



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

BWF OPERATIONS MEMO				
No:	21-25			
DATE:	12/07/2021			
W-2	<input checked="" type="checkbox"/>	EA	<input type="checkbox"/>	CF
		JAL	<input type="checkbox"/>	
RAP	<input type="checkbox"/>	TMJ	<input type="checkbox"/>	TJ
		Other	EP	<input type="checkbox"/>

SUBJECT: *Wisconsin Works Contractor Payment Structure for 2022 Wisconsin Works and Related Programs Contracts*

CROSS REFERENCE: [BWF Operations Memo 20-25, "W-2 Contractor Payment Structure for 2021 W-2 and Related Programs Contracts"](#)

EFFECTIVE DATE: January 1, 2022

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 2022, including Wisconsin Work Programs (WWP) 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 2022 PAYMENT STRUCTURE

A. CHANGES TO COST REIMBURSEMENT PAYMENTS

1. The W-2 contractor will receive cost reimbursement of 70% of the agency's total maximum budget.

B. CHANGES TO EXISTING PERFORMANCE PAYMENTS

1. Job Attainment with High Wage

DCF has separated the High Wage claim from the Job Attainment claim. High Wage can still be claimed at the same time as a Job Attainment if the employment qualifies. It can also be claimed at a later date as a standalone claim if a JA was already validated within the previous 12-month period, if a new employment was obtained and qualifies as High Wage.

2. Job Retention 6-Month

DCF has added the Job Retention 6-Month claim to the list of potential Performance Outcome Payments (POP).

C. CHANGES TO EXISTING INCENTIVE PAYMENTS

1. Vocational Training and Educational Attainment

DCF changed the Vocational Training Incentive payment from one claim per lifetime limit to one claim per rolling 12-month period.

AGENCY ACTION

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

ATTACHMENTS

[W-2 Contractor Payment Structure for Contract Year 2022](#)

CONTACTS

For W-2 Policy Questions: [BWF Policy Question SharePoint](#)

For W-2, CARES and WWP Functionality Questions: BWF Work Programs Help Desk
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For Performance Outcome Payment Questions: Lauren Frederick at
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DCF/DFES/BWF/BC & LF