the right job, while complete nonusers may struggle to gain employment.

Findings from the focus group study suggest that many PRA recipients value the long-term objective of finding the right job in whatever timeframe it may take over taking *any* job just to earn the PRA reemployment bonus. With very few exceptions, all of the focus group respondents were eager to get back to work at the time they received the PRA. Respondents

³⁰ The research team, in combination with ETA, explored the possibility of using a nonexperimental regression discontinuity design to produce preliminary impact estimates of the effect of PRAs on employment and UI outcomes in Texas. However, the sample size in Texas (or even a combination of states) is insufficient to detect impacts under this design unless they are very large. A propensity score matching design was explored as an alternative, but this design is more susceptible to producing biased estimates and was not pursued because the cost of such an approach was prohibitive in relation to the information it could produce.

as a whole were dedicated to their job search at the time of the PRA offer, but they were motivated in different ways—some could not afford to be out of work for long, while others wanted to ensure that they found a new job in line with their experience, interests, and goals. As a result, the PRA bonus functioned differently for different respondents, depending on their financial situation at the time of the offer. Most respondents valued finding the right job more than receiving the bonus, and did not alter their job search in response to it. Respondents in Mississippi, however, were very focused on trying to earn the \$3,000 in bonuses, because they needed the additional financial resources.

Most other respondents in the supportive service and nonuser focus groups also would not assign a timeframe for their job search because finding the right job was a higher priority for them than receiving the bonus. For example, a number of focus group respondents with higher levels of education felt strongly that it would take about six months to find a job that would fit their interests, experience, educational background, and salary expectations. The \$3,000 bonus provided little incentive for them; they thought a focus on the bonus would be short-sighted. For some respondents in the supportive service groups, and the majority of respondents in the nonuser groups, the bonus provided a no-risk financial incentive to do what they were going to do anyway—look for a job as diligently as they could.

D. THE STRUCTURE OF PRAS AND CONSIDERATIONS FOR SELF-MANAGED ACCOUNTS

The experiences of the demonstration states, program staff, and PRA recipients, as gathered through the evaluation, suggest some considerations about PRAs specifically, and self-managed accounts in general.

Purposes of the Account. The broad purposes of the account give recipients a great deal of flexibility in supporting their reemployment efforts. However, state administrators and program staff feel that the bonus and service purchase components send mixed messages and serve different purposes. Reemployment accounts, such as Career Advancement Accounts (CAAs), which focus on employment services and training, may be a model better suited to the goals and delivery structure of the workforce investment system.

Target Population. The PRA targets UI claimants identified as likely to exhaust their benefits. Quickening their reemployment and producing larger average reductions in UI benefit payments, would increase the cost-effectiveness of the bonus offers (Decker and Perez-Johnson 2004). However, little was known about the characteristics of this targeted population at the start of the PRA demonstration. The evaluation found that the majority of PRA recipients are between the ages of 35 and 54, have a high school diploma but less than a college degree, and were full-time, consistent workers prior to PRA entry. PRA recipients in focus groups generally valued finding the right job in whatever timeframe is needed and did not change their job search strategy or accelerate their efforts to find employment in order to earn the bonus. For many, the \$3,000 bonus provided little incentive; they thought a focus on the bonus indicated short-term thinking. However, the focus groups also suggested that some recipients with less financial stability might focus on the lump sum payment of the bonus, possibly with the unintended effect of taking a lesser quality job than they might pursue in the absence of the bonus. If bonus incentives are pursued through the

continuation of the PRA, or in another form, consideration might be given to the characteristics of the target population and the types of responses the incentives might elicit.

Account Amount. Setting the right amount for a reemployment account may be a function of its purpose. As noted above, the \$3,000, while generous for some, was not enough of an incentive for many in the context of long-term career interests and goals. The \$3,000 was similarly “low” in comparison with the amount of potential support offered through an ITA for which individuals could qualify to assist with training costs. The decision to go with the PRA or pursue an ITA for training seems to come down to a choice between amounts offered—with the ITA winning out on most occasions. CAAs are also set at \$3,000, with the potential for renewal of another \$3,000, but in a second year. The early CAA demonstration states already have struggled with the amount of training that can be purchased with \$3,000 per year (Rosenberg, forthcoming).

Career Counseling. The PRA experience does not provide any clear findings about the role of career counseling in reemployment efforts. PRAs are fully self-managed, and few recipients choose to use the funds to purchase intensive career counseling and job search assistance. As previously discussed, this may or may not be a fully informed decision. There is no way to assess, through this evaluation, how the outcomes of PRA recipients may be different given some upfront development of career plans and associated strategies for using the accounts. From an implementation perspective, program staff are left unsatisfied with the PRAs because their role is to process paperwork, rather than provide career guidance. To the extent that customer-choice strategies are pursued further, some consideration might be given to the type of staff members best suited to administer them.

Length of Accounts. One of the distinctive facets of the PRAs is that they are obligated in full to recipients at the time of entry. PRA recipients have the \$3,000 at their disposal for up to one year. This method of assigning funds to an individual for this period of time is difficult for states to manage administratively. In addition to the length of time given for the obligation, the additional responsibility of trying to spend down the full PRA grant in a limited timeframe becomes a financial juggling task. While two states have elected to close PRAs early if they show nonuse, the other five want to ensure that individuals have access to the funds for the full intended timeframe. The analysis has shown that among all PRA users, the last disbursement from the account is made, on average, within the first four and a half months of the account. Even among the initial nonusers—the group that can be expected to most delay using their PRAs—the last disbursement is made in the sixth month. These data suggest that the one-year length may not be necessary, particularly if an account is focused on quick reemployment.

E. CONCLUSION

The PRA is a unique strategy in reemployment services, intended to put unemployed workers in control of their career planning and job search efforts, and to provide them with an incentive and/or financial support to purchase services to get back to work quickly. The original seven demonstration states are pioneers in implementing an untested strategy, and have been willing to address the challenges and smooth out the process as they went along.

PRAs have been well-implemented by the states, in that the states stayed true to the self-managed nature of the accounts and generally have maintained a great deal of flexibility in the ways that PRA recipients could put them to use. Recipients responded by using the PRAs in various ways and to different degrees.

While the outcomes of recipients with regard to duration of UI receipt and employment and earnings have been examined, the key question of the effectiveness of PRAs in speeding reemployment and shortening UI receipt has not been answered. It also cannot be assessed how individuals might have responded to the PRA, particularly with regard to training purchases, in the absence of the ITA alternative. The final step in assessing PRAs fully would be a rigorous experiment, particularly one that would test the self-managed nature of the accounts rather than (or in addition to) the amount available for training.

Nonetheless, the PRA demonstration evaluation has gathered findings from an implementation study, a focus group study, and a quantitative analysis to explore responses to the PRA on the part of state administrators, program staff, and, most importantly, individual recipients. Combined, this information provides a rich understanding of the implementation of and responses to these self-managed reemployment accounts.

The next generation of self-managed accounts—the Career Advancement Accounts—are now being implemented in eight demonstration states, and will further the experience with and knowledge of this type of strategy in serving customers within the workforce investment system.

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APPENDIX A

SUMMARY OF KEY FINDINGS FROM THE FOCUS GROUP STUDY

Personal Reemployment Accounts (PRAs) are flexible accounts of \$3,000 designed to assist and support select claimants of Unemployment Insurance (UI) in returning to work. They represent a unique combination of a reemployment bonus and an individually managed account to purchase intensive, training, and supportive services, targeted to claimants who are likely to exhaust their UI benefits. Claimants can choose how and when to spend funds from their account to purchase reemployment services.

Early findings from an implementation study for the U.S. Department of Labor (DOL) of a PRA pilot demonstration project in seven states highlighted that few PRA recipients used the account to purchase services *and* receive a bonus and that some PRA recipients did not use their account at all. To learn more about these patterns, DOL's Employment and Training Administration (ETA) requested a focus group study to examine how UI claimants respond to the structure and incentives of the PRA.

FOCUS GROUP STUDY METHODOLOGY

For this study, focus groups were conducted with four types of PRA claimants: (1) participants who primarily used the PRA to purchase supportive services (at least \$1,200 of the \$3,000 account), (2) those who received a reemployment bonus and had minimal service purchases (less than \$600 spent on services), (3) those who accepted the PRA offer but made minimal or no use of the account (less than \$600), and (4) those who declined the offer completely.

A total of ten focus groups were conducted in four PRA demonstration states in September and October 2007 with a purposefully selected sample of PRA users and non-users (as shown in Table ES.1).¹ Overall, 82 individuals participated in the groups, ranging

¹ Using each state's PRA data, individuals were selected for participation in a focus group based on their PRA decisions (acceptance and/or spending patterns) within a specified timeframe, rather than a random sample over the course of the evaluation.

in size from 4 to 11 participants per group. In total, the attendance rate was 18 percent among those invited (450 invitees), and 71 percent among those who indicated that they would come (116 confirmed attendees).

Table ES.1. Type of Focus Groups, by State

State	Supportive Service-Focused Recipients	Bonus-Focused Recipients	Nonusers	Decliners
Idaho	√		√ Combined group	
Minnesota	√	√	√	√
Mississippi		√	√	
Texas	√	√		

CHARACTERISTICS OF FOCUS GROUP RESPONDENTS

The majority of all focus group respondents were individuals who are married, between the ages of 41 to 55 years, and are non-Hispanic whites. Respondents were fairly evenly split between men and women. The majority of focus group respondents are currently working and are consistent workers, reporting that they have spent at least four of the last five years working and, on average, have had less than three job changes. Of those not currently working, the majority was laid off from their jobs within the last year. Most respondents are full-time workers who reported working, on average, more than 40 hours per week. While the majority of respondents reported their own rate of pay as under \$30,000 per year, their total household income, in most cases, exceeded \$30,000 in the past year.

INITIAL REACTIONS TO THE PRA

The majority of focus group respondents were long-term and consistent workers who have spent little time unemployed. For many, the loss of their job at the time of the PRA offer was emotionally as well as financially destabilizing. Older respondents, in particular, were concerned about their attractiveness to potential employers and their ability to compete for jobs, even with strong skills and extensive work experience. It is within this context that respondents were introduced to the concept of the PRA, and often, to the services of the One-Stop Career Centers in general. Many were initially skeptical of the PRA offer but remained willing to give it a try.

Key Findings:

- Many respondents recalled being initially confused by and, often, suspicious of the PRA offer.
- Account “users” (bonus recipients and supportive-service purchasers) perceived the PRA more favorably from the start than nonusers or decliners.

FACTORS IN THE PRA OFFER DECISION

The focus group discussions provided a view into the key factors that individuals considered in making a decision to accept or decline the PRA offer. These include individuals' perceived need for training, the enticement of the bonus, and the absence of any risk involved in accepting the offer. With regard to the latter, focus group respondents often found no compelling reason not to accept the offer over WIA services. Ultimately, most of the individuals in the focus groups accepted the PRA offer and did so with a focus primarily on the bonus, but also with the thought that there was little risk or sacrifice involved.

Key Findings:

- Respondents who were interested in long-term training did not pursue the PRA, often due to staff direction.
- Many respondents reacted positively to the PRA with their sights set on qualifying for the bonus.
- Respondents who were not confident they would qualify for the bonus perceived little risk in accepting the PRA over WIA services.
- Most of the supportive-service “users” accepted the account with the specific purpose of supporting their job search.
- PRA decisions were rarely based on complete understanding of the account; most respondents focused on particular aspects of the account in making their accept/decline decision.

TYPES OF PRA USE : BONUS RECEIPT OR PURCHASE OF SERVICES

The focus group discussions also revealed that individuals' personal circumstances (e.g., education and training) and their perceived ability to obtain employment quickly influenced the *type* of account use—whether they sought the bonus or used the account primarily to purchase services. Similar to acceptance decisions, the decisions about the type of account use tended to focus on qualifying for the bonus. Respondents who were most confident that they would find a job quickly saved their account in order to receive the full bonus. Supportive-service users were respondents who did not think they would qualify for the bonus so they started purchasing services from the account from the start.

Key Findings:

- Respondents who received the bonus were confident from the start that they would find a job quickly; they favored receipt of the lump sum payment and did not often use the account to purchase services.
- Respondents who purchased services with their PRA were less confident about qualifying for the bonus.

EXTENT OF PRA USE

Respondents' *extent* of use of their accounts—how much, if any, of the \$3,000 they used—varied within and across sites. Overall, programmatic factors including policies regarding supportive service purchases, the amount and clarity of information provided to PRA recipients, payment options for purchasing expensive services, and PRA staff involvement with and availability to participants influenced the extent of PRA use. Many discrepancies in account holders' knowledge about program policies and rules and the types of services that could be purchased came out during the discussions. As individuals shared information about how they used their accounts, it became clear that some had a great deal of information, others had very little, and others were misinformed.

Key Findings:

- Restrictions on allowable supportive service purchases and the lack of information given to respondents about purchases contributed to nonuse of the PRA in one state.
- The majority of nonusers were respondents who lacked knowledge about bonus-receipt procedures and supportive service purchases.
- Lack of knowledge about program policies and procedures also led bonus recipients and service purchasers to not fully use their accounts.
- Account disbursements through reimbursement only limited a few respondents' purchases to support their job search.
- Staff knowledge, responsiveness, and attitude influenced the extent of account usage.

RESPONSES TO THE BONUS INCENTIVE

With very few exceptions, all the focus group respondents were eager to get back to work at the time they received the PRA. Data collected from individuals at the time of the focus groups indicate that the respondents were generally consistent workers who spent little time out of the workforce in the past five years. Respondents as a whole were dedicated to their job search at the time of the PRA offer but they were motivated in somewhat different

ways—some could not afford to be out of work for long, while others wanted to ensure that they found a new job that was in line with their experience, interests, and goals.

The PRA bonus functioned differently for respondents depending on their financial situation at the time of the offer. Most respondents valued finding the right job more than receiving the bonus and did not alter their job search in response to the bonus. Respondents in one state, however, were especially focused on trying to earn the \$3,000 in bonuses because they needed the additional financial resources.

Key Findings:

- Most respondents did not alter their job search strategy or accelerate their efforts in order to earn the bonus.
- The bonus amount encouraged some respondents with limited financial resources to accept any job quickly.

RESPONSES TO THE ABILITY TO PURCHASE SERVICES

Overall, respondents in the “user” groups (bonus recipients and service purchasers) were positive about the PRA because it provided flexibility and stability during a time of financial uncertainty. Most often respondents praised the flexibility that the accounts offered—to earn the bonus or purchase an array of services—and they highly valued these aspects. Respondents specifically in the supportive-service groups spoke highly of having the choice to spend the money on services they deemed as necessary or important. Nonetheless, the ways in which supportive-service respondents viewed their purchases varied. While they all valued the additional financial support, they had different opinions on how and whether their purchases helped them secure employment.

Key Findings:

- Most supportive-service respondents viewed the flexibility to make purchases from the account as a source of financial relief during their job search.
- Supportive-service purchasers had mixed opinions on the role that the purchases played in their successful reemployment.

PRA IN THE CONTEXT OF THE ONE-STOP CAREER CENTERS

PRA functions within the service framework of One-Stop Career Centers. As a result, focus group discussions about services to help respondents return to work often included references to the core services provided in the One-Stop Career Centers. While these services are not specific to the PRA program, respondent feedback provides insight into how some PRA participants (and decliners) used and viewed these services.

Key Findings:

- Some individuals targeted for the PRA—who seemed initially unfamiliar with the One-Stop Career Centers—made use of their core services.
- For some respondents, the types of jobs that they learned about through the One-Stop Career Centers and/or services they received did not match their interests, skills, and experience.

SUMMARY OF KEY FINDINGS AND AREAS FOR FURTHER EXPLORATION

The focus group discussions suggested that the PRA is not viewed by potential account holders as the alternative to WIA services in the manner intended, that differences in program implementation and the information made available to recipients affects the use of the accounts, and that, in general, the target population for the PRA has not responded to the financial incentive for rapid reemployment.

Specific to the type and extent of PRA use, the focus group study suggests that the personal characteristics and circumstances of PRA recipients influence whether they accept the account and how they use it. Then, programmatic factors such as the timing of the offer relative to the UI period, policies around service purchases, and importantly, the availability and clarity of program information, influence the patterns to and extent of account use. An analysis of individual-level data from each of the original seven demonstration states—Florida, Idaho, Minnesota, Mississippi, Montana, Texas, and West Virginia—is currently underway. This analysis will examine whether and how the demographic and employment characteristics of PRA recipients differ across various types of users (and nonusers) of the account as well as how usage patterns vary based on state PRA policies.

The critical question that ultimately would address the effectiveness of PRAs is whether the accounts speed reemployment and shorten the length of UI receipt among recipients. Randomized experiments are the best way to estimate program impacts. In the absence of an experimental design, the PRA demonstration evaluation cannot answer this question with certainty. Nonetheless, this evaluation makes use of qualitative information—including findings from this focus group study—and analyzes individuals' responses to the PRA to provide a rich understanding of this strategy in promoting reemployment.

APPENDIX B

DETAILED DATA TABLES ON PRA RECIPIENTS

Table B.1. PRA Acceptance Rates

	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Number of offers	916	546	2095	962	164	981	833	6497
Number of accepts	513	475	957	847	125	740	504	4161
PRA Acceptance Rate	56	87	46	88	76	75	61	64

Source: Calculations based on individual-level PRA data on recipients and decliners provided by Idaho, Mississippi, Texas, and West Virginia, and on state quarterly activity and expenditure reports on the PRA demonstration, as of September 2007 for Florida, Minnesota, and Montana.

Note: Numbers of PRA recipients presented in this table for Florida, Minnesota, and Montana may differ from the total number of accounts included in the individual-level data analysis throughout this report.

Table B.2. Characteristics of Recipients at PRA Entry (Percentages, Unless Stated Otherwise)

	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Gender								
Male	42	47	56	49	50	43	62	50
Female	58	53	44	51	50	57	38	50
Age								
Less than 25 years	4	6	6	13	6	4	4	7
25 to 34 years	20	17	15	24	14	22	15	19
35 to 44 years	25	29	29	26	27	23	24	26
45 to 54 years	29	29	34	22	36	32	36	30
55 years and over	22	19	15	15	17	19	22	18
Average Age in Years	44	44	44	40	44	43	45	43
Median Age in Years	45	44	45	39	45	45	47	44
Ethnicity/Race								
Non-Hispanic, white	50	80	77	49	77	62	96	68
Non-Hispanic, black	19	1	4	48	0	25	3	18
Non-Hispanic, other races	4	5	4	2	23	3	1	4
Hispanic, any race	28	14	15	1	1	9	0	10
Educational Attainment								
Less than high school diploma/GED	7	8	5	16	6	7	13	9
High school diploma/GED	43	30	37	55	39	37	51	42
Some college/2-year degree	22	40	35	28	31	35	25	31
Completed 4-year college	20	17	15	1	15	16	7	12
Post-graduate education	9	6	9	0	10	5	4	5
Current Marital Status	---	---					---	
Unmarried (single or cohabitating)			36	28	20	31		30
Married			51	42	55	52		48
Separated, divorced, or widowed			13	30	25	18		22
Have Children under 18	38	---	37	44	47	41	---	40
Has a Disability	3	2	---	11	---	1	1	4
Total Number of Recipients	430	475	885	847	157	740	504	4,038

Source: Calculations based on individual-level PRA data from the seven demonstration states.

Note: Sums may not total to 100 due to rounding.

--- Data not available.

Table B.3. Characteristics of Last Job Held Prior to PRA Entry (Percentages, Unless Stated Otherwise), Industry and Occupation

	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Industry								
Natural resources and mining	1.1	2.6	0.1	1.0	1.8	1.0	8.9	2.1
Construction	5.0	2.6	0.0	10.1	9.8	4.4	5.2	4.9
Manufacturing	5.5	20.8	19.2	20.1	2.7	20.6	21.6	18.2
Trade, transport, utilities	17.4	16.7	26.4	17.0	25.0	20.1	28.9	21.4
Information	3.2	4.0	1.7	0.9	6.3	5.5	1.6	2.8
Financial activities	11.8	2.8	13.8	3.8	10.7	9.9	5.4	8.2
Professional and business services	25.5	16.3	21.4	16.3	14.3	19.3	6.6	17.5
Education and health services	17.6	14.9	9.1	10.3	14.3	12.7	8.2	11.6
Leisure and hospitality	5.8	4.5	2.9	10.6	8.0	1.8	2.3	5.0
Other services	3.4	5.0	4.1	3.4	0.9	3.9	8.7	4.4
Public administration	3.7	9.9	1.2	6.6	6.3	0.7	2.7	3.9
Occupation								
Management	21.3	10.8	16.0	4.1	10.4	11.9	12.4	12.0
Business and financial operations	6.1	5.8	7.2	3.0	2.6	6.8	3.9	5.3
Computer and mathematical	3.1	5.6	8.5	0.5	0.0	4.7	1.7	3.8
Architecture and engineering	3.6	2.7	4.9	1.8	3.5	2.8	0.9	2.8
Life, physical, and social science	1.4	0.5	1.1	0.1	1.7	0.4	1.3	0.8
Community and social services	2.6	2.5	1.1	1.0	4.3	0.7	0.0	1.3
Legal	0.5	0.9	0.7	0.3	1.7	1.0	0.9	0.7
Education, training, and library	4.3	1.6	2.8	1.9	0.9	3.3	0.2	2.3
Arts, design, entertainment, sports, and media	2.4	2.2	2.1	1.0	1.7	1.3	1.7	1.7
Healthcare practitioners and technical	1.9	2.5	1.1	1.0	3.5	2.8	2.2	1.9
Healthcare support	2.1	4.7	0.7	2.7	3.5	5.0	1.5	2.9
Protective service	2.6	2.5	0.0	1.6	0.9	0.6	1.5	1.3
Food preparation and serving related	2.8	3.1	1.4	6.0	6.1	1.2	0.4	2.8
Building and grounds cleaning and maintenance	0.7	2.2	2.3	4.3	0.9	1.3	0.7	2.1
Personal care and service	0.9	0.9	0.0	2.1	1.7	2.1	1.5	1.3
Sales and related	8.3	7.8	16.4	10.4	13.0	7.4	8.3	10.0
Office and administrative support	19.4	16.8	13.8	19.6	16.5	26.2	23.3	19.9
Farming, fishing, and forestry	0.5	1.8	0.0	0.3	2.6	0.0	0.9	0.6
Construction and extraction	2.4	2.0	6.3	10.4	7.8	2.4	11.1	6.1
Installation, maintenance, and repair	3.1	4.3	3.0	2.2	7.0	3.9	6.8	3.8
Production	5.0	12.8	7.6	17.4	3.5	12.4	9.8	11.2
Transportation and material moving	5.0	3.8	3.0	8.2	6.1	1.6	7.8	5.0
Military specific	0.2	2.2	0.0	0.0	0.0	0.0	1.1	0.5
Total Number of Recipients	430	475	885	847	157	740	504	4,038

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

Table B.4. Characteristics of Last Job Held Prior to PRA Entry (Percentages, Unless Stated Otherwise), Hours, Wages, and Reason for Leaving

	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Hours Worked Per Week								
Less than 20	1.4	2.7	8.7	2.4	5.0	0.3	--	3.6
20 to 34	0.5	6.5	15.5	5.8	15.0	0.8	--	7.3
35 or more	98.1	90.8	75.9	91.9	80.0	98.9	--	89.1
Average	39.6	39.1	37.0	43.6	38.1	40.4	--	40.0
Median	40.0	40.0	40.0	40.0	40.0	40.0	--	40.0
Hourly Rate of Pay								
Less than \$10.00	16.7	16.0	6.3	37.4	36.8	24.9	28.3	22.8
\$10.00 – \$19.99	63.3	61.1	50.7	53.3	47.4	48.7	51.7	53.0
\$20.00 – \$29.99	12.9	15.7	23.3	7.9	12.3	13.7	16.8	15.1
\$30.00 – \$39.99	4.2	4.0	11.0	0.6	0.9	5.9	2.6	4.9
\$40.00 – \$49.99	1.3	2.0	3.6	0.6	0.9	2.4	0.4	1.8
\$ 50.00 or more	1.7	1.1	5.1	0.2	1.8	4.5	0.2	2.4
Average	\$15.22	\$16.34	\$22.96	\$12.32	\$13.57	\$18.85	\$14.01	\$16.87
Median	\$13.00	\$14.11	\$18.47	\$11.00	\$10.79	\$12.52	\$13.86	\$13.50
Primary Reasons for Leaving Job								
Laid off	62.3	88.8	61.9	--	52.9	67.7	97.6	72.7
Business closed	0.0	11.2	9.1	--	5.9	0.0	0.0	4.4
Temporary or seasonal job ended	0.0	0.0	4.0	--	10.9	0.0	0.0	1.5
Discharged or fired	34.8	0.0	10.4	--	17.7	5.8	1.0	9.8
Quit	2.9	0.0	0.7	--	7.6	26.6	1.4	7.4
Other reason	0.0	0.0	14.0	--	5.0	0.0	0.0	4.1
Weeks on Job								
Average	167.3	333.2	642.6	91.1	136.4	325.1	595.9	375.4
Median	93.1	207.8	520.0	47.6	51.6	121.7	578.0	181.9
Years on Job								
Average	3.2	6.4	12.4	1.8	2.6	6.3	11.5	7.2
Median	1.8	4.0	10.0	0.9	1.0	2.3	11.1	3.5
Total Number of Recipients	430	475	885	847	157	740	504	4,038

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

--- Data not available.

Table B.5. Characteristics of UI Receipt Among Recipients at the Time of PRA Entry (Percentages, Unless Stated Otherwise)

	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Average number of weeks of eligibility	21.5	26.0	---	23.6	19.7	22.0	26.0	23.4
Average weekly benefit amount	\$237.25	\$268.37	\$365.18	\$185.94	\$228.07	\$301.12	\$319.32	\$280.06
Total Number of Recipients	430	475	885	847	157	740	504	4,038

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

--- Data not available.

Table B.6. Time from UI Claim Date to PRA Offer and Acceptance, by Demonstration State

	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Average Number of Weeks								
From:								
UI claim date to PRA offer	6.2	4.0	3.4	3.9	7.0	4.8	2.4	4.1
PRA offer to acceptance	0.8	0.2	0.2	0.0	0.7	0.0	0.0	0.2
UI claim date to PRA acceptance	7.0	4.1	3.6	3.9	7.6	4.8	2.4	4.3
Median Number of Weeks								
From:								
UI claim date to PRA offer	6	4	3	3	7	5	2	4
PRA offer to acceptance	0	0	0	0	---	0	0	0
UI claim date to PRA acceptance	7	4	3	3	7	5	2	4
Total Number of Recipients	430	475	885	847	157	740	504	4,038

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

--- Data not available.

Table B.7a. Bonus Receipt Among PRA Recipients (Percentages, Unless Stated Otherwise)

Type of Bonus	Florida		Idaho		Minnesota		Mississippi	
	First	Second	First	Second	First	Second	First	Second
Bonus Receipt Rate:								
Among all PRA recipients	51.6	38.8	29.1	16.8	25.7	18.2	36.9	22.1
Among all potentially eligible recipients ^a	79.9	---	39.3	---	60.6	---	61.2	---
Among recipients of 1 st bonus	---	75.2	---	57.7	---	71.0	---	59.8
Among PRA Recipients Who Received the Bonus:								
Average amount of bonus	\$1,712.76	\$1,129.98	\$1,528.92	\$1,073.44	\$1,539.18	\$1,070.93	\$1,794.59	\$1,200.00
Average length into PRA receipt (weeks)	3.5	25.2	3.7	28.4	5.4	27.3	4.2	28.8
Median length into PRA receipt (weeks)	3.0	28.0	3.0	28.0	5.0	29.0	4.0	29.0
Average length into UI receipt (weeks)	11.0	---	7.7	---	9.1	---	9.1	---
Median length into UI receipt (weeks)	10.0	---	8.0	---	9.0	---	8.0	---
Number of Bonus Payments	222	167	71	41	138	98	97	58

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to September 2006 in order to observe the full qualification periods for the first and second bonus.

^aPotentially eligible for the bonus defined as those who received 13 or less weeks of UI benefits under the assumption that benefits ended due to reemployment.

--- Data not available.

Table B.7b. Bonus Receipt Among PRA Recipients (Percentages, Unless Stated Otherwise)

Type of Bonus	Montana		Texas		West Virginia		All States	
	First	Second	First	Second	First	Second	First	Second
Bonus Receipt Rate:								
Among all PRA recipients	7.6	4.5	25.1	16.2	31.0	26.4	31.4	22.0
Among all potentially eligible recipients ^a	13.9	---	67.7	---	74.1	---	63.8	---
Among recipients of 1 st bonus	---	60.0	---	64.5	---	85.1	----	70.1
Among PRA Recipients Who Received the Bonus:								
Average amount of bonus	\$1,727.22	\$1,119.13	\$1,602.45	\$1,086.34	\$1,779.86	\$1,186.02	\$1,662.48	\$1,123.31
Average length into PRA receipt (weeks)	4.2	30.0	4.1	29.4	5.8	28.5	4.4	27.2
Median length into PRA receipt (weeks)	4.0	30.0	4.0	30.0	6.0	30.0	4.0	29.0
Average length into UI receipt (weeks)	10.7	---	8.7	---	8.2	---	9.2	---
Median length into UI receipt (weeks)	10.0	---	9.0	---	8.0	---	9.0	---
Number of Bonus Payments	5	3	186	120	114	97	833	584

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to September 2006 in order to observe the full qualification periods for the first and second bonus.

^aPotentially eligible for the bonus defined as those who received 13 or less weeks of UI benefits under the assumption that benefits ended due to reemployment.

--- Data not available.

Table B.8a. Transactions for PRA Service Purchases, by State

	Florida			Idaho		
	Total Number of Trans.	Average Trans. Amount (in dollars)	Percentage of All Service Trans.	Total Number of Trans.	Average Trans. Amount (in dollars)	Percentage of All Service Trans.
Intensive Services						
Specialized assessments (occupational skills or aptitude)	---	---	---	0	0.00	0.0
Resume development	---	---	---	0	0.00	0.0
Career planning	---	---	---	0	0.00	0.0
Case management	---	---	---	0	0.00	0.0
Group/individual counseling	---	---	---	0	0.00	0.0
Individual employment plan	---	---	---	0	0.00	0.0
Specialized workshop	---	---	---	0	0.00	0.0
Basic skills testing	---	---	---	0	0.00	0.0
Interest inventory	---	---	---	0	0.00	0.0
Other	---	---	---	0	0.00	0.0
Unknown	67	193.79	6.1	0	0.00	0.0
Total Intensive Services	67	193.79	5.4	0	0.00	0.0
Supportive Services						
Vehicle repair	64	486.90	5.8	0	0.00	0.0
Vehicle insurance payment	71	306.69	6.4	0	0.00	0.0
Vehicle purchase or monthly loan payment	56	527.22	5.1	0	0.00	0.0
Other transportation/mileage reimbursement	21	86.41	1.9	25	189.65	1.7
Utilities/rent	703	312.67	63.6	0	0.00	0.0
Mortgage payment / insurance	10	833.76	0.9	0	0.00	0.0
Clothing for interviews	37	239.75	3.4	0	0.00	0.0
Job uniform	2	172.00	0.2	0	0.00	0.0
Technological supplies	0	0.00	0.0	0	0.00	0.0
Other tools and supplies	7	759.87	0.6	0	0.00	0.0
Childcare	4	351.52	0.4	30	253.17	2.0
Fees for job-related certification/licenses	11	172.00	1.0	0	0.00	0.0
Health screenings or tests/other Medical	68	337.93	6.2	84	195.49	5.6
Relocation or moving expenses	0	0.00	0.0	8	1,288.86	0.5
Other	3	765.40	0.3	0	0.00	0.0
Combined categories	0	0.00	0.0	0	0.00	0.0
Work-related expense	0	0.00	0.0	0	0.00	0.0
Unknown	81	117.08	7.3	1,186	449.50	78.9
Total Supportive Services	1,138	320.75	92.3	1,333	429.24	88.7
Training						
Adult basic education (ABE)	0	0.00	0.0	---	---	---
General equivalency degree (GED)	0	0.00	0.0	---	---	---
English as a second language (ESL)	0	0.00	0.0	---	---	---
Job-training/occupational skills	15	864.60	1.4	---	---	---
Business development plan/self-employment training	0	0.00	0.0	---	---	---
On-line training/distance learning	0	0.00	0.0	---	---	---
Other	0	0.00	0.0	---	---	---
Unknown	13	216.60	1.2	170	702.54	11.31
Total Training	28	563.71	2.3	170	702.54	11.31
Total All Service Transactions	1,233	307.66	100.0	1,503	731.08	100.0

Source: Calculations based on PRA data from the seven demonstration states.

--- Data not available.

Table B.8b. Transactions for PRA Service Purchases, by State

	Minnesota			Mississippi		
	Total Number of Trans.	Average Trans. Amount (in dollars)	Percentage of All Service Trans.	Total Number of Trans.	Average Trans. Amount (in dollars)	Percentage of All Service Trans.
Intensive Services						
Specialized assessments (occupational skills or aptitude)	1	140.00	0.1	0	0.00	0.0
Resume development	4	256.95	0.2	0	0.00	0.0
Career planning	0	0.00	0.0	0	0.00	0.0
Case management	0	0.00	0.0	0	0.00	0.0
Group/individual counseling	6	313.80	0.4	0	0.00	0.0
Individual employment plan	0	0.00	0.0	0	0.00	0.0
Specialized workshop	4	1,328.11	0.2	0	0.00	0.0
Basic skills testing	0	0.00	0.0	0	0.00	0.0
Interest inventory	0	0.00	0.0	0	0.00	0.0
Other	0	0.00	0.0	0	0.00	0.0
Unknown	1	488.00	0.1	0	0.00	0.0
Total Intensive Services	16	533.58	0.9	0	0.00	0.0
Supportive Services						
Vehicle repair	0	0.00	0.0	1	796.18	1.8
Vehicle insurance payment	26	250.52	1.5	0	0.00	0.0
Vehicle purchase or monthly loan payment	16	811.44	0.9	0	0.00	0.0
Other transportation/mileage reimbursement	10	125.67	0.6	8	328.21	14.3
Utilities/rent	214	437.20	12.5	0	0.00	0.0
Mortgage payment/insurance	105	1,343.56	6.1	0	0.00	0.0
Clothing for interviews	152	259.85	8.9	3	256.92	5.4
Job uniform	1	88.50	0.1	0	0.00	0.0
Technological supplies	52	1,282.40	3.0	0	0.00	0.0
Other tools and supplies	170	474.47	9.9	22	826.98	39.3
Childcare	15	604.76	0.9	3	296.45	5.4
Fees for job-related certification/licenses	17	189.97	1.0	0	0.00	0.0
Health screenings or tests/other Medical	58	408.62	3.4	0	0.00	0.0
Relocation or moving expenses	0	0.00	0.0	1	609.84	1.8
Other	151	767.32	8.8	0	0.00	0.0
Combined categories	40	952.70	2.3	0	0.00	0.0
Work related expense	0	0.00	0.0	0	0.00	0.0
Unknown	528	511.04	30.8	0	0.00	0.0
Total Supportive Services	1,555	580.12	90.8	38	628.53	67.9
Training						
Adult basic education (ABE)	0	0.00	0.0	6	1,185.80	10.7
General equivalency degree (GED)	0	0.00	0.0	0	0.00	0.0
English as a second language (ESL)	5	515.07	0.3	0	0.00	0.0
Job-training/occupational skills	119	670.31	7.0	11	1,321.32	19.6
Business development plan/self-employment training	3	348.10	0.2	0	0.00	0.0
On-line training/distance learning	8	452.46	0.5	1	889.35	1.8
Other	5	908.01	0.3	0	0.00	0.0
Unknown	2	496.55	0.1	0	0.00	0.0
Total Training	142	651.67	8.3	18	1,252.21	32.1
Total All Service Transactions	1,713	377.84	100.0	56	27.40	100.0

Source: Calculations based on PRA data from the seven demonstration states.

--- Data not available.

Table B.8c. Transactions for PRA Service Purchases, by State

	Montana			Texas		
	Total Number of Trans.	Average Trans. Amount (in dollars)	Percentage of All Service Trans.	Total Number of Trans.	Average Trans. Amount (in dollars)	Percentage of All Service Trans.
Intensive Services						
Specialized assessments (occupational skills or aptitude)	0	0.00	0.0	0	0.00	0.0
Resume development	0	0.00	0.0	4	380.50	0.2
Career planning	0	0.00	0.0	0	0.00	0.0
Case management	0	0.00	0.0	0	0.00	0.0
Group/individual counseling	0	0.00	0.0	0	0.00	0.0
Individual employment plan	0	0.00	0.0	0	0.00	0.0
Specialized workshop	0	0.00	0.0	0	0.00	0.0
Basic skills testing	0	0.00	0.0	0	0.00	0.0
Interest inventory	0	0.00	0.0	0	0.00	0.0
Other	0	0.00	0.0	0	0.00	0.0
Unknown	0	0.00	0.0	0	0.00	0.0
Total Intensive Services	0	0.00	0.0	4	380.50	0.2
Supportive Services						
Vehicle repair	---	---	---	0	0.00	0.0
Vehicle insurance payment	---	---	---	0	0.00	0.0
Vehicle purchase or monthly loan payment	---	---	---	0	0.00	0.0
Other transportation/mileage reimbursement	---	---	---	936	338.34	42.9
Utilities/rent	---	---	---	143	713.93	6.6
Mortgage payment/insurance	---	---	---	0	0.00	0.0
Clothing for interviews	---	---	---	0	0.00	0.0
Job uniform	---	---	---	0	0.00	0.0
Technological supplies	---	---	---	0	0.00	0.0
Other tools and supplies	---	---	---	0	0.00	0.0
Childcare	---	---	---	31	470.02	1.4
Fees for job-related certification/licenses	---	---	---	2	251.60	0.1
Health screenings or tests/other Medical	---	---	---	27	397.96	1.2
Relocation or moving expenses	---	---	---	0	0.00	0.0
Other	---	---	---	258	239.38	11.8
Combined categories	---	---	---	0	0.00	0.0
Work related expense	---	---	---	623	488.40	28.6
Unknown	458	469.65	90.9	0	0.00	0.0
Total Supportive Services	458	453.84	90.9	2,020	401.30	92.6
Training						
Adult basic education (ABE)	---	---	---	0	0.00	0.0
General equivalency degree (GED)	---	---	---	1	429.20	0.1
English as a second language (ESL)	---	---	---	0	0.00	0.0
Job-training/occupational skills	---	---	---	156	1,229.35	7.2
Business development plan / self-employment training	---	---	---	0	0.00	0.0
On-line training/distance learning	---	---	---	0	0.00	0.0
Other	---	---	---	0	0.00	0.0
Unknown	46	761.74	9.1	0	0.00	0.0
Total Training	46	761.74	9.1	157	1,224.29	7.2
Total All Service Transactions	504	793.78	100.0	2,181	453.02	100.0

Source: Calculations based on PRA data from the seven demonstration states.

--- Data not available.

Table B.8d. Transactions for PRA Service Purchases, by State

	West Virginia			All states		
	Total Number of Trans.	Average Trans. Amount (in dollars)	Percentage of All Service Trans.	Total Number of Trans.	Average Trans. Amount (in dollars)	Percentage of All Service Trans.
Intensive Services						
Specialized assessments (occupational skills or aptitude)	1	3,000.00	1.3	2	1,570.00	0.0
Resume development	1	106.00	1.3	9	331.98	0.1
Career planning	0	0.00	0.0	0	0.00	0.0
Case management	0	0.00	0.0	0	0.00	0.0
Group/individual counseling	0	0.00	0.0	6	313.80	0.1
Individual employment plan	0	0.00	0.0	0	0.00	0.0
Specialized workshop	0	0.00	0.0	4	1,328.11	0.1
Basic skills testing	0	0.00	0.0	0	0.00	0.0
Interest inventory	0	0.00	0.0	0	0.00	0.0
Other	1	261.32	1.3	1	261.32	0.0
Unknown	1	26.50	1.3	69	189.77	1.0
Total Intensive Services	4	848.46	5.3	91	286.08	1.3
Supportive Services						
Vehicle repair	0	0.00	0.0	65	492.02	0.9
Vehicle insurance payment	0	0.00	0.0	97	291.82	1.4
Vehicle purchase or monthly loan payment	0	0.00	0.0	72	590.54	1.0
Other transportation/mileage reimbursement	0	0.00	0.0	1,000	327.11	14.0
Utilities/rent	0	0.00	0.0	1,060	391.95	14.9
Mortgage payment/insurance	0	0.00	0.0	115	1,299.20	1.6
Clothing for interviews	0	0.00	0.0	192	255.95	2.7
Job uniform	0	0.00	0.0	3	148.06	0.0
Technological supplies	0	0.00	0.0	52	1,282.03	0.7
Other tools and supplies	4	1,358.28	5.3	203	539.86	2.8
Childcare	0	0.00	0.0	83	403.79	1.2
Fees for job-related certification/licenses	4	209.16	5.3	34	188.84	0.5
Health screenings or tests/other Medical	0	0.00	0.0	237	311.63	3.3
Relocation or moving expenses	0	0.00	0.0	9	1,211.40	0.1
Other	4	332.64	5.3	416	435.74	5.8
Combined categories	2	219.24	2.7	42	918.18	0.6
Work-related expense	0	0.00	0.0	623	488.40	8.7
Unknown	4	691.76	5.3	2,257	453.27	31.6
Total Supportive Services	18	599.96	23.7	6,560	440.92	90.3
Training						
Adult basic education (ABE)	---	---	---	6	1,184.48	0.1
General equivalency degree (GED)	---	---	---	1	444.18	0.0
English as a second language (ESL)	---	---	---	5	516.86	0.1
Job-training/occupational skills	---	---	---	301	993.53	4.2
Business development plan/self-employment training	---	---	---	3	349.96	0.0
On-line training/distance learning	---	---	---	9	502.51	0.1
Other	---	---	---	5	912.59	0.1
Unknown	54	1,381.25	72.0	285	817.08	4.0
Total Training	54	1,381.25	71.1	615	897.79	8.5
Total All Service Transactions	76	58.72	100.0	7,266	287.26	100.0

Source: Calculations based on PRA data from the seven demonstration states.

--- Data not available.

Table B.9a. PRA Service Purchases by Customer, by State

	Florida			Idaho		
	Total Number of Customers	Average Customer Amount (in dollars)	Percentage of All Recipients	Total Number of Customers	Average Customer Amount (in dollars)	Percentage of All Recipients
Intensive Services						
Specialized assessments (occupational skills or aptitude)	---	---	---	0	0.00	0.0
Resume development	---	---	---	0		0.0
Career planning	---	---	---	0	0.00	0.0
Case management	---	---	---	0	0.00	0.0
Group/individual counseling	---	---	---	0	0.00	0.0
Individual employment plan	---	---	---	0	0.00	0.0
Specialized workshop	---	---	---	0	0.00	0.0
Basic skills testing	---	---	---	0	0.00	0.0
Interest inventory	---	---	---	0	0.00	0.0
Other	---	---	---	0	0.00	0.0
Unknown	67	187.76	15.6	0	0.00	0.0
Total Intensive Services	67	187.76	15.6	0	0.00	0.0
Supportive Services						
Vehicle repair	45	528.42	10.5	0	0.00	0.0
Vehicle insurance payment	53	350.38	12.3	0	0.00	0.0
Vehicle purchase or monthly loan payment	31	604.36	7.2	0	0.00	0.0
Other transportation/mileage reimbursement	16	85.04	3.7	14	160.16	3.0
Utilities/rent	125	418.30	29.1	0	0.00	0.0
Mortgage payment/insurance	5	850.43	1.2	0	0.00	0.0
Clothing for interviews	25	287.98	5.8	0	0.00	0.0
Job uniform	2	171.72	0.5	0	0.00	0.0
Technological supplies	0	0.00	0.0	0	0.00	0.0
Other tools and supplies	5	958.30	1.2	0	0.00	0.0
Childcare	4	351.18	0.9	12	274.93	2.5
Fees for job-related certification/licenses	5	128.68	1.2	0	0.00	0.0
Health screenings or tests/other medical	36	392.38	8.4	51	206.17	10.7
Relocation or moving expenses	0	0.00	0.0	8	1,288.86	1.7
Other	3	765.34	0.7	0	0.00	0.0
Combined categories	0	0.00	0.0	0	0.00	0.0
Work-related expense	0	0.00	0.0	0	0.00	0.0
Unknown	60	101.08	14.0	302	659.22	63.6
Total Supportive Services	202	349.28	47.0	306	643.02	64.4
Training						---
Adult basic education (ABE)	0	0.00	0.0	---	---	---
General equivalency degree (GED)	0	0.00	0.0	---	---	---
English as a second language (ESL)	0	0.00	0.0	---	---	---
Job-training/occupational skills	15	864.53	3.5	---	---	---
Business development plan/self-employment training	0	0.00	0.0	---	---	---
On-line training/distance learning	0	0.00	0.0	---	---	---
Other	0	0.00	0.0	---	---	---
Unknown	12	234.65	2.8	91	892.09	19.2
Total Training	27	584.59	6.3	91	892.09	19.2
Total All Service Types	254	339.28	59.1	328	703.65	69.1

Source: Calculations based on PRA data from the seven demonstration states.

--- Data not available.

Table B.9b. PRA Service Purchases by Customer, by State

	Minnesota			Mississippi		
	Total Number of Customers	Average Customer Amount (in dollars)	Percentage of All Recipients	Total Number of Customers	Average Customer Amount (in dollars)	Percentage of All Recipients
Intensive Services						
Specialized assessments (occupational skills or aptitude)	1	140.00	0.1	0	0.00	0.0
Resume development	4	256.95	0.5	0	0.00	0.0
Career planning	0	0.00	0.0	0	0.00	0.0
Case management	0	0.00	0.0	0	0.00	0.0
Group/individual counseling	5	263.90	0.6	0	0.00	0.0
Individual employment plan	0	0.00	0.0	0	0.00	0.0
Specialized workshop	4	1,328.11	0.5	0	0.00	0.0
Basic skills testing	0	0.00	0.0	0	0.00	0.0
Interest inventory	0	0.00	0.0	0	0.00	0.0
Other	0	0.00	0.0	0	0.00	0.0
Unknown	1	488.00	0.1	0	0.00	0.0
Total Intensive Services	15	552.52	1.7	0	0.00	0.0
Supportive Services						
Vehicle repair	0	0.00	0.0	1	800.00	0.1
Vehicle insurance payment	20	282.01	2.3	0	0.00	0.0
Vehicle purchase or monthly loan payment	10	1,044.70	1.1	0	0.00	0.0
Other transportation/mileage reimbursement	10	125.84	1.1	7	349.48	0.8
Utilities/rent	101	495.31	11.4	0	0.00	0.0
Mortgage payment/insurance	69	1,572.69	7.8	0	0.00	0.0
Clothing for interviews	104	268.14	11.8	3	255.85	0.4
Job uniform	1	86.96	0.1	0	0.00	0.0
Technological supplies	48	1,302.68	5.4	0	0.00	0.0
Other tools and supplies	106	559.99	12.0	20	876.74	2.4
Childcare	10	813.58	1.1	2	319.25	0.2
Fees for job-related certification/licenses	14	148.95	1.6	0	0.00	0.0
Health screenings or tests/other medical	40	452.91	4.5	0	0.00	0.0
Relocation or moving expenses	0	0.00	0.0	1	611.82	0.1
Other	101	815.70	11.4	0	0.00	0.0
Combined categories	35	989.81	4.0	0	0.00	0.0
Work-related expense	0	0.00	0.0	0	0.00	0.0
Unknown	255	711.02	28.8	0	0.00	0.0
Total Supportive Services	460	932.38	52.0	29	696.25	3.4
Training						
Adult basic education (ABE)	0	0.00	0.0	5	1,263.40	0.6
General equivalency degree (GED)	0	0.00	0.0	0	0.00	0.0
English as a second language (ESL)	2	554.58	0.2	0	0.00	0.0
Job-training/occupational skills	90	738.79	10.2	11	1,321.11	1.3
Business development plan/self-employment training	2	284.75	0.2	0	0.00	0.0
On-line training/distance learning	7	406.46	0.8	1	890.00	0.1
Other	5	908.64	0.6	0	0.00	0.0
Unknown	2	496.55	0.2	0	0.00	0.0
Total Training	100	731.36	11.3	17	1,278.78	2.0
Total All Service Types	486	887.51	54.9	39	911.53	4.6

Source: Calculations based on PRA data from the seven demonstration states.

--- Data not available.

Table B.9c. PRA Service Purchases by Customer, by State

	Montana			Texas		
	Total Number of Customers	Average Customer Amount (in dollars)	Percentage of All Recipients	Total Number of Customers	Average Customer Amount (in dollars)	Percentage of All Recipients
Intensive Services						
Specialized assessments (occupational skills or aptitude)	0	0.00	0.0	0	0.00	0.0
Resume development	0	0.00	0.0	3	487.00	0.4
Career planning	0	0.00	0.0	0	0.00	0.0
Case management	0	0.00	0.0	0	0.00	0.0
Group/individual counseling	0	0.00	0.0	0	0.00	0.0
Individual employment plan	0	0.00	0.0	0	0.00	0.0
Specialized workshop	0	0.00	0.0	0	0.00	0.0
Basic skills testing	0	0.00	0.0	0	0.00	0.0
Interest inventory	0	0.00	0.0	0	0.00	0.0
Other	0	0.00	0.0	0	0.00	0.0
Unknown	0	0.00	0.0	0	0.00	0.0
Total Intensive Services	0	0.00	0.0	3	487.00	0.4
Supportive Services						
Vehicle repair	---	---	---	0	0.00	0.0
Vehicle insurance payment	---	---	---	0	0.00	0.0
Vehicle purchase or monthly loan payment	---	---	---	0	0.00	0.0
Other transportation/mileage reimbursement	---	---	---	288	499.56	38.9
Utilities/rent	---	---	---	94	735.50	12.7
Mortgage payment/insurance	---	---	---	0	0.00	0.0
Clothing for interviews	---	---	---	0	0.00	0.0
Job uniform	---	---	---	0	0.00	0.0
Technological supplies	---	---	---	0	0.00	0.0
Other tools and supplies	---	---	---	0	0.00	0.0
Childcare	---	---	---	16	595.46	2.2
Fees for job-related certification/licenses	---	---	---	2	250.00	0.3
Health screenings or tests/other medical	---	---	---	15	450.73	2.0
Relocation or moving expenses	---	---	---	0	0.00	0.0
Other	---	---	---	105	307.85	14.2
Combined categories	---	---	---	0	0.00	0.0
Work-related expense	---	---	---	258	596.03	34.9
Unknown	110	700.08	70.1	0	0.00	0.0
Total Supportive Services	110	700.08	70.1	421	591.26	56.9
Training						
Adult basic education (ABE)	---	---	---	0	0.00	0.0
General equivalency degree (GED)	---	---	---	1	431.75	0.1
English as a second language (ESL)	---	---	---	0	0.00	0.0
Job-training/occupational skills	---	---	---	142	1,281.10	19.2
Business development plan/self-employment training	---	---	---	0	0.00	0.0
On-line training/distance learning	---	---	---	0	0.00	0.0
Other	---	---	---	0	0.00	0.0
Unknown	27	902.75	17.2	0	0.00	0.0
Total Training	27	902.75	17.2	143	1,275.16	19.3
Total All Service Types	115	785.92	73.2	463	764.54	62.6

Source: Calculations based on PRA data from the seven demonstration states.

--- Data not available.

Table B.9d. PRA Service Purchases by Customer, by State

	West Virginia			All States		
	Total Number of Customers	Average Customer Amount (in dollars)	Percentage of All Recipients	Total Number of Customers	Average Customer Amount (in dollars)	Percentage of All Recipients
Intensive Services						
Specialized assessments (occupational skills or aptitude)	1	3,000.00	0.2	2	1,570.00	0.1
Resume development	1	106.00	0.2	8	324.35	0.2
Career planning	0	0.00	0.0	0	0.00	0.0
Case management	0	0.00	0.0	0	0.00	0.0
Group/individual counseling	0	0.00	0.0	5	263.90	0.1
Individual employment plan	0	0.00	0.0	0	0.00	0.0
Specialized workshop	0	0.00	0.0	4	1,328.11	0.1
Basic skills testing	0	0.00	0.0	0	0.00	0.0
Interest inventory	0	0.00	0.0	0	0.00	0.0
Other	1	261.32	0.2	1	261.32	0.0
Unknown	1	26.50	0.2	69	189.78	1.2
Total Intensive Services	4	848.46	0.8	89	289.02	2.2
Supportive Services						
Vehicle repair	0	0.00	0.0	46	534.33	1.1
Vehicle insurance payment	0	0.00	0.0	73	331.65	1.8
Vehicle purchase or monthly loan payment	0	0.00	0.0	41	711.76	1.0
Other transportation/mileage reimbursement	0	0.00	0.0	335	451.28	8.5
Utilities/rent	0	0.00	0.0	320	535.78	7.9
Mortgage payment/insurance	0	0.00	0.0	74	1,523.89	1.8
Clothing for interviews	0	0.00	0.0	132	271.62	3.3
Job uniform	0	0.00	0.0	3	143.47	0.1
Technological supplies	0	0.00	0.0	48	1,302.68	1.2
Other tools and supplies	4	1,357.73	0.8	135	645.31	3.3
Childcare	0	0.00	0.0	44	522.85	1.1
Fees for job-related certification/licenses	4	208.70	0.8	25	162.54	0.6
Health screenings or tests/other medical	0	0.00	0.0	142	348.72	3.6
Relocation or moving expenses	0	0.00	0.0	9	1,213.63	0.2
Other	4	332.48	0.8	213	555.57	5.3
Combined categories	2	218.23	0.4	37	948.10	0.9
Work-related expense	0	0.00	0.0	258	596.03	6.4
Unknown	4	691.76	0.8	731	637.81	18.1
Total Supportive Services	18	599.95	3.6	1,546	681.20	38.3
Training						
Adult basic education (ABE)	---	---	---	5	1,263.40	0.1
General equivalency degree (GED)	---	---	---	1	431.75	0.0
English as a second language (ESL)	---	---	---	2	554.58	0.1
Job-training/occupational skills	---	---	---	258	1,069.41	6.4
Business development plan/self-employment training	---	---	---	2	284.75	0.1
On-line training/distance learning	---	---	---	8	466.91	0.2
Other	---	---	---	5	908.64	0.1
Unknown	54	1,381.21	10.7	186	988.97	4.7
Total Training	54	1,381.21	10.7	459	1,030.82	11.4
Total All Service Types	66	1,168.14	13.1	1,751	746.78	43.4

Source: Calculations based on PRA data from the seven demonstration states.

--- Data not available.

Table B.10a. Average Expenditures for All PRA Users and All PRA Recipients, by State

	FLORIDA			
	All PRA Users		All PRA Recipients	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	961.78	32.1	880.50	29.4
Retention bonus (2 nd bonus)	475.17	15.8	435.02	14.5
Total Bonuses Received	1,436.95	47.9	1,315.52	43.9
Intensive services	31.77	1.1	29.09	1.0
Training	40.47	1.4	37.05	1.2
Supportive services	935.92	31.2	856.83	28.6
Total Services Received	1,008.17	33.6	922.97	30.8
Total Average Expenditure	2,445.12	81.5	2,238.49	74.6
Total Number of Recipients	390		426	

	IDAHO			
	All PRA Users		All PRA Recipients	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	612.32	20.4	459.24	15.3
Retention bonus (2 nd bonus)	251.74	8.4	188.81	6.3
Total Bonuses Received	864.07	28.8	648.05	21.6
Intensive services	0.00	0.0	0.00	0.0
Training	472.05	15.7	354.04	11.8
Supportive services	997.16	33.2	747.87	24.9
Total Services Received	1,469.21	49.0	1,101.91	36.7
Total Average Expenditure	2,333.28	77.8	1,749.96	58.3
Total Number of Recipients	126		168	

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account.

Table B.10b. Average Expenditures for All PRA Users and All PRA Recipients, by State

	MINNESOTA			
	All PRA Users		All PRA Recipients	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	527.51	17.6	407.10	13.6
Retention bonus (2 nd bonus)	258.63	8.6	199.59	6.7
Total Bonuses Received	786.13	26.2	606.69	20.2
Intensive services	16.54	0.6	12.76	0.4
Training	156.57	5.2	120.83	4.0
Supportive services	1,451.35	48.4	1,120.07	37.3
Total Services Received	1,624.45	54.1	1,253.66	41.8
Total Average Expenditure	2,410.59	80.4	1,860.35	62.0
Total Number of Recipients	355		460	

	MISSISSIPPI			
	All PRA Users		All PRA Recipients	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	1,641.87	54.7	681.38	22.7
Retention bonus (2 nd bonus)	621.69	20.7	258.00	8.6
Total Bonuses Received	2,263.55	75.5	939.38	31.3
Intensive services	0.0	0.0	0.0	0.0
Training	37.55	1.3	15.59	0.5
Supportive services	98.65	3.3	40.94	1.4
Total Services Received	136.20	4.5	56.52	1.9
Total Average Expenditure	2,399.75	80.0	995.90	33.2
Total Number of Recipients	83		200	

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account.

Table B.10c. Average Expenditures for All PRA Users and All PRA Recipients, by State

	MONTANA			
	All PRA Users		All PRA Recipients	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	210.64	7.0	137.08	4.6
Retention bonus (2 nd bonus)	81.89	2.7	53.29	1.8
Total Bonuses Received	292.52	9.8	190.37	6.4
Intensive services	0.0	0.0	0.0	0.0
Training	382.58	12.8	248.98	8.3
Supportive services	1,603.20	53.4	1,043.30	34.8
Total Services Received	1,985.80	66.2	1,292.30	43.1
Total Average Expenditure	2,278.30	75.9	1,482.70	49.4
Total Number of Recipients	41		63	

	TEXAS			
	All PRA Users		All PRA Recipients	
	Average Amount (in dollar)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	504.26	16.8	391.10	13.0
Retention bonus (2 nd bonus)	225.61	7.5	174.98	5.8
Total Bonuses Received	729.87	24.3	566.08	18.9
Intensive services	0.22	0.0	0.17	0.0
Training	341.21	11.4	264.64	8.8
Supportive services	1,412.16	47.1	1,095.26	36.5
Total Services Received	1,753.58	58.5	1,360.07	45.3
Total Average Expenditure	2,483.45	82.8	1,926.15	64.2
Total Number of Recipients	553		713	

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account.

Table B.10d. Average Expenditures for All PRA Users and All PRA Recipients, by State

WEST VIRGINIA				
	All PRA Users		All PRA Recipients	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	1,287.37	42.9	582.08	19.4
Retention bonus (2 nd bonus)	719.37	24.0	325.26	10.8
Total Bonuses Received	2,006.74	66.9	907.34	30.2
Intensive services	24.77	0.8	11.20	0.4
Training	301.89	10.1	136.50	4.5
Supportive services	70.77	2.4	32.00	1.1
Total Services Received	397.44	13.2	179.70	6.0
Total Average Expenditure	2,404.18	80.1	1,087.04	36.2
Total Number of Recipients	137		303	

TOTAL				
	All PRA Users		All PRA Recipients	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	735.70	24.5	531.35	17.7
Retention bonus (2 nd bonus)	348.44	11.6	251.66	8.4
Total Bonuses Received	1,084.14	36.1	783.01	26.1
Intensive services	12.92	0.4	9.33	0.3
Training	225.34	7.5	162.75	5.4
Supportive services	1,110.04	37.0	801.72	26.7
Total Services Received	1,348.30	44.9	973.81	32.5
Total Average Expenditure	2,432.44	81.1	1,756.82	58.6
Total Number of Recipients	1,685		2,333	

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account.

Table B.11a. Average Expenditures for All PRA Users Before and After Bonus Qualification Period, by State

	FLORIDA					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	961.78	64.6	N/A	N/A	961.78	39.8
Retention bonus (2 nd bonus)	N/A	N/A	475.17	51.1	475.17	19.6
Total Bonuses Received	961.78	64.6	475.17	51.1	1,436.95	59.4
Intensive services	31.13	2.1	0.00	0.0	31.13	1.3
Training	30.61	2.1	9.86	1.1	40.47	1.7
Supportive services	464.64	31.2	445.60	47.9	910.23	37.6
Total Services Received	526.39	35.4	455.45	48.9	981.84	40.6
Total Average Expenditure	1,488.16	100.0	930.63	100.0	2,418.79	100.0
Total Average Expenditure as Percent of \$3,000		49.6		31.0		80.6
Total Number of Recipients						369

	IDAHO					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	612.325	55.2	N/A	N/A	612.33	30.7
Retention bonus (2 nd bonus)	N/A	N/A	251.74	28.4	251.74	12.6
Total Bonuses Received	612.33	55.2	251.74	28.4	864.07	43.3
Intensive services	0.00	0.0	0.00	0.0	0.00	0.0
Training	173.59	15.7	200.95	22.7	374.53	18.8
Supportive services	323.30	29.2	434.28	49.0	757.57	38.0
Total Services Received	496.88	44.8	635.22	71.6	1,132.11	56.7
Total Average Expenditure	1,109.21	100.0	886.97	100.0	1,996.18	100.0
Total Average Expenditure as Percent of \$3,000		37.0		29.6		66.5
Total Number of Recipients						98

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account. Also restricted to recipients with valid service transaction dates.

Table B.11b. Average Expenditures for All PRA Users Before and After Bonus Qualification Period, by State

	MINNESOTA					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	527.51	46.9	N/A	N/A	527.51	22.1
Retention bonus (2 nd bonus)	N/A	N/A	258.63	20.5	258.63	10.8
Total Bonuses Received	527.51	46.9	258.63	20.5	786.13	32.9
Intensive services	15.99	1.4	0.55	0.0	16.54	0.7
Training	48.46	4.3	108.11	8.6	156.57	6.6
Supportive services	532.96	47.4	894.13	70.9	1,427.09	59.8
Total Services Received	597.41	53.1	1,002.78	79.5	1,600.19	67.1
Total Average Expenditure	1,124.92	100.0	1,261.41	100.0	2,386.33	100.0
Total Average Expenditure as Percent of \$3,000		37.5		42.1		79.5
Total Number of Recipients						340

	MISSISSIPPI					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	1,641.87	97.7	N/A	N/A	1,641.87	69.1
Retention bonus (2 nd bonus)	N/A	N/A	621.69	89.1	621.69	26.1
Total Bonuses Received	1,641.87	97.7	621.69	89.1	2,263.55	95.2
Intensive services	0.00	0.0	0.00	0.0	0.00	0.0
Training	27.98	1.7	9.58	1.4	37.55	1.6
Supportive services	10.54	0.6	66.27	9.5	76.82	3.2
Total Services Received	38.52	2.3	75.85	10.9	114.37	4.8
Total Average Expenditure	1,680.39	100.0	697.54	100.0	2,377.93	100.0
Total Average Expenditure as Percent of \$3,000		56.0		23.3		79.3
Total Number of Recipients						81

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account. Also restricted to recipients with valid service transaction dates.

Table B.11c. Average Expenditures for All PRA Users Before and After Bonus Qualification Period, by State

	MONTANA					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	210.64	48.0	N/A	N/A	210.64	15.7
Retention bonus (2 nd bonus)	N/A	N/A	81.89	9.0	81.89	6.1
Total Bonuses Received	210.64	48.0	81.89	9.0	292.52	21.7
Intensive services	0.00	0.0	0.00	0.0	0.00	0.0
Training	0.00	0.0	158.62	17.5	158.62	11.8
Supportive services	228.52	52.0	665.75	73.5	894.26	66.5
Total Services Received	228.52	52.0	824.36	91.0	1,052.88	78.3
Total Average Expenditure	439.15	100.0	906.25	100.0	1,345.40	100.0
Total Average Expenditure as Percent of \$3,000		14.6		30.2		44.9
Total Number of Recipients						23

	TEXAS					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	504.26	42.7	N/A	N/A	504.26	21.1
Retention bonus (2 nd bonus)	N/A	N/A	225.61	18.7	225.61	9.5
Total Bonuses Received	504.26	42.7	225.61	18.7	729.87	30.6
Intensive services	0.00	0.0	0.22	0.0	0.22	0.0
Training	212.46	18.0	122.77	10.2	335.22	14.0
Supportive services	463.00	39.3	858.84	71.1	1,321.85	55.4
Total Services Received	675.46	57.3	981.83	81.3	1,657.29	69.4
Total Average Expenditure	1,179.72	100.0	1,207.44	100.0	2,387.16	100.0
Total Average Expenditure as Percent of \$3,000		39.3		40.3		79.6
Total Number of Recipients						492

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account. Also restricted to recipients with valid service transaction dates.

Table B.11d. Average Expenditures for All PRA Users Before and After Bonus Qualification Period, by State

	WEST VIRGINIA					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	1,287.37	84.5	N/A	N/A	1,287.37	54.2
Retention bonus (2 nd bonus)	N/A	N/A	719.37	84.5	719.37	30.3
Total Bonuses Received	1,287.37	84.5	719.37	84.5	2,006.74	84.5
Intensive services	24.58	1.6	0.00	0.0	24.58	1.0
Training	195.05	12.8	98.52	11.6	293.58	12.4
Supportive services	17.40	1.1	33.36	3.9	50.76	2.1
Total Services Received	237.03	15.6	131.88	15.5	368.91	15.5
Total Average Expenditure	1,524.40	100.0	851.25	100.0	2,375.65	100.0
Total Average Expenditure as Percent of \$3,000		50.8		28.4		79.2
Total Number of Recipients						133

	ALL STATES					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	735.70	58.0	N/A	N/A	735.70	31.5
Retention bonus (2 nd bonus)	N/A	N/A	348.44	32.6	348.44	14.9
Total Bonuses Received	735.70	58.0	348.44	32.6	1,084.14	46.4
Intensive services	12.57	1.0	0.19	0.0	12.76	0.6
Training	117.24	9.2	92.72	8.7	209.96	9.0
Supportive services	403.45	31.8	628.03	58.7	1,031.48	44.1
Total Services Received	533.26	42.0	720.93	67.4	1,254.19	53.6
Total Average Expenditure	1,268.96	100.0	1,069.37	100.0	2,338.33	100.0
Total Average Expenditure as Percent of \$3,000		42.3		35.7		77.9
Total Number of Recipients						1,536

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account. Also restricted to recipients with valid service transaction dates.

Table B.12a. Average Expenditures for All PRA Users Before and After Bonus Qualification Period, by User Group

	BONUS FOCUSED					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	1,788.76	99.1	N/A	N/A	1,788.76	66.4
Retention bonus (2 nd bonus)	N/A	N/A	863.44	97.1	863.44	32.1
Total Bonuses Received	1,788.76	99.1	863.44	97.1	2,652.20	98.4
Intensive services	4.00	0.2	0.00	0.0	4.00	0.2
Training	1.19	0.0	0.06	0.0	1.25	0.1
Supportive services	10.83	0.6	25.99	2.9	36.82	1.4
Total Services Received	16.02	0.9	26.05	2.9	42.07	1.6
Total Average Expenditure	1,804.77	100.0	889.49	100.0	2,694.27	100.0
Total Average Expenditure as Percent of \$3,000		60.2		29.7		89.8
Total Number of Recipients						603

	SUPPORT SERVICE FOCUSED					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	112.69	5.4	N/A	N/A	112.69	4.1
Retention bonus (2 nd bonus)	N/A	N/A	36.96	5.7	36.96	1.4
Total Bonuses Received	112.69	5.4	36.96	5.7	149.65	5.5
Intensive services	11.39	0.6	0.00	0.0	11.39	0.4
Training	61.50	3.0	18.07	2.8	79.57	2.9
Supportive services	1,891.67	91.1	595.65	91.5	2,487.31	91.2
Total Services Received	1,964.55	94.6	613.72	94.3	2,578.27	94.5
Total Average Expenditure	2,077.24	100.0	650.68	100.0	2,727.92	100.0
Total Average Expenditure as Percent of \$3,000		69.2		21.7		90.9
Total Number of Recipients						315

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account. Also restricted to recipients with valid service transaction dates.

Table B.12b. Average Expenditures for All PRA Users Before and After Bonus Qualification Period, by User Group

	OTHER USERS					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	280.83	31.7	N/A	N/A	280.83	17.0
Retention bonus (2 nd bonus)	N/A	N/A	122.65	15.9	122.65	7.4
Total Bonuses Received	280.83	31.7	122.65	15.9	403.48	24.4
Intensive services	33.97	3.8	0.00	0.0	33.97	2.1
Training	397.00	44.9	78.02	10.1	475.02	28.7
Supportive services	173.18	19.6	569.96	74.0	743.14	44.9
Total Services Received	604.15	68.3	647.98	84.1	1,252.13	75.6
Total Average Expenditure	884.98	100.0	770.63	100.0	1,655.61	100.0
Total Average Expenditure as Percent of \$3,000		29.5		25.7		55.2
Total Number of Recipients						447

	INITIAL NONUSERS					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	N/A	N/A	N/A	N/A	N/A	N/A
Retention bonus (2 nd bonus)	N/A	N/A	N/A	N/A	N/A	N/A
Total Bonuses Received	N/A	N/A	N/A	N/A	N/A	N/A
Intensive services	N/A	N/A	0.99	0.0	0.99	0.0
Training	N/A	N/A	361.32	16.2	361.32	16.2
Supportive services	N/A	N/A	1,875.46	83.8	1,875.46	83.8
Total Services Received	N/A	N/A	2,237.78	100.0	2,237.78	100.0
Total Average Expenditure	N/A	N/A	2,237.78	100.0	2,237.78	100.0
Total Average Expenditure as Percent of \$3,000		N/A		74.6		74.6
Total Number of Recipients						320

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account. Also restricted to recipients with valid service transaction dates.

Table B.12c. Average Expenditures for All PRA Users Before and After Bonus Qualification Period, by User Group

	ALL USERS					
	Within the First 13 Weeks		13+ weeks		All PRA Users	
	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total	Average Amount (in dollars)	Percent of Total
Reemployment bonus (1 st bonus)	735.70	58.0	N/A	N/A	735.70	31.5
Retention bonus (2 nd bonus)	N/A	N/A	348.44	32.6	348.44	14.9
Total Bonuses Received	735.70		348.44	32.6	1,084.14	46.4
Intensive services	12.57	1.0	0.19	0.0	12.76	0.5
Training	117.24	9.2	92.72	8.7	209.96	9.0
Supportive services	403.45	31.8	628.03	58.7	1,031.48	44.1
Total Services Received	533.26	42.0	720.93	67.4	1,254.19	53.6
Total Average Expenditure	1,268.96	100.0	1,069.37	100.0	2,338.33	100.0
Total Average Expenditure as Percent of \$3,000		42.3		35.7		77.9
Total Number of Recipients						1,685

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account. Also restricted to recipients with valid service transaction dates.

Table B.13. PRA Closure (Percentages, Unless Stated Otherwise)

	All Recipients							
	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
Length of open PRA account								
0-13 weeks	11	4	12	10	8	5	6	8
14-26 weeks	10	7	17	2	3	10	31	13
27-39 weeks	44	25	20	15	19	37	42	32
40-51 weeks	11	8	9	9	12	15	9	11
52 weeks	24	58	41	65	59	33	13	36
Average	35	43	37	43	43	39	32	38
Median	34	52	40	52	52	39	30	38
Primary reasons for PRA closure								
Funds exhausted	52	24	39	23	15	37	29	36
Time expired (one year from date of issue)	15	57	40	64	54	29	12	32
Participant withdrawal	0	0	0	0	0	28	0	9
Participant moved and account not transferable	0	0	0	0	0	0	0	0
Inactivity within required time frame	0	0	16	0	0	0	51	10
Other	4	0	2	0	0	2	0	2
Became employed	12	0	0	0	0	0	0	2
Unknown	18	19	3	14	31	4	7	8
Total Number of Closed Accounts	430	170	460	200	65	714	303	2,342

Source: Calculations based on PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to July 2006 in order to observe the full one-year cycle of the account.

Table B.14. UI Receipt, Employment, and Earnings of PRA Recipients (Percentages, Unless Stated Otherwise)

	All Recipients							
	Florida	Idaho	Minnesota	Mississippi	Montana	Texas	West Virginia	All States
UI Eligibility								
Percent eligible for 26 weeks	35.7	99.8	---	71.4	21.4	30.7	100.0	60.6
Average number of weeks	21.5	26.0	--	23.6	19.8	22.0	26.0	23.5
Average weekly benefit amount	\$237.24	\$268.49	\$365.18	\$185.94	\$228.07	\$301.15	\$319.32	\$294.54
UI Receipt								
0-13 weeks	53.8	36.6	28.7	53.0	27.8	30.9	41.5	37.3
14-28 weeks	46.2	63.4	71.3	47.0	72.2	69.1	58.5	62.7
Average duration	14.4	17.0	18.0	14.4	15.4	16.5	17.0	16.5
Average amount	\$1,456.44	\$6,984.22	\$7,077.70	\$2,753.80	\$3,605.96	\$5,098.69	\$5,415.96	\$5144.26
UI Exhaust								
Percent who exhaust benefits	36.4	20.6	--	35.7	60.3	52.8	39.1	40.2
Percent who come within one month of exhausting	11.0	16.8	--	6.5	7.9	7.8	6.9	9.7
Percent who do not come within one month of exhausting	52.7	62.6	--	57.8	31.7	39.3	54	50.0
Consistent Employment Following Entry:^a								
In two consecutive quarters	72.3	30.7	65.4	83.0	26.1	65.8	37.7	56.1
In three consecutive quarters	55.8	17.7	39.6	68.0	19.1	43.8	27.0	38.3
Employment In:								
Quarter Prior to PRA Entry	93.7	49.7	91.7	82.5	37.6	85.7	63.9	76.7
Same quarter as PRA receipt	70.5	42.9	78.1	77.5	28.7	63.6	53.8	62.2
One quarter of PRA receipt	67.0	29.1	56.4	82.5	23.6	56.8	33.5	50.3
Two quarters of PRA receipt	73.5	33.7	71.7	84.5	26.8	67.7	38.9	58.8
Three quarters of PRA receipt	73.7	23.4	57.8	81.0	28.7	65.9	41.9	54.2
Average Earnings In:^b								
Quarter prior to PRA entry	\$7,453.55	\$7,887.17	\$11,119.28	\$4,884.62	\$7,026.89	\$8,635.85	\$8,880.69	\$8,751.60
Entry quarter	\$3,531.29	\$4,895.55	\$6,205.45	\$4,886.64	\$3,170.20	\$6,503.31	\$7,470.88	\$5,734.99
Quarter 1 following PRA entry	\$5,281.46	\$4,131.96	\$6,580.54	\$4,907.19	\$3,458.40	\$5,612.47	\$5,356.90	\$5,511.40
Quarter 2 following PRA entry	\$5,961.32	\$4,891.56	\$8,203.61	\$5,362.95	\$3,917.81	\$5,821.59	\$5,899.00	\$6,317.68
Quarter 3 following PRA entry	\$6,435.56	\$5,387.47	\$9,237.40	\$5,279.81	\$4,389.95	\$6,950.32	\$6,505.85	\$7,005.87
Median Earnings In:^b								
Quarter prior to PRA entry	\$5,571.59	\$6,541.56	\$9,083.92	\$4,600.00	\$5,529.60	\$6,432.32	\$8,252.40	\$6,920.47
Entry quarter	\$2,261.25	\$3,648.99	\$4,667.25	\$4,210.25	\$1,836.67	\$2,942.00	\$5,600.00	\$3,775.09
Quarter 1 following PRA entry	\$4,520.52	\$2,891.17	\$5,317.75	\$4,247.23	\$2,566.09	\$3,904.50	\$4,386.50	\$4,384.31
Quarter 2 following PRA entry	\$5,498.97	\$4,136.17	\$7,429.67	\$4,359.12	\$3,418.53	\$4,079.26	\$4,909.62	\$5,356.57
Quarter 3 following PRA entry	\$5,493.94	\$5,112.40	\$8,463.58	\$4,718.34	\$3,780.71	\$5,803.39	\$5,320.85	\$5,803.90
Total Number of Recipients	430	475	690	200	157	740	504	3,196

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

Note: Restricted to PRA recipients with three quarters of earnings data following the PRA entry quarter.

^aConsistent employment in two consecutive quarters is defined as employed in the first and second quarters after PRA receipt, or in the second and third quarters after PRA receipt. Consistent employment in three consecutive quarters is defined as employed in the first, second, and third quarters after PRA receipt.

^bAverage and median earnings restricted to those PRA recipients who were employed.

Table B.15a. Characteristics of Employment for Employment Entry (First) Bonus Earners (Percentages, Unless Stated Otherwise)

	Florida		Idaho		Minnesota		Mississippi	
	Prior to UI Receipt	At Employment Reentry	Prior to UI Receipt	At Employment Reentry	Prior to UI Receipt	At Employment Reentry	Prior to UI Receipt	At Employment Reentry
Industry								
Natural resources and mining	1.0	6.7	2.9		0.0	0.6	1.1	0.7
Construction	5.8	13.3	2.9		0.0	0.0	10.8	10.6
Manufacturing	7.9	13.3	20.2		22.2	21.5	24.0	16.7
Trade, transport, utilities	14.1	6.7	21.2		25.6	25.3	18.3	20.9
Information	3.1	13.3	3.8		1.7	1.3	1.4	1.1
Financial activities	8.9	13.3	2.9		13.9	20.3	4.3	4.6
Professional and business services	26.7	6.7	12.5		20.0	13.9	12.5	7.8
Education and health services	18.8	13.3	12.5		7.2	7.6	8.6	9.2
Leisure and hospitality	7.3	13.3	7.7		2.8	4.4	9.7	17.4
Other services	3.1	0.0	3.8		6.1	5.1	4.3	8.5
Public administration	3.1	0.0	9.6		0.6	0.0	5.0	2.5
Occupation								
Management	23.4	12.1	13.2	6.6	19.1	14.7	6.3	3.8
Business and financial operations	5.5	9.6	8.8	5.3	10.3	10.7	2.0	1.7
Computer and mathematical	2.3	2.5	4.4	3.9	8.8	6.7	0.8	0.7
Architecture and engineering	4.6	2.5	0.9	1.3	8.1	6.0	3.5	1.7
Life, physical, and social science	1.8	0.0	0.0	0.0	0.7	0.0	0.0	0.0
Community and social services	3.7	2.5	1.8	2.6	2.2	2.7	0.8	1.4
Legal	0.5	1.3	0.9	0.0	0.0	0.0	0.4	0.0
Education, training, and library	4.1	5.1	0.0	0.0	0.7	0.7	2.4	2.4
Arts, design, entertainment, sports, and media	1.8	0.6	1.8	2.6	0.7	0.0	1.2	0.7
Healthcare practitioners and technical	2.3	1.9	4.4	2.6	0.0	0.0	2.0	0.7
Healthcare support	2.8	2.5	1.8	5.3	0.0	0.0	2.4	3.1
Protective service	2.8	2.5	3.5	1.3	0.0	1.3	2.4	2.4
Food preparation and serving related	3.2	3.2	3.5	3.9	2.2	2.0	7.1	8.4
Building and grounds cleaning and maintenance	0.5	1.3	0.9	3.9	0.7	3.3	2.4	5.6
Personal care and service	0.5	0.0	0.0	1.3	0.0	0.0	1.6	4.2
Sales and related	7.3	14.6	7.0	9.2	18.4	17.3	11.8	9.4
Office and administrative support	15.1	17.2	18.4	21.1	11.8	14.0	15.0	15.7
Farming, fishing, and forestry	0.9	0.0	0.9	1.3	0.0	0.7	0.4	0.3
Construction and extraction	2.3	4.5	4.4	7.9	2.2	0.7	11.0	8.0
Installation, maintenance, and repair	2.3	7.6	6.1	5.3	3.7	4.0	2.0	3.8
Production	6.4	3.8	11.4	3.9	7.4	12.7	16.1	12.6
Transportation and material moving	5.5	3.8	3.5	10.5	2.9	2.7	8.7	12.6
Military specific	0.5	0.6	2.6	0.0	0.0	0.0	0.0	0.3
Hours Worked Per Week								
Less than 20	2.3	0.0	1.8	1.3	5.8	0.0	0.7	0.0
20 to 34	0.0	1.7	4.4	0.0	13.2	1.5	5.2	0.7
35 or more	97.7	98.3	93.9	98.7	81.0	98.5	94.1	99.3
Average	39.4	39.4	39.9	38.0	38.2	40.8	44.6	41.3
Median	40	40	40	40	40	40	40	40

	Florida		Idaho		Minnesota		Mississippi	
	Prior to UI Receipt	At Employment Reentry	Prior to UI Receipt	At Employment Reentry	Prior to UI Receipt	At Employment Reentry	Prior to UI Receipt	At Employment Reentry
Hourly Rate of Pay								
Less than \$10.00	15.6	30.0	13.2	30.3	5.3	4.6	38.2	42.4
\$10.00 – \$19.99	66.7	57.8	63.2	52.6	47.1	60.2	52.7	37.8
\$20.00 – \$29.99	11.5	7.8	19.3	9.2	26.5	21.4	8.1	2.2
\$30.00 – \$39.99	3.1	1.7	2.6	3.9	13.8	9.2	0.4	0.0
\$40.00 – \$49.99	0.0	1.1	0.9	2.6	3.7	4.1	0.7	0.4
\$ 50.00 or more	3.1	1.7	0.9	1.3	3.7	0.5	0.0	17.3
Average	\$15.35	\$13.75	\$16.69	\$14.69	\$22.97	\$19.82	\$12.17	\$10.46
Median	\$13.00	\$11.52	\$15.54	\$13.00	\$19.81	\$17.36	\$11.00	\$9.50
Total Number of First Bonus Recipients	222		122		199		286	

Source: Calculations based on individual-level PRA data on earners of the first bonus from seven demonstration states.

Table B.15b. Characteristics of Employment for Employment Entry (First) Bonus Earners (Percentages, Unless Stated Otherwise)

	Montana		Texas		West Virginia		All States	
	Prior to UI Receipt	At Employment Reentry	Prior to UI Receipt	At Employment Reentry	Prior to UI Receipt	At Employment Reentry	Prior to UI Receipt	At Employment Reentry
Industry								
Natural resources and mining	0.0	0.0	1.7	1.1	16.4	13.8	3.2	3.4
Construction	10.0	0.0	2.9	6.5	4.1	7.2	5.2	6.9
Manufacturing	10.0	0.0	27.6	18.3	19.9	11.8	20.4	17.0
Trade, transport, utilities	50.0	0.0	16.1	15.6	27.4	25.0	20.2	21.0
Information	10.0	0.0	2.3	0.5	1.4	1.3	2.2	1.3
Financial activities	10.0	0.0	9.2	10.2	4.1	3.3	7.4	8.9
Professional and business services	0.0	0.0	17.2	19.4	6.2	13.8	16.1	12.8
Education and health services	0.0	0.0	16.1	14.5	8.9	9.2	11.7	10.2
Leisure and hospitality	0.0	100.0	1.7	6.5	1.4	4.6	5.4	9.8
Other services	0.0	0.0	5.2	4.8	8.9	5.3	5.1	6.2
Public administration	10.0	0.0	0.0	2.7	1.4	4.6	3.1	2.4
Occupation								
Management	10.0	0.0	9.5	8.6	9.0	9.3	13.3	8.6
Business and financial operations	0.0	0.0	4.2	4.9	3.8	4.0	5.1	5.5
Computer and mathematical	0.0	0.0	1.2	1.6	0.8	0.0	2.6	2.2
Architecture and engineering	0.0	0.0	2.4	1.1	0.8	2.0	3.5	2.4
Life, physical, and social science	0.0	0.0	0.0	0.0	2.3	1.3	0.8	0.2
Community and social services	10.0	0.0	0.6	0.0	0.0	0.0	1.6	1.4
Legal	0.0	0.0	0.6	0.5	1.5	0.7	0.6	0.4
Education, training, and library	0.0	0.0	0.6	1.1	0.0	0.0	1.6	1.8
Arts, design, entertainment, sports, and media	0.0	0.0	1.2	1.6	2.3	2.6	1.5	1.2
Healthcare practitioners and technical	0.0	0.0	3.6	3.8	3.0	1.3	2.4	1.6
Healthcare support	0.0	0.0	3.6	0.5	3.0	2.6	2.3	2.2
Protective service	0.0	0.0	0.6	1.6	0.8	2.0	1.7	2.0
Food preparation and serving related	0.0	0.0	2.4	3.2	0.0	4.0	3.5	4.7
Building and grounds cleaning and maintenance	0.0	0.0	1.8	3.2	0.0	0.0	1.2	3.2
Personal care and service	0.0	0.0	2.4	2.2	0.0	1.3	0.9	1.9
Sales and related	30.0	0.0	8.3	10.8	9.0	13.9	10.5	12.3
Office and administrative support	30.0	100.0	28.0	28.1	21.8	17.2	18.1	18.7
Farming, fishing, and forestry	0.0	0.0	0.0	0.0	0.8	0.0	0.5	0.3
Construction and extraction	10.0	0.0	3.0	4.9	15.0	6.6	6.5	5.6
Installation, maintenance, and repair	0.0	0.0	3.6	2.2	9.8	10.6	4.0	5.3
Production	0.0	0.0	18.5	13.0	6.8	6.6	11.4	9.7
Transportation and material moving	10.0	0.0	4.2	7.0	8.3	13.9	5.9	8.7
Military specific	0.0	0.0	0.0	0.0	1.5	0.0	0.6	0.2
Hours Worked Per Week								
Less than 20	0.0	0.0	0.0	0.0	.	0.0	2.0	0.1
20 to 34	33.3	0.0	0.0	0.0	.	2.0	5.6	1.0
35 or more	66.7	100.0	100.0	100.0	.	98.0	92.4	98.9
Average	38.0	40.0	40.9	40.3	.	43.1	41.2	40.7
Median	40	40	40	40	.	40	40	40

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Hourly Rate of Pay								
Less than \$10.00	44.4	100.0	24.3	28.3	29.8	29.0	23.6	28.2
\$10.00 – \$19.99	44.4	0.0	53.1	55.4	45.7	54.5	53.1	51.7
\$20.00 – \$29.99	0.0	0.0	11.9	10.3	20.5	13.8	15.5	10.2
\$30.00 – \$39.99	11.1	0.0	5.1	3.3	2.6	2.1	4.6	3.1
\$40.00 – \$49.99	0.0	0.0	2.3	2.2	0.7	0.0	1.5	1.6
\$ 50.00 or more	0.0	0.0	3.4	0.5	0.7	0.7	1.8	5.2
Average	\$13.52	\$7.00	\$18.20	\$14.38	\$14.40	\$14.08	\$16.29	\$14.23
Median	\$10.00	\$7.00	\$12.55	\$11.92	\$13.86	\$13.22	\$13.75	\$12.00
<hr/>								
Total Number of First Bonus Recipients		12		186		152		1,179
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Source: Calculations based on individual-level PRA data on earners of the first bonus from seven demonstration states.

Table B.16a. Characteristics of Employment For Retention (Second) Bonus Earners (Percentages, Unless Stated Otherwise)

	Florida			Idaho			Minnesota			Mississippi		
	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention
Industry												
Natural resources and mining	1.4	7.7	7.1	3.7	0	0	0.0	0.0	0.0	0.0	0.0	0.0
Construction	7.0	15.4	14.3	3.7	0	0	0.0	0.0	0.0	9.8	6.9	7.8
Manufacturing	9.8	15.4	14.3	18.5	0	0	20.4	16.3	15.9	11.8	17.6	16.5
Trade, transport, utilities	16.8	7.7	7.1	18.5	0	0	24.7	25.0	26.8	23.5	21.6	25.2
Information	2.8	15.4	14.3	1.9	0	0	3.2	2.5	3.7	2.9	1.0	1.0
Financial activities	7.0	0.0	0.0	3.7	0	0	12.9	21.3	19.5	3.9	7.8	5.8
Professional and business services	25.9	7.7	7.1	7.4	0	0	23.7	16.3	15.9	8.8	8.8	9.7
Education and health services	18.2	15.4	21.4	22.2	0	0	6.5	8.8	8.5	14.7	12.7	13.6
Leisure and hospitality	5.6	15.4	14.3	5.6	0	0	2.2	6.3	6.1	10.8	11.8	8.7
Other services	2.8	0.0	0.0	3.7	0	0	5.4	3.8	3.7	7.8	8.8	7.8
Public administration	2.8	0.0	0.0	11.1	0	0	1.1	0.0	0.0	5.9	2.9	3.9
Occupation												
Management	25.8	13.1	13.9	12.1	9.6	9.6	20.9	12.8	12.7	7.4	3.8	2.9
Business and financial operations	4.3	9.5	9.5	3.4	5.8	5.8	9.0	11.5	11.4	1.1	2.9	2.9
Computer and mathematical	1.8	2.2	2.2	6.9	5.8	5.8	13.4	7.7	7.6	2.1	1.9	1.9
Architecture and engineering	4.9	1.5	1.5	1.7	1.9	1.9	10.4	6.4	6.3	2.1	1.0	1.0
Life, physical, and social science	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Community and social services	3.7	2.9	2.9	1.7	1.9	1.9	3.0	3.8	3.8	1.1	1.9	1.9
Legal	0.6	1.5	1.5	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Education, training, and library	4.3	5.8	5.8	0.0	0.0	0.0	0.0	0.0	0.0	6.4	4.8	4.8
Arts, design, entertainment, sports, and media	2.5	0.7	0.7	0.0	0.0	0.0	1.5	0.0	0.0	1.1	0.0	0.0
Healthcare practitioners and technical	2.5	2.2	2.2	8.6	3.8	3.8	0.0	0.0	0.0	3.2	1.9	1.9
Healthcare support	2.5	2.9	2.9	3.4	5.8	5.8	0.0	0.0	0.0	3.2	2.9	2.9
Protective service	3.7	2.9	2.9	3.4	1.9	1.9	0.0	1.3	1.3	2.1	1.9	1.0
Food preparation and serving related	2.5	2.9	2.9	3.4	0.0	0.0	1.5	3.8	3.8	6.4	6.7	4.8
Building and grounds cleaning and maintenance	0.0	0.7	0.7	0.0	3.8	3.8	1.5	5.1	5.1	2.1	2.9	5.8
Personal care and service	0.6	0.0	0.0	0.0	1.9	1.9	0.0	0.0	0.0	1.1	6.7	7.7
Sales and related	6.7	13.1	12.4	1.7	9.6	9.6	17.9	17.9	17.7	10.6	9.6	12.5
Office and administrative support	13.5	18.2	18.2	24.1	21.2	21.2	10.4	11.5	11.4	16.0	20.2	19.2
Farming, fishing, and forestry	1.2	0.0	0.0	1.7	1.9	1.9	0.0	0.0	1.3	0.0	0.0	0.0
Construction and extraction	2.5	4.4	4.4	3.4	7.7	7.7	1.5	0.0	0.0	10.6	5.8	6.7
Installation, maintenance, and repair	3.1	7.3	8.0	5.2	1.9	1.9	1.5	2.6	2.5	2.1	3.8	4.8
Production	6.1	4.4	4.4	10.3	3.8	3.8	6.0	15.4	15.2	14.9	9.6	8.7
Transportation and material moving	4.3	2.9	2.9	6.9	11.5	11.5	1.5	0.0	0.0	6.4	11.5	8.7
Military specific	0.6	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Table B16a (continued)

	Florida			Idaho			Minnesota			Mississippi		
	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention
Hours Worked Per Week												
Less than 20	1.6	0.0	0.0	1.7	0.0	0.0	4.0	0.0	0.0	1.0	0.0	0.0
20 to 34	0.0	1.3	1.3	5.2	0.0	0.0	11.0	1.9	1.6	6.7	0.0	0.0
35 or more	98.4	98.7	98.7	93.1	100.0	100.0	85.0	98.1	98.4	92.3	100.0	100.0
Average	39.7	39.5	39.6	40.3	38.5	38.5	39.1	40.9	41.3	43.8	41.4	41.6
Median	40	40	40	40	40	40	40	40	40	40	40	40
Hourly Rate of Pay												
Less than \$10.00	10.1	27.2	24.1	10.3	25.0	25.0	4.0	2.0	1.4	40.2	42.6	33.7
\$10.00 – \$19.99	68.1	60.8	63.3	60.3	53.8	53.8	49.5	62.7	63.9	47.1	36.6	38.6
\$20.00 – \$29.99	14.5	7.6	8.2	20.7	9.6	9.6	28.3	20.6	22.2	10.8	2.0	4.0
\$30.00 – \$39.99	2.9	1.9	1.9	5.2	5.8	5.8	13.1	9.8	6.9	1.0	0.0	0.0
\$40.00 – \$49.99	0.0	0.6	0.6	1.7	3.8	3.8	1.0	3.9	5.6	1.0	1.0	1.0
\$ 50.00 or more	4.3	1.9	1.9	1.7	1.9	1.9	4.0	1.0	0.0	0.0	17.8	22.8
Average	\$16.00	\$13.90	\$14.08	\$17.79	\$15.84	\$15.84	\$23.19	\$20.20	\$20.00	\$12.43	\$10.91	\$12.05
Median	\$13.13	\$11.89	\$12.00	\$15.39	\$13.25	\$13.25	\$19.52	\$17.90	\$17.64	\$11.10	\$9.85	\$10.00
Percent of bonus recipients who changed jobs between bonus 1 and bonus 2	4.2			9.8			44.7			83.5		
Total Number of Second Bonus Recipients			167			61			103			104

Source: Calculations based on individual-level PRA data on earners of the second bonus from seven demonstration states.

Table B.16b. Characteristics of Employment For Retention (Second) Bonus Earners (Percentages, Unless Stated Otherwise)

	Montana			Texas			West Virginia			All States		
	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention
Industry												
Natural resources and mining	0.0	0.0	0.0	1.8	1.7	1.7	13.0	14.0	14.0	3.2	4.4	4.4
Construction	14.3	0.0	0.0	3.5	6.7	8.3	2.8	6.1	6.1	4.8	5.6	6.2
Manufacturing	0.0	0.0	0.0	29.8	20.0	24.2	21.3	11.4	11.4	18.0	16.3	17.1
Trade, transport, utilities	57.1	0.0	0.0	15.8	15.0	11.7	30.6	27.2	26.3	21.9	21.4	21.4
Information	0.0	0.0	0.0	1.8	0.0	0.0	0.9	0.9	0.9	2.3	1.4	1.6
Financial activities	14.3	0.0	0.0	9.6	9.2	9.2	4.6	4.4	5.3	7.2	9.5	9.0
Professional and business services	0.0	0.0	0.0	16.7	20.0	20.0	7.4	10.5	10.5	15.9	13.7	13.8
Education and health services	0.0	0.0	0.0	14.0	15.8	15.8	10.2	9.6	9.6	13.8	12.1	12.4
Leisure and hospitality	0.0	100.0	100.0	2.6	5.8	3.3	1.9	6.1	6.1	4.7	7.9	6.5
Other services	0.0	0.0	0.0	4.4	3.3	3.3	6.5	5.3	5.3	5.0	5.1	4.8
Public administration	14.3	0.0	0.0	0.0	2.5	2.5	0.9	4.4	4.4	3.1	2.6	2.8
Occupation												
Management	0.0	0.0	0.0	13.0	10.1	10.1	9.9	11.5	10.6	15.7	10.3	10.1
Business and financial operations	0.0	0.0	0.0	2.8	5.9	6.7	5.0	3.5	3.5	4.0	6.5	6.6
Computer and mathematical	0.0	0.0	0.0	1.9	0.8	1.7	1.0	0.0	0.0	3.5	2.5	2.6
Architecture and engineering	0.0	0.0	0.0	2.8	0.8	0.8	1.0	2.7	2.7	3.7	2.2	2.1
Life, physical, and social science	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.8	1.8	0.7	0.3	0.3
Community and social services	14.3	0.0	0.0	0.9	0.0	0.0	0.0	0.0	0.0	2.0	1.7	1.7
Legal	0.0	0.0	0.0	0.9	0.8	0.8	2.0	0.9	0.9	0.8	0.7	0.7
Education, training, and library	0.0	0.0	0.0	0.0	1.7	2.5	0.0	0.0	0.0	2.2	2.5	2.6
Arts, design, entertainment, sports, and media	0.0	0.0	0.0	1.9	2.5	2.5	1.0	1.8	1.8	1.5	1.0	1.0
Healthcare practitioners and technical	0.0	0.0	0.0	2.8	4.2	4.2	4.0	1.8	1.8	3.2	2.3	2.3
Healthcare support	0.0	0.0	0.0	2.8	0.0	0.0	3.0	2.7	2.7	2.5	2.2	2.1
Protective service	0.0	0.0	0.0	0.0	0.8	1.7	1.0	1.8	1.8	1.8	1.8	1.8
Food preparation and serving related	0.0	0.0	0.0	2.8	1.7	1.7	0.0	4.4	4.4	2.7	3.5	3.1
Building and grounds cleaning and maintenance	0.0	0.0	0.0	2.8	3.4	3.4	0.0	0.0	0.0	1.0	2.3	2.8
Personal care and service	0.0	0.0	0.0	2.8	1.7	0.8	0.0	1.8	1.8	0.8	2.0	2.0
Sales and related	28.6	0.0	0.0	8.3	8.4	6.7	9.9	12.4	12.4	9.2	11.8	11.7
Office and administrative support	28.6	100.0	100.0	27.8	27.7	25.2	23.8	18.6	18.6	19.1	20.0	19.3
Farming, fishing, and forestry	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.2	0.3
Construction and extraction	14.3	0.0	0.0	1.9	4.2	5.0	12.9	5.3	5.3	5.5	4.5	4.8
Installation, maintenance, and repair	0.0	0.0	0.0	3.7	2.5	2.5	10.9	10.6	11.5	4.3	5.3	5.8
Production	0.0	0.0	0.0	17.6	16.0	18.5	7.9	6.2	6.2	10.2	9.3	9.6
Transportation and material moving	14.3	0.0	0.0	2.8	6.7	5.0	6.9	12.4	12.4	4.8	7.3	6.4
Military specific	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.0

Table B16b (continued)

	Montana			Texas			West Virginia			All States		
	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention	Prior to UI Receipt	At Employment Reentry	At Employment Retention
Hours Worked Per Week												
Less than 20	0.0	0.0	---	0.0	0.0	0.0	---	0.0	0.0	1.6	0.0	0.0
20 to 34	33.3	0.0	---	0.0	0.0	0.0	---	2.6	0.0	5.2	1.1	0.6
35 or more	66.7	100.0	---	100.0	100.0	100.0	---	97.4	100.0	93.2	98.9	99.4
Average	37.5	40.0	---	40.9	40.4	40.6	---	42.8	48.2	40.9	40.7	39.9
Median	40	40	---	40	40	40	---	40	40	40	40	40
Hourly Rate of Pay												
Less than \$10.00	50.0	100.0	---	22.8	23.3	16.7	27.2	28.2	25.0	21.0	25.0	21.1
\$10.00 – \$19.99	33.3	0.0	---	51.8	59.2	64.2	47.4	57.3	50.0	52.3	55.7	57.5
\$20.00 – \$29.99	0.0	0.0	---	12.3	10.0	10.8	22.8	10.9	25.0	18.0	9.9	10.4
\$30.00 – \$39.99	16.7	0.0	---	6.1	4.2	5.0	1.8	2.7	0.0	5.2	3.7	3.3
\$40.00 – \$49.99	0.0	0.0	---	1.8	2.5	2.5	0.9	0.0	0.0	1.1	1.7	2.2
\$ 50.00 or more	0.0	0.0	---	5.3	0.8	0.8	0.0	0.9	0.0	2.5	3.9	5.5
Average	\$13.73	\$7.00	---	\$20.60	\$15.33	\$16.09	\$14.37	\$14.15	\$13.57	\$17.24	\$14.89	\$14.95
Median	\$9.50	\$7.00	---	\$13.32	\$12.50	\$13.47	\$14.46	\$12.96	\$13.37	\$14.41	\$12.50	\$12.50
Percent of bonus recipients who changed jobs between bonus 1 and bonus 2	28.6		---	10.0			100.0			29.5		
Total Number of Second Bonus Recipients			7			120			114			676

Source: Calculations based on individual-level PRA data on earners of the second bonus from seven demonstration states.

APPENDIX C

DETAILED DATA TABLES ON SUBGROUPS

Table C.1. Characteristics of Recipients at PRA Entry, by PRA Offer Decision (Percentages, Unless Stated Otherwise)

	Accepters	Decliners	All Offers
Gender			
Male	50.3	54.2**	51.1
Female	49.7	45.8**	48.9
Age			
Less than 25 years	7.1	7.2	7.1
25 to 34 years	20.1	14.2***	18.8
35 to 44 years	25.1	19.8***	23.9
45 to 54 years	29.5	29.5	29.5
55 years and over	18.2	29.3***	20.7
Average age in years	42.8	46.1***	43.5
Median age in years	44	48	45
Ethnicity/Race			
Non-Hispanic, white	65.9	81.2***	69.3
Non-Hispanic, black	21.8	9.2***	19.0
Non-Hispanic, other races	2.7	2.3	2.6
Hispanic, any race	9.6	7.3**	9.1
Educational Attainment			
Less than high school diploma / GED	10.4	11.3	10.6
High school diploma / GED	43.1	50.0***	44.7
Some college / 2 year degree	32.1	27.5**	31.1
Completed 4 year college	10.2	6.9***	9.5
Post-graduate education	4.2	4.4	4.2
Current Marital Status			
Unmarried (single or cohabitating)	29.1	28.4	28.9
Married	47.0	51.6*	47.9
Separated, divorced, or widowed	24.0	20.1*	23.2
Have Children under 18	41.0	31.2***	39.2
Has a Disability	4.7	3.1**	4.3
Total Number of Offers	2,883	830	3,713

Source: Calculations based on individual-level PRA data from Idaho, Mississippi, Texas, West Virginia and one of four demonstration sites in Minnesota.

Note: To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.2. Characteristics of Last Job Held Prior to PRA Entry, by PRA Offer Decision (Percentages, Unless Stated Otherwise), Industry and Occupation

	Accepters	Decliners	All Offers
Industry			
Natural resources and mining	2.6	4.8***	3.1
Construction	5.5	4.6	5.3
Manufacturing	19.9	28.3***	21.8
Trade, transport, utilities	21.2	19.9	20.9
Information	2.9	2.8	2.8
Financial activities	6.7	6.2	6.6
Professional and business services	15.8	12.7**	15.1
Education and health services	11.2	9.2*	10.7
Leisure and hospitality	5.1	2.8***	4.6
Other services	4.8	5.3	4.9
Public administration	4.4	3.3	4.2
Occupation			
Management	10.0	8.1	9.6
Business and financial operations	5.0	4.1	4.8
Computer and mathematical	3.6	2.3*	3.3
Architecture and engineering	2.3	2.3	2.3
Life, physical, and social science	0.6	0.3	0.5
Community and social services	1.0	0.1***	0.8
Legal	0.7	0.5	0.7
Education, training, and library	2.1	1.5	2.0
Arts, design, entertainment, sports, and media	1.5	0.8	1.3
Healthcare practitioners and technical	1.9	2.2	2.0
Healthcare support	3.3	3.3	3.3
Protective service	1.4	1.0	1.3
Food preparation and serving related	2.9	2.5	2.8
Building and grounds cleaning and maintenance	2.3	2.3	2.3
Personal care and service	1.6	1.6	1.6
Sales and related	9.4	9.6	9.4
Office and administrative support	21.1	21.7	21.2
Farming, fishing, and forestry	0.6	0.5	0.6
Construction and extraction	6.3	9.5***	7.0
Installation, maintenance, and repair	3.9	7.4***	4.7
Production	13.0	13.0	13.0
Transportation and material moving	5.2	4.8	5.1
Military specific	0.6	0.3	0.5
Total Number of Offers	2,883	830	3,713

Source: Calculations based on individual-level PRA data from Idaho, Mississippi, Texas, West Virginia and one of four demonstration sites in Minnesota.

Note: To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row.

*/**/*** Difference statistically significant at the .10/.05/.01 level.

Table C.3. Characteristics of Last Job Held Prior to PRA Offer, by PRA Offer Decision Percentages, Unless Stated Otherwise), Hours, Wages, and Reason for Leaving

	Accepters	Decliners	All Offers
Hours Worked Per Week			
Less than 20	4.3	6.3	4.6
20 to 34	5.6	6.5	5.7
35 or more	90.2	87.2*	89.7
Average	40.9	40.2	40.7
Median	40.0	40.0	40.0
Hourly Rate of Pay			
Less than \$10.00	25.7	24.8	25.4
\$10.00 – \$19.99	52.3	54.9	52.8
\$20.00 – \$29.99	14.0	14.4	14.1
\$30.00 – \$39.99	3.9	3.5	3.8
\$40.00 – \$49.99	1.7	0.9*	1.5
\$ 50.00 or more	2.4	1.5*	2.2
Average	\$16.29	\$16.64	\$16.37
Median	\$13.00	\$13.59	\$13.00
Primary Reasons for Leaving Job			
Laid off	79.4	80.9	79.8
Business closed	4.5	2.4***	4.0
Temporary or seasonal job ended	0.5	0.3	0.4
Discharged or fired	4.5	5.5	4.7
Quit	10.1	9.3	9.9
Other reason	0.1	0.1	0.1
Weeks on Job			
Average	340.4	543.8***	385.9
Median	152.2	343.5	181.9
Total Number of Offers	2,883	830	3,713

Source: Calculations based on individual-level PRA data from Idaho, Mississippi, Texas, West Virginia and one of four demonstration sites in Minnesota.

Note: To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row.

*/**/*** Difference statistically significant at the .10/.05/.01 level.

Table C.4. Characteristics of UI Receipt Among Recipients at the Time of PRA Offer, by PRA Offer Decision (Percentages, Unless Stated Otherwise)

	Accepters	Decliners	All Offers
Average number of weeks of eligibility	23.9	24.3***	24.0
Average weekly benefit amount	\$272.28	\$296.67***	\$277.37
Total Number of Offers	2,883	830	3,713

Source: Calculations based on individual-level PRA and UI data from Idaho, Mississippi, Texas, West Virginia and one of four demonstration sites in Minnesota.

Note: To test for differences across groups, two-tailed t-tests were conducted.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.5. Time from UI Claim Date to PRA Offer and Acceptance or Decline , by PRA Offer Decision

	Accepters	Decliners	All Offers
Average Number of Weeks From: UI claim date to PRA offer	3.8	3.9	3.9
Median Number of Weeks From: UI claim date to PRA offer	4	4	4
Total Number of Offers	2,883	830	3,713

Source: Calculations based on individual-level PRA and UI data from Idaho, Mississippi, Texas, West Virginia and one of four demonstration sites in Minnesota.

Note: To test for differences across groups, two-tailed t-tests were conducted. No significant differences were found.

Table C.6. UI Receipt, Employment, and Earnings of PRA Offers, by PRA Offer Decision (Percentages, Unless Stated Otherwise)

	Accepters	Decliners	All Offers
UI Eligibility			
Percent eligible for 26+ weeks	69.8	39.8***	65.7
UI Receipt			
13 weeks or less	35.6	21.4***	33.5
14 weeks or more	64.4	78.6***	66.5
Average duration	16.8	19.1***	17.2
Average amount	\$5,653.73	\$5,790.94	\$5,672.81
UI Exhaust			
Percent who exhaust benefits	39.8	68.6***	43.7
Percent who come within one month of exhausting	9.6	6.7*	9.2
Percent who do not come within one month of exhausting	50.7	24.8***	47.1
Consistent Employment Following Entry: ^a			
In two consecutive quarters	52.3	55.8	52.8
In three consecutive quarters	35.5	37.1	35.7
Employment In:			
Quarter Prior to PRA Entry	72.9	87.1***	74.9
Same quarter as PRA receipt	59.4	64.7*	60.1
One quarter of PRA receipt	46.8	48.9	47.1
Two quarters of PRA receipt	54.7	57.8	55.1
Three quarters of PRA receipt	51.2	58.0**	52.2
Average Earnings In: ^b			
Quarter prior to PRA entry	\$8,616.92	\$8,833.36	\$8,651.67
Entry quarter	\$6,244.24	\$7,119.34	\$6,374.12
Quarter 1 following PRA entry	\$5,403.22	\$4,553.50	\$5,281.52
Quarter 2 following PRA entry	\$6,010.84	\$4,784.73***	\$5,833.54
Quarter 3 following PRA entry	\$6,797.18	\$5,100.18***	\$6,536.50
Median Earnings In: ^b			
Quarter prior to PRA entry	\$7,015.54	\$6,925.00	\$7,002.35
Entry quarter	\$4,077.53	\$3,733.75	\$4,037.42
Quarter 1 following PRA entry	\$4,082.00	\$2,669.55	\$3,930.25
Quarter 2 following PRA entry	\$4,803.45	\$3,428.57	\$4,531.24
Quarter 3 following PRA entry	\$5,653.90	\$4,366.43	\$5,458.25
Total Number of Offers	2,173	348	2,521

Source: Calculations based on individual-level PRA and UI data from Idaho, Mississippi, Texas, West Virginia and one of four demonstration sites in Minnesota.

Note: Restricted to PRA offers with three quarters of earnings data following the PRA entry quarter. To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row.

*/**/** Difference statistically significant at the .10/.05/.01 level.

^aConsistent employment in two consecutive quarters is defined as employed in the first and second quarters after PRA receipt, or in the second and third quarters after PRA receipt. Consistent employment in three consecutive quarters is defined as employed in the first, second, and third quarters after PRA receipt.

^bAverage and median earnings restricted to those PRA recipients who were employed.

Table C.7. Characteristics of Recipients at PRA Entry, by Bonus Receipt (Percentages, Unless Stated Otherwise)

	Bonus Earners	Non-Bonus Earners	All Recipients
Gender			
Male	53.1	47.8**	46.4
Female	46.9	52.2**	50.6
Age			
Less than 25 years	5.6	5.7	5.7
25 to 34 years	21.1	17.2**	18.4
35 to 44 years	26.9	24.6	25.4
45 to 54 years	30.7	33.2	32.4
55 years and over	15.7	19.3**	18.1
Average Age in Years	42.8	43.83**	43.5
Median Age in Years	43.0	45.0	43.0
Ethnicity/Race			
Non-Hispanic, white	68.8	67.6	68.0
Non-Hispanic, black	16.2	14.6	15.1
Non-Hispanic, other races	1.8	4.6***	3.7
Hispanic, any race	13.2	13.3	13.2
Educational Attainment			
Less than high school diploma / GED	8.2	7.4	7.7
High school diploma / GED	45.1	39.8**	41.4
Some college / 2 year degree	27.5	31.8**	30.4
Completed 4 year college	13.3	14.8	14.3
Post-graduate education	5.9	6.2	6.1
Current Marital Status			
Unmarried (single or cohabitating)	25.5	32.0**	30.2
Married	51.7	49.5	50.1
Separated, divorced, or widowed	22.9	18.6*	19.8
Have Children under 18	41.9	39.9	40.5
Has a Disability	2.9	2.3	2.5
Total Number of Recipients	833	1,816	2,649

Source: Calculations based on individual-level PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to September 2006 in order to observe the full qualification periods for the first and second bonus. To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.8. Characteristics of Last Job Held Prior to PRA Entry, by Bonus Receipt (Percentages, Unless Stated Otherwise), Industry and Occupation

	Bonus Earners	Non-Bonus Earners	All Recipients
Industry			
Natural resources and mining	3.2	1.1***	1.8
Construction	4.0	4.1	4.0
Manufacturing	19.3	16.3*	17.3
Trade, transport, utilities	19.7	22.6	21.7
Information	2.1	3.7**	3.2
Financial activities	8.2	9.5	9.1
Professional and business services	16.4	18.5	17.8
Education and health services	14.0	12.7	13.1
Leisure and hospitality	5.2	3.9	4.3
Other services	5.0	4.4	4.6
Public administration	2.8	3.3	3.1
Occupation			
Management	15.0	13.0	13.6
Business and financial operations	4.8	5.8	5.5
Computer and mathematical	3.1	4.9**	4.3
Architecture and engineering	3.8	2.8	3.1
Life, physical, and social science	0.7	0.8	0.8
Community and social services	2.0	1.4	1.6
Legal	0.4	0.9	0.7
Education, training, and library	2.3	3.3	3.0
Arts, design, entertainment, sports, and media	1.2	2.0	1.8
Healthcare practitioners and technical	2.6	1.9	2.1
Healthcare support	2.6	3.9*	3.5
Protective service	1.6	1.3	1.4
Food preparation and serving related	2.7	1.9	2.2
Building and grounds cleaning and maintenance	1.0	1.6	1.4
Personal care and service	0.8	1.4	1.2
Sales and related	9.0	9.7	9.4
Office and administrative support	18.8	21.9*	20.9
Farming, fishing, and forestry	0.4	0.4	0.4
Construction and extraction	5.0	4.3	4.6
Installation, maintenance, and repair	4.5	3.6	3.9
Production	11.8	9.2*	10.1
Transportation and material moving	5.3	3.6*	4.2
Military specific	0.5	0.5	0.5
Total Number of Recipients	833	1,816	2,649

Source: Calculations based on individual-level PRA data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to September 2006 in order to observe the full qualification periods for the first and second bonus. To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.9. Characteristics of Last Job Held Prior to PRA Entry, by Bonus Receipt (Percentages, Unless Stated Otherwise), Hours, Wages, and Reason for Leaving

	Bonus Earners	Non-Bonus Earners	All Recipients
Hours Worked Per Week			
Less than 20	1.4	3.8***	3.2
20 to 34	5.1	6.7	6.3
35 or more	93.5	89.4***	90.6
Average	40.8	39.2***	39.6
Median	40.0	40.0	40.0
Hourly Rate of Pay			
Less than \$10.00	21.6	21.3	21.4
\$10.00 – \$19.99	53.2	52.9	53.0
\$20.00 – \$29.99	16.3	14.5	15.0
\$30.00 – \$39.99	5.4	6.2	6.0
\$40.00 – \$49.99	1.3	2.1	1.8
\$ 50.00 or more	2.1	3.0	2.8
Average	\$16.71	\$17.76*	\$17.43
Median	\$14.00	\$13.68	\$13.88
Primary Reasons for Leaving Job			
Laid off	70.9	73.9	73.0
Business closed	3.5	3.6	3.5
Temporary or seasonal job ended	0.6	1.4**	1.1
Discharged or fired	13.5	8.1***	9.8
Quit	8.3	10.2	9.6
Other reason	3.2	2.9	3.0
Unknown	14.8	13.3	13.7
Weeks on Job			
Average	386.1	427.9**	415.6
Median	195.7	251.1	220.8
Total Number of Recipients	833	1,816	2,649

Source: Calculations based on individual-level PRA data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to September 2006 in order to observe the full qualification periods for the first and second bonus. To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.10. Characteristics of UI Receipt Among Recipients at the Time of PRA Offer, by Bonus Receipt (Percentages, Unless Stated Otherwise)

	Bonus Earners	Non-Bonus Earners	All Recipients
UI Receipt			
Average number of weeks of eligibility	23.2	23.2	23.2
Average weekly benefit amount	282.8	293.2***	289.9
Total Number of Recipients	833	1,816	2,649

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to September 2006 in order to observe the full qualification periods for the first and second bonus. To test for differences across groups, two-tailed t-tests were conducted.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.11. Time from UI Claim Date to PRA Offer and Acceptance, by Bonus Receipt

	Bonus Earners	Non-Bonus Earners	All Recipients
Average Number of Weeks From:			
UI claim date to PRA offer	4.4	4.2***	4.2
UI claim date to PRA acceptance	4.6	4.3***	4.4
Median Number of Weeks From:			
UI claim date to PRA offer	4.0	4.0	4.0
UI claim date to PRA acceptance	4.0	4.0	4.0
Total Number of Recipients	833	1,816	2,649

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to September 2006 in order to observe the full qualification periods for the first and second bonus. To test for differences across groups, two-tailed t-tests were conducted.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.12. Characteristics of Recipients at PRA Entry, by User Group (Percentages, Unless Stated Otherwise)

	Bonus Earner	Support Service Focused	Complete Nonuser	Other User	Initial Nonuser	All Recipients
Gender						
Male	55.4	49.2	52.6	43.1***	48.5*	50.7
Female	44.6	50.8	47.4	56.9***	51.5*	49.3
Age						
Less than 25 years	6.3	5.1	8.2	5.7	5.1	6.5
25 to 34 years	22.2	18.7	17.5**	17.9	16.2**	18.7
35 to 44 years	27.5	31.1	22.9	26.9	24.6	26.1
45 to 54 years	28.9	29.9	30.8	30.8	34.8	30.7
55 years and over	15.2	15.2	20.6**	18.7	19.3	18.0
Average age in years	42.2	42.6	43.6**	43.3	44.3**	43.2
Median age in years	43	43	45	44	45	44
Ethnicity/Race						
Non-Hispanic, white	69.7	66.2	70.1	69.0	64.5	68.5
Non-Hispanic, black	18.5	11.2***	21.0	14.7	11.0***	16.6
Non-Hispanic, other races	1.6	5.1***	3.3	4.9***	6.0***	3.8
Hispanic, any race	10.2	17.5***	5.6***	11.3	18.5***	11.1
Educational Attainment						
Less than high school diploma / GED	9.0	8.5	12.7**	5.0**	5.1*	8.9
High school diploma / GED	46.1	34.1***	50.3	34.3***	32.8***	42.0
Some college / 2 year degree	27.8	33.9*	26.5	35.7***	36.7***	30.7
Completed 4 year college	12.6	15.3	7.9***	15.9	17.8**	12.7
Post-graduate education	4.5	8.1**	2.6	9.1***	7.7*	5.6
Current Marital Status						
Unmarried (single or cohabitating)	24.5	33.2	30.5	33.9**	29.3	29.9
Married	49.7	48.7	46.7	49.4	53.1	49.0
Separated, divorced, or widowed	25.9	18.1	22.7	16.8**	17.7**	21.2
Have Children under 18	42.6	42.4	40.0	42.1	33.7**	40.5
Has a Disability	3.7	2.7	5.7	1.6	1.5	3.7
Total Number of Recipients	877	529	1,146	600	458	3,610

Source: Calculations based on individual-level PRA data from the seven demonstration states.

Note: Restricted to recipients with entry dates prior to April 2007 in order to observe account use within the bonus qualification period. To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row. The t-tests were pairwise comparisons of the bonus-focused group against every other group. P-values were adjusted for multiple comparisons using the Bonferroni method.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.13. Characteristics of Last Job Held Prior to PRA Entry, by User Group (Percentages, Unless Stated Otherwise), Industry and Occupation

	Bonus Earner	Support Service Focused	Complete Nonuser	Other User	Initial Nonuser	All Recipients
Industry						
Natural resources and mining	3.6	1.0**	2.1	1.6*	1.2**	2.1
Construction	5.3	3.5	5.8	3.6	2.9	4.6
Manufacturing	19.2	15.8	19.0	13.5**	17.3	17.5
Trade, transport, utilities	20.8	22.3	23.2	19.2	21.9	21.7
Information	2.0	3.3	2.2	4.0	4.8**	2.9
Financial activities	8.2	10.4	6.6	10.3	9.7	8.5
Professional and business services	15.0	20.6**	15.5	17.4	21.1**	17.2
Education and health services	12.1	12.9	10.2	16.6*	9.7	12.0
Leisure and hospitality	5.2	2.9	6.3	4.4	4.0	4.9
Other services	5.3	4.8	5.1	4.2	2.9	4.7
Public administration	3.2	2.3	4.1	5.3	4.5	3.9
Occupation						
Management	13.1	12.9	10.4	14.1	13.0	12.3
Business and financial operations	4.7	5.7	4.6	7.3	4.5	5.2
Computer and mathematical	2.5	4.8	2.6	5.3*	7.4***	3.9
Architecture and engineering	3.8	4.6	1.7*	2.2	4.0	3.0
Life, Physical, and social science	0.9	0.2	0.4	1.0	1.3	0.7
Community and social services	1.2	1.8	0.9	2.9*	0.3	1.3
Legal	0.6	0.9	0.7	0.8	1.1	0.8
Education, training, and library	1.8	3.1	1.5	4.1*	2.9	2.4
Arts, Design, entertainment, sports, and media	1.8	2.4	1.7	1.0	2.6	1.8
Healthcare practitioners and technical	2.7	2.4	1.7	2.0	1.3	2.1
Healthcare support	2.5	2.2	2.3	4.1	5.8***	3.0
Protective service	1.6	0.4	1.5	1.6	0.8	1.3
Food preparation and serving related	3.4	2.0	3.2	2.4	2.1	2.8
Building and grounds cleaning and maintenance	1.2	1.8	2.7*	1.8	1.3	1.9
Personal care and service	0.6	1.3	2.0*	1.2	1.1	1.3
Sales and related	10.9	9.6	10.0	6.5*	11.4	9.8
Office and administrative support	18.6	17.7	21.4	21.6	20.6	20.1
Farming, fishing, and forestry	0.6	0.9	0.4	0.6	0.3	0.6
Construction and extraction	6.6	3.7	8.1	3.5*	3.2*	5.7
Installation, maintenance, and repair	3.6	5.9	3.1	4.3	3.4	3.9
Production	11.3	11.8	12.8	8.1	8.5	11.0
Transportation and material moving	5.3	3.3	6.2	3.3	2.6	4.6
Military specific	0.6	0.7	0.4	0.2	0.5	0.5
Total Number of Recipients	877	529	1,146	600	458	3,610

Source: Calculations based on individual-level PRA data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to April 2007 in order to observe account use within the bonus qualification period. To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row. The t-tests were pairwise comparisons of the bonus-focused group against every other group. P-values were adjusted for multiple comparisons using the Bonferroni method.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.14. Characteristics of Last Job Held Prior to PRA Entry, by User Group (Percentages, Unless Stated Otherwise), Hours, Wages, and Reason for Leaving

	Bonus Earner	Support Service Focused	Complete Nonuser	Other User	Initial Nonuser	All Recipients
Hours Worked Per Week						
Less than 20	2.3	4.2	3.4	3.2	6.7***	3.7
20 to 34	5.6	7.1	7.5	7.0	7.9	7.0
35 or more	92.4	88.7	89.1	89.8	85.5***	89.3
Average	41.4	38.7***	41.2	39.0***	38.1***	40.0
Median	40.0	40.0	40.0	40.0	40.0	40.0
Hourly Rate of Pay						
Less than \$10.00	24.0	17.3**	27.5	18.3*	19.1	22.6
\$10.00 – \$19.99	50.7	55.2	51.5	57.1	50.1	52.5
\$20.00 – \$29.99	17.4	16.9	12.1**	13.1	19.3	15.2
\$30.00 – \$39.99	4.3	6.8	4.6	6.4	5.2	5.2
\$40.00 – \$49.99	1.4	1.6	1.8	2.3	2.3	1.8
\$ 50.00 or more	2.0	2.3	2.3	2.9	4.0	2.7
Average	\$16.53	\$17.63	\$16.10	\$17.95	\$18.73*	\$17.07
Median	\$13.88	\$14.03	\$12.60	\$14.00	\$15.00	\$13.69
Primary Reasons for Leaving Job						
Laid off	74.9	66.1***	78.5	69.4	70.6	72.6
Business closed	3.8	8.3***	3.8	2.4	4.1	4.4
Temporary or seasonal job ended	0.2	1.9*	1.6	2.1**	2.3**	1.5
Discharged or fired	12.5	11.1	5.4***	11.4	8.0*	9.5
Quit	5.8	8.3	5.7	10.5**	11.2***	7.9
Other reason	2.9	4.3	5.1	4.1	3.7	4.1
Weeks on Job						
Average	355	409	369	415	429*	387
Median	178	208	169	234	260	199
Total Number of Recipients	877	529	1,146	600	458	3,610

Source: Calculations based on individual-level PRA data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to April 2007 in order to observe account use within the bonus qualification period. To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row. The t-tests were pairwise comparisons of the bonus-focused group against every other group. P-values were adjusted for multiple comparisons using the Bonferroni method.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.15. Characteristics of UI Receipt Among Recipients at the Time of PRA Acceptance, by User Group (Percentages, Unless Stated Otherwise)

	Bonus Earner	Support Service Focused	Complete Nonuser	Other User	Initial Nonuser	All Recipients
Average number of weeks of eligibility	23.5	22.5***	23.8	23.2	22.6***	23.3
Average weekly benefit amount	277.5	298.9***	268.7	291.1*	305.9***	283.7
Total Number of Recipients	877	529	1,146	600	458	3,610

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to April 2007 in order to observe account use within the bonus qualification period. To test for differences across groups, two-tailed t-tests were conducted. The t-tests were pairwise comparisons of the bonus-focused group against every other group. P-values were adjusted for multiple comparisons using the Bonferroni method.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.16. Time from UI Claim Date to PRA Offer and Acceptance, by User Group

	Bonus Earner	Support Service Focused	Complete Nonuser	Other User	Initial Nonuser	All Recipients
Average Number of Weeks From:						
UI claim date to PRA offer	4.2	4.2	3.8***	4.5**	4.5**	4.2
UI claim date to PRA acceptance	4.4	4.4	3.9***	4.7**	4.8**	4.4
Median Number of Weeks From:						
UI claim date to PRA offer	4	4	3	4	4	4
UI claim date to PRA acceptance	4	4	4	4	4	4
Total Number of Recipients	877	529	1,146	600	458	3,610

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to April 2007 in order to observe account use within the bonus qualification period. To test for differences across groups, two-tailed t-tests were conducted. The t-tests were pairwise comparisons of the bonus-focused group against every other group. P-values were adjusted for multiple comparisons using the Bonferroni method.

*/**/** Difference statistically significant at the .10/.05/.01 level.

Table C.17. UI Receipt, Employment, and Earnings of PRA Recipients, by User Group (Percentages, Unless Stated Otherwise)

	All Recipients					
	Bonus Earner	Support Service Focused	Complete Nonusers	Other Users	Initial Nonusers	All User Groups
UI Eligibility						
Average number of weeks	23.5	22.5***	24.2***	23.2	22.6***	23.4
Average weekly benefit amount	\$290.84	\$293.57	\$291.16	\$290.78	\$308.53***	\$293.96
UI Receipt						
13 weeks or less	85.6	25.0***	20.1***	26.7***	10.3***	36.8
14-28 weeks	14.4	75.0***	79.9***	73.4***	89.7***	63.2
Average duration	9.2	18.0***	19.7***	18.0***	20.5***	16.6
Average amount	\$2,716.85	\$5,490.09***	\$5,975.61***	\$5,453.27***	\$6,705.55***	\$5,127.28
UI Exhaust						
Percent who exhaust benefits	6.9	51.2***	54.7***	49.0***	61.5***	41.6
Percent who come within one month of exhausting	4.3	12.1***	9.3**	12.1***	15.5***	9.7
Percent who do not come within one month of exhausting	88.8	36.8***	36.0***	39.0***	23.0***	48.7
Consistent Employment Following Entry:^a						
In two consecutive quarters	77.4	54.4***	47.9***	56.5***	49.1***	57.8
In three consecutive quarters	63.4	33.7***	29.9***	38.8***	24.9***	39.4
Employment In:						
Quarter Prior to PRA Entry	84.6	79.1*	72.5***	81.9	78.5*	79.0
Same quarter as PRA receipt	80.3	63.1***	56.2***	62.6***	55.0***	64.1
One quarter of PRA receipt	80.1	47.3***	38.8***	50.5***	35.5***	51.8
Two quarters of PRA receipt	78.1	58.8***	50.4***	59.7***	53.9***	60.6
Three quarters of PRA receipt	69.6	48.7***	49.8***	57.5***	50.7***	55.9
Average Earnings In:^b						
Quarter prior to PRA entry	\$8,734.19	\$8,594.44	\$8,820.55	\$8,611.01	\$9,030.58	\$8,751.60
Entry quarter	\$5,251.74	\$5,102.35	\$6,494.54**	\$5,713.14	\$6,321.62	\$5,734.99
Quarter 1 following PRA entry	\$6,441.76	\$5,083.53*	\$5,315.50	\$4,849.28**	\$4,298.53***	\$5,511.40
Quarter 2 following PRA entry	\$7,410.54	\$6,664.16	\$5,475.58***	\$5,936.94***	\$5,298.48***	\$6,317.68
Quarter 3 following PRA entry	\$7,822.88	\$7,305.13	\$6,201.23***	\$6,558.95***	\$6,957.02	\$7,005.87
Median Earnings In:^b						
Quarter prior to PRA entry	\$7,211.25	\$6,432.39	\$7,001.71	\$6,515.78	\$7,537.53	\$6,920.47
Entry quarter	\$3,895.51	\$2,895.79	\$4,361.73	\$3,125.00	\$3,996.99	\$3,775.09
Quarter 1 following PRA entry	\$5,602.75	\$3,761.71	\$3,617.69	\$3,615.95	\$2,250.00	\$4,384.31
Quarter 2 following PRA entry	\$6,489.06	\$5,638.13	\$4,189.16	\$4,855.15	\$3,533.79	\$5,356.57
Quarter 3 following PRA entry	\$6,780.02	\$6,548.99	\$4,963.18	\$5,123.45	\$5,602.45	\$5,803.90
Total Number of Recipients	740	507	842	570	442	3,101

Source: Calculations based on individual-level PRA and UI data from seven demonstration states.

Note: Restricted to recipients with entry dates prior to April 2007 in order to observe account use within the bonus qualification period. Also restricted to PRA recipients with three quarters of earnings data following the PRA entry quarter. To test for differences across groups, two-tailed t-tests were conducted for all variables. Categorical variables were constructed into a series of binary variables to enable these tests across each row. The t-tests were pairwise comparisons of the bonus-focused group against every other group. P-values were adjusted for multiple comparisons using the Bonferroni method.

*/**/** Difference statistically significant at the .10/.05/.01 level.

^aConsistent employment in two consecutive quarters is defined as employed in the first and second quarters after PRA receipt, or in the second and third quarters after PRA receipt. Consistent employment in three consecutive quarters is defined as employed in the first, second, and third quarters after PRA receipt.

^bAverage and median earnings restricted to those PRA recipients who were employed.