



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

FROM: Patara Horn, Director  
Bureau of Working Families  
Division of Family and Economic Security  
Department of Children and Families

<b>BWF OPERATIONS MEMO</b>					
<b>No:</b>	<b>20-25</b>				
<b>DATE:</b>	<b>11/27/2020</b>				
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<b>W-2</b>	<input checked="" type="checkbox"/>	<b>EA</b>	<input type="checkbox"/>	<b>CF</b>	<input type="checkbox"/>
		<b>JAL</b>	<input type="checkbox"/>		<input type="checkbox"/>
<b>RAP</b>	<input type="checkbox"/>	<b>TMJ</b>	<input type="checkbox"/>	<b>TJ</b>	<input type="checkbox"/>
		<b>Other EP</b>	<input type="checkbox"/>		<input type="checkbox"/>

**SUBJECT:** *Wisconsin Works Contractor Payment Structure for 2021 Wisconsin Works and Related Programs Contracts*

**CROSS REFERENCE:** [Operations Memo 20-10, "W-2 Contractor Payment Structure for 2020 W-2 and Related Programs Contracts"](#)

**EFFECTIVE DATE:** January 1, 2021

**PURPOSE**

The purpose of this memo is to provide a summary of the changes that have been made to the Wisconsin Works (W-2) Contractor Payment Structure for contract year 2021, including CARES changes.

**BACKGROUND**

Beginning in 2013, the Department of Children and Families (DCF) had been providing payments to W-2 Contractors for specific types of performance outcomes and incentives in the W-2 program. There were three types of payments: capitation payments, payments based on performance, and incentive payments. In recent years DCF has moved away from capitation payments to a cost reimbursement model. DCF continues to provide performance outcome and incentive payments.

**SUMMARY OF CHANGES TO THE 2021 PAYMENT STRUCTURE**

A. CHANGES TO COST REIMBURSEMENT PAYMENTS

1. The W-2 Contractor will receive cost reimbursement of 85% of the agency's total maximum budget.

B. CHANGES TO EXISTING PERFORMANCE PAYMENTS

1. *Vocational Training Completion Job Attainment*

DCF eliminated this Performance Outcome Payment (POP).

2. *SSI/SSDI Attainment*

DCF eliminated this POP.

C. CHANGES TO PROCESS OUTCOME PAYMENTS

1. *Timely Processing of Emergency Assistance Applications*

DCF eliminated this POP.

D. CHANGES TO EXISTING INCENTIVE PAYMENTS

1. *Vocational Training and Educational Attainment*

DCF eliminated the W-2 T Vocational Training and Educational Attainment payment. Additionally, all Vocational Training and Educational Attainment payments will be the same amount, regardless of the type of attainment, i.e., Vocational Training completion or High School or equivalent attainment.

2. *40% All Families Work Participation Rate*

This Incentive will now include Case Management Follow-Up Plus (CMF+) placements in the Work Participation Rate calculation.

3. *Child Support Liaison Noncustodial Parent Enrollment*

The requirements for this incentive have been expanded to include enrollment into job skills/vocational training certificate programs or technical college programs.

**AGENCY ACTION**

W-2 agencies must use the attached document to familiarize staff with the changes to the payment structure and the related CARES changes.

**ATTACHMENTS**

[W-2 Contractor Payment Structure for Contract Year 2021](#)

***CONTACTS***

For W-2 Policy Questions: [DCFW2PolicyQuestions@wisconsin.gov](mailto:DCFW2PolicyQuestions@wisconsin.gov)

For W-2, CARES and WWP Functionality Questions: BWF Work Programs Help Desk  
[BWFworkprogramsHD@wisconsin.gov](mailto:BWFworkprogramsHD@wisconsin.gov)

For Performance Outcome Payment Questions: Linda Richardson at  
[Linda1.Richardson@wisconsin.gov](mailto:Linda1.Richardson@wisconsin.gov)

DCF/DFES/BWF/BC & JS