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State of Wisconsin  
Governor Scott Walker



TO: **W-2 Agencies  
Training Staff**

FROM: Ed Emmons, Acting Director  
Bureau of Working Families  
Division of Family and Economic Security  
Department of Children and Families

**BWF OPERATIONS MEMO**

No: 18-14

DATE: 10/15/2018

W-2  EA  CF  JAL

RAP  TMJ  TJ  Other EP

**SUBJECT: Updates to Wisconsin Works (W-2) Sanctions**

**CROSS REFERENCE:** W-2 Manual Sections [2.8.1](#), [4.1.3](#), [11.3](#), [11.4](#), and [13.4](#)  
BWF Operations Memos [09-18](#), [13-10](#), and [18-12](#)  
[Joint Operations Memo 18-J2](#)  
[2015 Wisconsin Act 55](#)  
[Wis. Stat. s. 49.153](#)  
[Wis. Admin. Code Ch. DCF 101](#)

**EFFECTIVE DATE:** October 27, 2018

**PURPOSE**

The purpose of this memo is to:

1. Summarize legislative changes to Wisconsin Works (W-2) notice requirements prior to taking actions predicated on sanctions: 20% or more payment reduction and termination of eligibility to participate in W-2; and
2. Describe policy and automation updates to sanctions in W-2 that would result in termination of eligibility to participate in W-2.

This memo is part of a series of memos that describe policy and procedural updates to W-2 sanctions: 20% or more payment reduction and termination of eligibility to participate in W-2 for refusal to participate, noncooperation with program requirements, and intentional program violation.

## **BACKGROUND**

Current law requires that before taking action that would result in a 20% or more reduction in a participant's benefits or in termination of a participant's eligibility to participate in W-2, a W-2 agency must: (a) provide the participant with written notice of the proposed action and of the reasons for the proposed action; and (b) allow the W-2 participant reasonable time to rectify the deficiency, failure, or other behavior to avoid the proposed action.

2015 Wisconsin Act 55 (Act 55) modified the statutorily required notice such that the W-2 agency is not required to provide written notice to a participant before taking action to terminate the participant's eligibility to participate in W-2 for not meeting W-2 financial and nonfinancial eligibility criteria (such as the youngest child becoming 18 years old or the participant moving out of the state). This modification reduces the over-issuance of W-2 benefits during the rectification period in cases where it would be impossible to rectify the deficiency.

Existing statutory language requires the Department of Children and Families (DCF) to promulgate administrative rule establishing procedures for the notice and that define "reasonable time" to rectify the deficiency, failure, or other behavior to avoid the proposed action.

### **ADMINISTRATIVE RULE DCF 101.195**

On September 10, 2018, the Bureau of Working Families (BWF) published [Operations Memo 18-12: Wisconsin Works Refusal to Participate and Notice before Taking Certain Actions](#) to announce enactment of amendments to Administrative Rule DCF 101 that satisfy the statutory rulemaking requirements to establish procedures for the notice and define "reasonable time" to rectify.

DCF 101.195 (1) requires the W-2 agency to issue written notice to a participant no later than five business days following notification to the W-2 agency of a potential 20% or more payment reduction. The notice must include:

- The dates of nonparticipation;
- A description of the activities missed;
- The number of hours missed on the dates of nonparticipation; and
- The amount to be deducted from the benefit for each hour of nonparticipation.

DCF 101.195 (2) requires the W-2 agency to issue written notice to a participant of a proposed termination of eligibility to participate in W-2. The notice must include: a date, and a description of the deficiency, failure, or other behavior that resulted in the termination of eligibility.

DCF 101.195 (3) describes the period to rectify the deficiency, failure, or other behavior as seven business days after the date of the written notice issued by the W-2 agency.

## **POLICY UPDATES**

Described below are policy updates effective October 27, 2018. The W-2 manual sections are attached to this memo with all policy updates incorporated. Policy that was removed is struck through and policy that has been added is underlined.

### RECTIFYING 20% PAYMENT REDUCTIONS

#### Current Policy

W-2 agencies are required to identify participants that must be notified of a 20% or more payment reduction using three 20% payment reduction Web Intelligence (WebI) reports. The Financial and Employment Planner (FEP) must generate the *W-2 Payment Reduction Notification Letter* (CARES letter NWSN) no later than five working days following the appearance on the 20% payment reduction report. The FEP must enter on NWSN the missed activities, hours missed, dates the activities were missed, and date by which verification must be provided.

#### Updated Policy

DCF migrated the batch NWSN letter from CARES mainframe to CWW in March 2018, eliminating the requirement that the FEP manually generate NWSN. (See [Joint Operations Memo 18-J2: New Functionality in CARES Worker Web for Manual Letters and Changes to Batch Correspondence](#)) Policy is updated to describe the automated process for generating NWSN.

If a participant's payment is going to be reduced by 20% or more, CARES automatically generates the *Notice of Potential W-2 Payment Reduction* (CWW letter NWSN) either at the beginning (W-2 delayed payment) or the end of the month (W-2 pulldown) when final W-2 monthly payment amounts are determined. CARES populates the letter with information that the FEP enters on CARES screen WPNP: The missed activities, hours missed, dates the activities were missed, and date by which verification must be provided.

[See attached updated W-2 Manual Section 11.3.1](#)

### NONCOOPERATION REASONS

#### Current Policy

The FEP must close a case when a participant fails to cooperate with specific W-2 program requirements without good cause:

- Complete job search activities;
- Access other public assistance programs or resources;
- Verify certain eligibility information within 7 working days;
- Complete an employability plan review;
- Report changes in eligibility within 10 calendar days; or
- Contact with the agency.

Prior to closing a case for noncooperation with program requirements, the FEP must explore for potential underlying barriers and provide written notice to the participant of the proposed case closure, the reasons for the proposed case closure, and allow the participant reasonable time to rectify the deficiency, failure or other behavior to avoid the proposed case closure.

### Updated Policy

The FEP is not required to provide written notice to a participant whose case will close for not meeting W-2 financial and nonfinancial eligibility criteria. The following reasons are removed from the list of specific W-2 cooperation requirements:

- Verify certain eligibility information within 7 working days; and
- Report changes in eligibility within 10 calendar days.

In both instances of failure to provide information affecting eligibility, the participant was already allowed time to provide information to avoid case closure. (See W-2 Manual Sections [2.8.1](#) and [4.1.3](#)) The FEP must follow current procedures for terminating eligibility for reasons other than noncooperation, such as the youngest child becoming 18 years old, the participant moving out of the state, etc.

[See attached updated W-2 Manual Section 11.4.1](#)

### DATE OF NONCOOPERATION

#### Current Policy

The FEP must provide written notice to a participant whose case will close for noncooperation with specific W-2 requirements. The letter informs the participant of the proposed case closure, the reasons for the proposed case closure, and the date by which verification would need to be provided, if necessary.

#### New Policy

In addition to informing the participant of a proposed case closure, the reasons for the proposed case closure, and the date by which verification would need to be provided, the letter must inform the participant of the date of noncooperation.

The date of noncooperation is the date that the participant was provided to cooperate with W-2 program requirements.

**Example 1:** A participant's EP review is scheduled for March 17 and the participant failed to show for the appointment. The date of noncooperation is March 17.

**Example 2:** The last date of contact that a FEP had with a participant was July 1. The FEP is unable to make contact with the participant after 30 calendar days of repeated and varied attempts to contact the participant. The date of noncooperation is July 31.

[See attached new W-2 Manual Section 11.4.1.1](#)

RECTIFYING NONCOOPERATIONCurrent Policy

The FEP must manually issue the Notice of Noncooperation with Program Requirements (CARES letter NWNC) via CARES prior to generating a Notice of Eligibility. The FEP must mark the correct noncooperation reason on NWNC and enter the date by which the verification would need to be provided, if necessary. The letter informs the participant to contact the worker as soon as he or she receives it to explain why the noncooperation occurred.

Updated Policy

DCF also migrated the manual NWNC letter from CARES mainframe to CWW in March 2018, requiring the FEP to manually issue NWNC via CWW. In addition to marking the correct noncooperation reason on NWNC, the FEP must enter the date of noncooperation. CWW will automatically determine the date by which verification would need to be provided.

[See attached updated W-2 Manual Section 11.4.2.2](#)

DETERMINING THE DATE OF INTENTIONAL PROGRAM VIOLATIONCurrent Policy

The W-2 agency must notify an individual in writing that he or she committed an intentional program violation (IPV). The letter informs the individual that he or she has been determined to have committed an IPV, the date of the fraudulent act, the fraudulent act that resulted in the IPV penalty, and that he or she has seven working days to provide any additional information to rectify the IPV.

Updated Policy

In determining the date of IPV, the date of IPV is the date that the individual committed the fraudulent act.

[See attached updated W-2 Manual Section 13.4.1.1.2](#)

**CARES WORKER WEB (CWW)**

Described below are updates to CWW effective October 27, 2018.

MANUAL LETTER GENERATION PAGE

Manual Letter Generation		Cancel	Reset
<b>Manual Letter Details</b>			
Case/RFA/PIN:	8585263873	Letter Code:	NWNC
Document Type:	I-INDIVIDUAL PIN	Letter Description:	W-2 NON COOPERATION
<b>Mailing Address</b>		<b>Agency Contact Information</b>	
Recipient Name:	HEIDI TRANSFERTEST	Agency Contact Line 1:	Wisconsin Works (W-2) Worker:
Recipient Address Line 1:		Agency Contact Line 2:	GINGER SEERY
Recipient Address Line 2:	1819 ABERG AVE	Agency Contact Line 3:	Fax: (608) 242-7410
Recipient City:	MADISON	Agency Contact Line 4:	
Recipient State:	WI	Agency Contact Line 5:	
Recipient Zip Code:	537044201		
<b>Additional Information</b>			
* Occurrence Date: MM / DD / YYYY			
<input type="checkbox"/> An adult in your W-2 Group did not complete assigned job search activities.			
<input type="checkbox"/> Your W-2 worker has tried to contact you many times and has not been able to reach you for over 30 days.			
<input type="checkbox"/> You did not attend your Employability Plan (EP) review appointment. You must call your W-2 worker as soon as possible to ask for a rescheduled appointment. Your case will close if your EP expires because you do not meet with your W-2 worker. You will no longer receive W-2 payments and services if your case closes.			
<input type="checkbox"/> An adult in your W-2 Group did not apply for other public assistance programs as assigned by your W-2 worker.			
<b>Comments:</b>			
Worker Comments			
<div style="border: 1px solid gray; height: 40px; width: 100%;"></div>			
Current Size = 0 characters (500 characters max.)			
<b>Mail Management</b>			
Would you like to mail this letter overnight?			Yes
Cancel		Previous	Next

Figure 1 Blank Manual Letter Generation Template (NWNC)

### Additional Information Section

A new field is available in the **Manual Letter Generation** template for NWNC where the FEP may enter the occurrence date for noncooperation with specific W-2 program requirements. The occurrence date will display in the NWNC letter that is mailed to the participant. The FEP may not enter an occurrence date that is prior to August 28, 2018 which is 60 days prior to the automation effective date. The occurrence date cannot be a future date.

The following are removed from the list of reasons that a FEP may mark for noncooperation:

- You did not report a change income, assets, or family members within 10 days.
- You did not give proof of information that was needed by your W-2 worker to decide if you were still eligible for W-2.

### Comments Section

The **Comments** section is created to separate the **Worker Comments** box from the noncooperation reasons in the **Additional Information** section. The FEP may enter additional

information about any of the marked noncooperation reasons in the **Worker Comments** box. Information entered in the **Worker Comments** box will dynamically display in the NWNC letter.

W-2 INTENTIONAL PROGRAM VIOLATION PENALTY PAGE

**W-2 IPV Penalty**
Cancel  Reset

**Intentional Program Violation Information**

Delete Reason:

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**Intentional Program Violation Details**

\* Individual:  Sequence: 0

\* IPV Occurrence:  IPV Tracking Number: 0

IPV Occurrence Date: MM/DD/YYYY

Good Cause Due Date:

\* IPV Reason(s):

EU - MISREPRESENTED INCOME, EARNED OR UNEARNED

FD - PROVIDED FRAUDULENT DOCUMENTATION

FI - PROVIDED FALSE IDENTIFICATION OR SSN

HA - MISREPRESENTED ASSETS

HC - MISREPRESENTED HOUSEHOLD COMPOSITION

MR - MISREPRESENTED RESIDENCY

RI - CONVICTION - MISREPRESENTED IDENTITY OR RESIDENCE

Penalty Period in Months:

Penalty Begin Date:  Penalty End Date:

Send Rectify Letter?  (If yes, eligibility will not be impacted.)

Override Begin Date: MM/DD/YYYY  Override End Date: MM/DD/YYYY

Reason for Override:

---

**Original IPV**

Original IPV Entered By:  Agency:

Original IPV Entry Date:

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**Updated IPV**

IPV Updated By:  Agency:

Updated Date:

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**IPV Comments**

Comments:

Current Size = 0 characters (1000 characters max.)

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**Link BRITS Referral**

Link	BRITS Referral Number	Referral Creation Date	Referral County	Case	Claim Number	Category of Assistance Group	Sequence	Error Type	Adjusted Claim Amount
No data found.									

Figure 2 Blank W-2 Intentional Program Violation Penalty Page

Intentional Program Violation Details Section

A new field is available in the **Intentional Program Violation Details** section for the FEP to enter the **IPV Occurrence Date**. The IPV occurrence date will display in the *Notice of W-2 Intentional Program Violation* (IPVI) letter that is mailed to the participant. The FEP may not enter an occurrence date that is prior to the IPV policy implementation date of November 1, 2012. The occurrence date cannot be a future date.

The Good Cause Due Date that displays in the IPVI letter will now populate in the **Intentional Program Violation Details** section upon save of the page.

## **FORMS AND PUBLICATIONS**

DCF revised the manual [Notice of Noncooperation with Program Requirements \(DCF-F-2723\)](#) to update the noncooperation reasons and provide a space for the FEP to enter an occurrence date for noncooperation and any additional worker comments. The revised form will be available in the DCF Forms repository on October 29, 2018.

## **TRAINING**

Training on W-2 Case Closure for Noncooperation is available as a Desk Aid on the [Partner Training Team \(PTT\) Learning Center](#).

## **AGENCY ACTION**

W-2 agencies must familiarize staff with these policy and systems updates and update any relevant standard operating procedures.

## **ATTACHMENTS**

[W-2 Manual, Section 11.3.1 Rectifying 20% Payment Reductions](#)

[W-2 Manual, Section 11.4.1 Noncooperation with W-2 Program Requirements](#)

[W-2 Manual, Section 11.4.1.1 Determining the Date of Noncooperation](#)

[W-2 Manual, Section 11.4.2.2 Rectifying Noncooperation Prior to Case Closure](#)

[W-2 Manual, Section 13.4.1.1.2 Determining the Date of an Intentional Program Violation](#)

## **CONTACTS**

For W-2 Policy Questions in the Balance of State: Bureau of Regional Operations, W-2 Regional Coordinators

For W-2 Policy Questions in Milwaukee: Milwaukee Operations Section Regional Administrators

For W-2 CARES Processing Questions: W-2 Help Desk

DCF/DFES/BWF/BY