



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:	23-09			
DATE:	12/11/2023			
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 2024 Wisconsin Works and Related Programs Contracts

CROSS REFERENCE: [BWF Operations Memo 22-21, "W-2 Contractor Payment Structure for 2022 W-2 and Related Programs Contracts"](#)

EFFECTIVE DATE: January 1, 2024

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 2024.

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 2024 PAYMENT STRUCTURE

A. CHANGES TO PERFORMANCE OUTCOME PAYMENTS (POP)

There are no changes from 2024 for Performance Outcome Payments.

B. CHANGES TO PERFORMANCE INCENTIVE PAYMENTS

The Customer Satisfaction Survey will be sent to participants once per each funding allotment period. The dates for distribution and incentive payment have been published in the Claims and Payment Calendar.

In 2023, W-2 Contractors who maintained a monthly Federal All Families Work Participation Rate (WPR) of 40% or higher for the geographical area were eligible for a performance incentive payment. DCF will be making the following adjustments for 2024 payments:

W-2 Contractors who maintain the following outcomes will be eligible for a performance incentive payment:

1. A monthly Federal All Families WPR of 25% or higher for the geographical area
2. A monthly Federal 2-Parent WPR of 60% or higher for the geographical area

DCF will continue to pay the WPR performance incentive payment 8 months out of the year instead of 12 months. Incentivized months will include January – April and June – September. See the schedule identified in the Claims and Payment Calendar 2024. This change is to allow more time to spend the WPR Incentive.

C. CHANGES TO PERFORMANCE INCENTIVE PAYMENTS AT END OF CONTRACT

To comply with the sixty (60) day contract closeout requirements, all claims must be submitted no later than January 31, 2025, for contract year 2024.

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 2024](#)

CONTACTS

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

For W-2 and WWP Functionality Questions: BWF Work Programs Help Desk
BWFworkprogramsHD@wisconsin.gov

For Performance Outcome Payment Questions: Michael Chase at
Michael.Chase1@wisconsin.gov

DCF/DFES/BWF/MC