

W-2 Contractor Payment Structure
2017 – 2018 Contracts
(Requirements for 2018)

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Section 1: Summary of 2018 Changes

B. New Incentive Payment

1. W-2 Transition Participant Engagement Incentive Payments

DCF will pay a ~~quarterly~~ monthly payment to a W-2 Contractor on a per participant basis for engaging W-2 Transition participants in a specific minimum number of allowable weekly activity hours during a consecutive three-month period. (See Section 7)

See the W-2 Transition Engagement Incentive Allowable Activities attachment in Operations Memo 17-23 for a list of allowable activities for this incentive.

Section 7: W-2 Transition Participant Engagement Incentive

~~DCF will pay a quarterly payment to the W-2 Contractor on a per participant basis for meeting one of three scheduled steps, each step representing the weekly average of activity hours that must be completed by a W-2 Transition (W-2 T) participant in a quarter to earn an incentive payment. See the W-2 T Engagement Incentive Allowable Activities attachment to Operations Memo 17-23 for a list of allowable activities for this incentive.~~

~~The participant must be in the W-2 T placement for a minimum of 75 calendar days during the quarter. The scheduled steps of average weekly activity hours a W-2 Transition participant must complete for a W-2 Contractor to earn this incentive payment is detailed below. The W-2 Contractor can only earn one The W-2 Contractor will earn a W-2 Transition (W-2 T) Participant Engagement Incentive payment for meeting the W-2 T participant engagement activity completion benchmark steps. The list of allowable activities for this incentive are attached to BWF Operations Memo 17-23. Benchmark steps equal the weekly average of activity hours completed by a W-2T participant.~~

The participant must be in the W-2 T placement for a minimum of 75 calendar days in three consecutive calendar months. The step schedule and average weekly activity hours a participant must complete for a W-2 Contractor to earn this incentive payment is detailed below.

Step Schedule	Average Weekly Activity Hours Completed in a Quarter <u>Three Consecutive Calendar Months</u>	Payment Amount
Step 1	8	\$1,000
Step 2	13	\$1,500
Step 3	18	\$2,000
Maximum Annual Incentive Payment Amount Per Participant is \$4,500		

The W-2 Contractor can only earn one incentive payment for each step completed by a participant, but will receive a combined payment amount from the current and lower step(s) if the participant's average weekly activity hours completed in a three calendar month period exceed the average hours required for a lower step or steps.

Example: A Financial and Employment Planner (FEP) places a participant in the W-2 T placement in February. The participant has temporary interruptions in the placement during the three calendar month timeframe of February, March, and April, but is in the W-2 T placement for 75 cumulative days over the three-month period. If the participant completes an average of 8 hours of activities per week in the three-month timeframe after the initial placement in February, the Contractor earns the scheduled step 1 payment amount of \$1,000. In May, if the same participant completes an average of 18 hours per week of activities in the three calendar month period of March, April, and May, the Contractor earns the aggregate of the scheduled step 2 and 3 payment amounts of \$3,500.