



DEPARTMENT OF CHILDREN AND FAMILIES  
DIVISION OF FAMILY AND ECONOMIC SECURITY  
ADMINISTRATOR'S MEMO SERIES

**DFES 21-11**

ISSUE DATE: 11/15/2021  
DISPOSAL DATE: 12/31/2022

ACTION  
 NOTICE

**DATE:** November 15, 2021

**PROGRAM CATEGORIES:**

W-2 - Wisconsin Works  
 RA - Refugee Assistance  
 CS - Child Support  
 CF - Children First  
 TJ - Transitional Jobs  
 TMJ - Transform Milwaukee Jobs

**TO:** W-2 Contract Agency Directors

**FROM:** Connie M. Chesnik  
Division Administrator

**RE:** 2022 Wisconsin Works Worker's Compensation Premium Rates

**PURPOSE:**

This memo announces the availability of statewide Worker's Compensation (WC) coverage to Wisconsin Works (W-2) Contractors to cover W-2 work experience participants and individuals repaying a Job Access Loan (JAL) through community service. Premium rates for Calendar Year 2022 (CY 2022) will be increased from \$36 to \$42 per participant per calendar quarter.

**BACKGROUND:**

All W-2 Contractors are required to provide WC coverage for their participants engaged in a work experience activity unless the work site sponsor agrees to provide coverage.

- Specifically for W-2 Contract Agencies, 49.147(4)(c), Wis. Statutes states that "A participant under this subsection is an employee of the Wisconsin works agency for purposes of worker's compensation coverage, except to the extent that the person for whom the participant is performing work provides worker's compensation coverage."

**WORKER'S COMPENSATION COVERAGE**

Sentry Insurance is currently under contract with the State to provide claim services for the W-2 Contractors who opt to be covered by the State's Self-Insured WC Program. Sentry Insurance also provides coverage for liabilities in excess of the State's Self-Insured amount of \$350,000 per occurrence. This coverage applies ONLY to W-2 participants engaged in a work experience activity and individuals who are repaying a JAL through community service.

W-2 Contract Agencies that opt to participate in the program are charged WC premiums as a direct expense to their W-2 Base contract for their W-2 participants. The premiums are charged on a quarterly basis and are based on the average number of participants enrolled in a work experience for each of the three months within each calendar quarter per the Client Assistance for Reemployment and Economic Support system. Each participating agency will be charged \$42 per participant, using a three-month average, per calendar quarter which is \$14 per participant per month for coverage.

The Department of Children and Families (DCF) calculated the premium based on several factors including the estimated insurance premium that Sentry charges DCF, WC fund reserve, loss reserve for current claims, and DCF's administration cost related to processing the Insurance.

**ACTION SUMMARY STATEMENT:**

All W-2 Contractors have the option to choose to obtain WC coverage for their W-2 participants for the 2021-2022 W-2 and Related Programs Contracts by completing and returning the 2022 DCF/DFES Worker's Compensation Coverage Application ([Attachment A](#)). The coverage will remain in effect through December 31, 2022, unless the Department receives a written request to change that selection and proof that the Contractor has coverage. If a W-2 Contractor chooses to decline coverage it must complete the 2022 DCF/DFES Worker's Compensation Form (Declines Coverage) ([Attachment B](#)) and submit the form along with a copy of the policy to demonstrate it has coverage.

The completed form and policy if applicable must be received before 4:30pm (CT) Monday, November 22, 2021. Please email the completed form and policy if applicable as an attachment to [VictoriaM.Stolen@wisconsin.gov](mailto:VictoriaM.Stolen@wisconsin.gov). Alternatively, you can mail them to the following address:

Wisconsin Department of Children and Families  
Bureau of Finance  
Attn: Victoria Stolen  
PO Box 8916  
Madison WI 53708-8916

**CONTACT:** Victoria Stolen  
Bureau of Finance  
(608) 422-6394  
[VictoriaM.Stolen@wisconsin.gov](mailto:VictoriaM.Stolen@wisconsin.gov)

Attachments: [Attachment A: 2022 DCF/DFES Worker's Compensation Coverage Application](#)  
[Attachment B: 2022 DCF/DFES Worker's Compensation Form \(Declines Coverage\)](#)