



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: 26-01
DATE: 01/09/2026

W-2 ☒ EA ☐ CF ☐ JAL ☐
RAP ☐ TMJ ☐ TJ ☐ Other EP ☐

**SUBJECT: Wisconsin Works Contractor Payment Structure for 2026 Wisconsin Works
and Related Programs Contracts**

CROSS REFERENCE: [BWF Operations Memo 24-19, "Wisconsin Works Contractor Payment Structure for 2025 Wisconsin Works and Related Programs Contracts"](#)

EFFECTIVE DATE: January 1, 2026

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 2026.

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 2026 PAYMENT STRUCTURE

A. Changes to Performance Outcome Payments (POP)

- There are no changes from 2026 for Performance Outcome Payment metrics.
- Confidential cases will have a new process for sharing verification documents utilizing SharePoint.

B. Changes to Performance Incentive Payments

The Customer Satisfaction Survey will continue to 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 2026.

There are no changes to the Work Participation Rate (WPR) payment metrics.

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 2026](#).

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 March 1, 2027, for contract year 2026.

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 2026](#)

CONTACTS

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

For W-2 and WWP Functionality Questions: BWF Work Programs Help Desk
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For Performance Outcome Payment Questions: Michael Chase at
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DCF/DFES/BWF/MC