WISCONSIN WORKS (W-2) CONTRACT AND IMPLEMENTATION COMMITTEE

101 S. Webster Street, GEF 2, Room 27
Madison, WI 53707

Friday, May 21, 1999
10:00 AM - 2:00 PM

MINUTES

The W-2 Contract and Implementation Committee is the single point of contact for feedback to the Department of Workforce Development on policy implementation related to W-2 agencies, and includes representation from the Wisconsin County Human Service Association (WCHSA), Urban Caucus counties, W-2 private agencies in Milwaukee County and the balance of state, and Tribal W-2 agencies.

Committee Attendees: Jean Rogers, Chair; Phyllis Bermingham, Marathon Co. Employment and Training; Mary Ann Cook, Dane Co. Dept. of Human Services; Rosa Dominguez (alternate), Opportunities Industrialization Center of Greater Milwaukee (OIC-GM); Mona Garland (alternate), MAXIMUS; Diane Hausinger, Fond du Lac Co. Dept. of Social Services; Deb Hughes (alternate), Southwest Consortium; Rita Renner (alternate), YW-Works; Tina Koehn, United Migrant Opportunity Services (UMOS); Jim Krivsky (alternate), Racine Co. Human Services Dept.; Barbara Metoxen, Oneida Tribe; Jeff McCabe (alternate), Employment Solutions; Jim Nitz (alternate), Kaiser Group; Shirley Ross, La Crosse Dept. of Human Services; Michael Van Dyke, Door Co. Dept. of Social Services; Ed Kamin (alternate), Kenosha Co. Division of Workforce Development

State Staff Attendees: Shari Busse, BWI; Ginevra Ewers, BMO; Randy Hayward, BEPO; Tim Hineline, BWI; Jane Jilk, BWI; Phil Klein, BWI; Christina Martin, BEPO; Germaine Mayhew, DES Training Section; Margaret McMahon, BWI; Amy Mendel, BEPO; Karen Messinger, BEPO; Jude Morse, BMO; Greg Smith, ASD; Jan Van Vleck, Special Assistant; Rick Zynda, BWI

Absent: None

Guests: Marcia Christianson, Forward Service Corporation; Kelly Grant, Central Wisconsin Community Action Council; Sharon McCormick, Sheboygan Co. Dept. of Health and Human Services; Teresa Pierce, Western Wisconsin Private Industry Council (PIC); Marilyn Putz, Walworth County, Kaiser Group; Gary Rudzianis, Curtis & Associates; John Schere, Opportunities Industrialization Center of Greater Milwaukee (OIC-GM); Kim Walia, Clark Co. Dept. of Social Services; Lilibeth Yao, MAXIMUS

Recorder: Shari Busse, W-2 Contract and Implementation Committee Coordinator

Welcome
Shari Busse opened the meeting by informing the committee that Jean Rogers had a conflicting meeting but would be joining them as soon as possible. She referred the committee to the revised meeting agenda.

April 1999 Minute Approval
Jim Krivsky requested an edit to the April minutes regarding his suggestion under the TANF Update. A motion was made by Jim Krivsky to approve the amended April 16, 1999 minutes and seconded by Shirley Ross. Motion carried.

Issue/Discussion: TANF High Performance Report, Phil Klein, DES/BWI
The TANF High Performance Bonus Report ACF-200 calculates the employment performance of adults receiving cash assistance from the ACF-198. The state of Wisconsin stands to gain funds up to 17.5 million dollars based on their rankings on three measures. Awards are given to 10 states with the best scores in each measure.

The following rates are calculated:
- Job Entry Rate, rate of adults moving into employment
- Job Retention Rate, rate of adults retaining earnings for more than one quarter
- Earnings Gain Rate, rate of the increase of earnings

The statistics are calculated for a quarter of FFY98 and compared to the corresponding quarter in FFY97. The percentage of gain is then compared with all other competing states competing for bonus awards. To utilize the best data available Wisconsin matches quarterly Unemployed Insurance (UI) wage records to get employment information.

To date, Wisconsin has submitted two amended reports; namely the first and second quarters of FFY1998.

- Job Entry Rate Comparison: Wisconsin showed a 17% increase in the job entry rate for the first quarter and a 7% decrease for the second quarter compared to the same quarters in FFY97.
- Job Retention Rate Comparison: Wisconsin showed a 2% decrease for job retention for the first quarter and a 9% decrease for the second quarter compared to the same quarters in FFY97. These show that people being placed in a job are not retaining that job with the same frequency as the same quarters in FFY97.
- Earnings Gain Rate Comparison: Wisconsin showed an 18 decrease for earnings gain for the first quarter and a 16% decrease for the second quarter compared to the same quarters of FFY1997. The people that retain employment in the second subsequent quarter are earning less in FFY98 than in FFY97.

In response to several questions from the Committee members, Phil Klein explained that these statistics are gathered from UI wage data, which is reported on a quarterly basis. The job retention rate does not have to be in the same job as reported earnings can be from different jobs. The methodology for calculating the High Performance Bonus is defined by the Federal government. This is not the same methodology to be used for measuring RFP performance standards. Phil further stated that the significant urbanization of the caseload has resulted in a different caseload structure and a possible continued decrease in 1999.

Rosa Dominguez questioned why the state would increase the wage by 2.5% in the RFP performance standards based on the data shared. Many committee members agreed. Jim Krivsky asked for clarification regarding what is known about the federal process for making the bonus decision. The Department is attempting to get more information regarding what other states are competing and how decisions will be made. Bonus funds received must be used for TANF eligible individuals after going through the budgetary process.

Deb Hughes commented that it is unfair for smaller counties to be judged on statewide caseload data since it can be more difficult for small areas with a greater proportion of the hard to serve population. Ed Kamin stated it was encouraging to see data that supports what they are seeing, i.e., the caseload structure has changed, and the job entry rate and retention rate are decreasing. He suggested Internet access to this data for counties not present at committee meetings. Phil explained that it is important to demonstrate the different caseload structure with data. He emphasized that this may be affected by the new TANF regulation reporting standards. Committee members requested Phil present additional information at subsequent meetings.

Issue/Discussion: Monthly W-2 Time Limits Update, Margaret McMahon, DES/BWI

As of March 1999, there were 10 W-2 T cases at 19 months and 7 cases at 20 months. As of May 1999, 1 of the 10 was no longer receiving W-2 and 2 were in Case Management follow up (CMF). According to Regional staff, extensions will be requested for 2 of the remaining cases. Extensions will not be requested for the remaining 5 (2 moved to CSJ placements, 1 found employment and 2 failed to cooperate).

Margaret McMahon discussed how the Department is offering outreach to the agencies to assist in working with individuals nearing their time limits. She has been attending regional meetings and Milwaukee County meetings to offer suggestions. Regional staff are incorporating a review of cases reaching 18 months into their formal monitoring process. They will be contacting agencies to schedule meetings with the FEPs in order to review the case file. In Milwaukee, a team of 15 to 20 individuals composed of Regional staff and PIC staff is reviewing cases at 17 months.

Diane Hausinger questioned whether the length of time of the extension would be extended. Margaret replied that the policy was developed to ensure intensive case management services are provided but that the policy will be revisited now that the first extension has been approved. Several committee members commented on the workload issue involved, as many cases particularly in Milwaukee will be nearing the time limits in July and August. Margaret agreed that the first extension was a time consuming process however, agencies can lessen the workload by involving Regional staff now.

A question was raised about denial of an extension request. Many committee members felt that the Department should represent that decision to the client. Questions regarding the W-2 agency's role and the client's right to appeal the decision need to be answered. A dispute resolution process for an extension denial has not been developed yet. Mary Ann Cook stated that to decide if a person needs help based on an agency's failure to do their job is unfair. Committee members expressed concern that multiple barriered individuals will be denied an extension. The Department does not make a decision for an extension request based on whether or not an agency served the individual appropriately. The decision is made based on whether the client has made appropriate efforts to secure employment, local labor market conditions, and the existence of severe barriers (this information is contained in Administrator's Memo 99-04).

Jim Nitz stated he saw a need for dramatic improvements in the process to reduce the amount of time needed to address these extension requests. Margaret acknowledged that currently the numbers approaching their time limits are high, however, there has been movement in some cases. Early intervention is successful in finding alternatives and we must all work more closely together to address these cases. Ed Kamin questioned whether we are meeting the customer's needs when a population exists that the 24-month time limit should not apply to, i.e., families with disabled children. He supports a process redesign that allows the W-2 agency to grant an extension. The door is open for an extension process redesign. However, Wisconsin does not want to replicate the process of other states where thousands of cases are being exempted or extended. In addition, legislative action would be required to change the 24-month time limit and the Department must have adequate information to support any legislative change.

Michael Van Dyke stated that the committee would feel less anxiety regarding the extension request process if they knew how decisions are made, including what factors and criteria are used to make the decision. Deb Hughes agreed that a description of the process including what the Department expects from the agency and from the participant would be helpful. The application for an extension request has been updated to include additional information needed to make the decision.

Rosa Dominguez and Mary Ann Cook cited examples that involved mental health issues as cases that were out of their control in some circumstances. It was questioned whether waiting for a doctor's letter could be considered failure to serve. Diane Hausinger advised agencies to be more assertive with the medical community.

Issue/Discussion: Monthly CARES Report Update, Tim Hineline, DES/BWI

See attached report. Tim Hineline indicated that the SSA State On-Line Query (SOLQ) will pilot in Dane County. In response to a question regarding Community Reinvestment, Tim stated automation for Community Reinvestment is not complete but agencies can provide services. There will be a software freeze from 11-1-99 to 1-1-2000.

Issue/Discussion: Job Access Loans, Jane Jilk, DES/BWI

Jane Jilk addressed questions from the committee regarding Job Access Loans. Money received from tax intercept for repayment of JALs will be returned to the W-2 agency. Amounts recovered during the current contract period will be available in the next contract period for agencies that continue as the W-2 provider.

Counties with excess dollars in this contract period can deobligate to those with insufficient JAL funds. Gordon Bond sent e-mail to Regional offices requesting that agencies notify him if they wanted to deobligate any funds to other counties. Shirley Ross requested clarification of the deobligation process and that the cycle status of repayments be shared with agencies.

Clarification was requested on how JAL allocation amounts were decided for the upcoming RFP. Ginevra Ewers stated that the JAL allocation amount was determined by taking a portion of the total available budget, not through an examination of how much spent in the current contract period. The collection of existing loan funds varies by agency and continues to be a source of funding. In addition, Community Reinvestment funds can be used as a loan type program.

Jean Rogers clarified that current expenditure patterns are not indicative of future ones. Rosa Dominguez expressed concern that at the onset of the W-2 contracts, utilizing JAL funds was seen as a punishment and the policy seemed restrictive so agencies may not have taken advantage of them as much. Jean Rogers agreed that more is known now about the uses and purposes of JALs and collections have improved. However, the amounts are set. The Department will disseminate information regarding where agencies stand with repayment and available balances.

Issue/Discussion: Monthly Training Update, Germaine Mayhew, DES Training Section

Geri Mayhew distributed the DES Training Report for April 1999 and referred to this document to highlight some recent accomplishments of the Training Section. Development of curriculum for BadgerCare training is on schedule with a delivery date of June 7, 1999. A new series of Enhanced Case Management courses directed toward supervisors has been initiated. "Developing Leadership for Supervisors" and "Agency Discretion and W-2 Policy" are currently being offered. Welfare to Work training is scheduled for the end of the third quarter with sessions in Milwaukee, Madison and Eau Claire. The Milwaukee Regional Training Manager position will be filled soon.

Issue/Discussion: Community Reinvestment and TANF Definition of Administration, Ginevra Ewers, DES/BMO

Ginevra Ewers addressed the fact that two steps will take place in the near future regarding Community Reinvestment. The calculation of the 10% unrestricted profit associated with the requests received from the agencies in Nov. 1998 is being processed in the next CARS run and should be issued in the July payment. In addition, the document that moves funds from the current
W-2 contract to the Community Reinvestment reporting profiles will be issued within a week.

Ginevra identified challenges faced due to the Community Reinvestment time period which begins no earlier than 10-1-98 providing the activity is in an approved CR plan and ends 12-31-01. A transition will need to occur for agencies that are the W-2 contractor in the current contract period but are not in the 2000-2001 contract period. However, rules for spending the funds are the same.

At the Financial Management Conference, Gordy Bond shared the CR reporting profiles. All of these funds are TANF so the CR categories are similar to W-2 reporting. Some additional CR categories have been identified from the CR plans including housing, mental health/AODA and domestic abuse. These categories have been added more for information gathering purposes than for federal reporting purposes. The reporting profiles agencies receive are brief and refer to the approved CR plan for more detail.

Ginevra also addressed the new TANF definition of Administration and stated that based on reporting to date, this should not be a reason for concern. The definition requires a 15% administrative cap, which includes eligibility. The State has been reporting a portion of TANF eligibility in the administrative cap by using a program caseload count and Wisconsin is currently well below the 15% cap. The Department proposed providing a mechanism for agencies to break down this information locally. The committee agreed they would like to have access to this information. This break down process will be shared with agencies for the RFP process. The Department will continue through 1999 at the current 10% administrative cap, starting the 15% cap at the beginning of the new contract effective 1-1-00. Community Reinvestment contracts will also start out under the current definition of administration at 10%.

Jim Nitz raised the issue of labor costs within a subcontract for a county to determine eligibility. He also questioned if the effect on private agencies had been reviewed. Ginevra replied that regardless of the type of agency the same set of activities is done for eligibility determination. It is not clear how that would result in a remarkable difference between private and public agencies. Jim requested that if the Department finds the process has a negative impact and the State goes over the allowable cap, the allocation process should be spread out statewide.

The federal definition of eligibility is included in the RFP. Jim Nitz asked if there could be a discussion to define eligibility. Jean Rogers indicated we can explore whether we have it defined to our benefit. Committee members expressed concern over how much of a FEPs time should be charged to eligibility. Meetings are scheduled on both a national and regional basis to clarify the final TANF regulations. In addition, issues can be addressed at the Proposer Agency Conference on June 17.

In summary, Ginevra stated the CR contracts, which are amendments to current W-2 contracts, would be issued within a week. Diane Hausinger asked whether counties that did not submit CR plans could have access to other agencies CR plans. Copies of the CR plans are available in the central office in BEPO. Summaries of the CR plans are available in the procurement libraries in the Regional offices and the central office. A question was also raised regarding submitting amendments to approved plans. Agencies that have approved CR plans will receive a document specifying the process for requesting amendments. Amendments would be submitted through the Regional offices.

Issue/Discussion: W-2 Appropriation (Jul – Dec 99), Jean Rogers, DES and Ginevra Ewers, DES/BMO

Contract fund amounts are based on budget assumptions. There is no plan at this time to change contract fund amounts for the remainder of calendar year 99. There is also no indication of legislative movement to change that.

Committee members questioned what TANF funds the Assembly passed to reduce property taxes. Since TANF funds are replacing GPR dollars for some initiatives proposed in the budget, GPR dollars can be used for something else such as the proposed property tax reduction. The question was raised regarding the possibility of using State GPR as match. Jean Rogers stated this was not a possibility as the freed up funds have already been budgeted for other programs.

The difficulty in meeting the criteria for federal Welfare to Work dollars was also discussed. Jan Van Vleck indicated that the Department of Labor has submitted a reauthorization bill adding a food stamp and Medicaid attachment that would expand the target population.

Issue/Discussion: Overview of W-2 RFP Public Comment Process, Jude Morse, DES/BMO and Greg Smith, ASD

Jude Morse introduced Greg Smith, Finance Director for the Department and Acting Procurement Director. Jude thanked those who participated in the public comment period. The Department received over 700 comments from W-2 agencies, legislators, LAW, advocacy groups and others so there was a wide variety of perspectives in the suggestions and comments.

Many changes were made to the RFP document as a result of the comments. Comments relating to the Performance Standards including making them more understandable, clarifying the basis used to establish them, concerns over unknown situations in the future and separating FSET and W-2. To address these issues, changes were made to clarify

and simplify the Performance Standards with DOA's assistance, footnotes were added explaining how the standards were formulated, a risk protection mechanism for the future was included and an explanation of the inclusion of FSET and W-2 was added.

Committee members were reminded that specific questions could not be addressed at this meeting but could be submitted for the Proposer Agency Conference. Jim Nitz asked if there was a change in meeting the benchmarks and was referred to page 33, section 6.8.2 Requirements. Phyllis Bermingham questioned whether the document addresses an agency with unspent allocation and was referred to page 32, section 6.7.3 Reimbursement Claim. Mona Garland asked what led up to streamlining the process. It was her understanding that more input was allowed in the previous RFP process. Jude stated that the first document was developed at a time when the program was still being designed. Meetings were held to comment more on program design than RFP design. The focus of this RFP is as a procurement document. Refer to page 25, section 4.6 Deviations and Exceptions; page 20, section 3.15 Contract Interpretation; page 21, section 4.1 Contact Point and Clarification of Specifications and Requirements.

The question was raised whether the cover letter was part of the RFP and it was clarified that it is not part of the document. Ed Kamin asked for clarification regarding new policy and was referred to page 32, section 6.5 Policy Change. Comments related to funding levels included concerns over the decreased allocation, the inclusion of BadgerCare, Contingency Fund access and the timeframe for replying to Contingency Fund requests. Refer to page 96, Funding Level Supplement(s) and page 10, Funding Available. Teresa Pierce expressed concern over the administration of BadgerCare being included in the RFP when the funding for BadgerCare is in the IM allocation. Committee members asked for clarification of the BadgerCare functions and roles for IM agencies and W-2 agencies. Refer to page 57, section 7.2.9.1 Medicaid/BadgerCare. Questions and concerns such as these should be submitted to Jude Morse by June 9, 1999 to be addressed at the Proposer Agency Conference scheduled for June 17, 1999.

The role of the W-2 Contract and Implementation Committee in the RFP process is clarified on page 94. In addition, the committee was referred to page 10, section 3.11 Funding Available. The committee has as one of its functions a role in developing recommendations for criteria for accessing the Contingency Fund by July 30, 1999. The Department will consider the recommendations of the committee and issue the criteria. Mary Ann Cook, Rosa Dominguez, Mona Garland, Deb Hughes, Ed Kamin and Tina Koehn volunteered for the Contingency Fund workgroup.

Issue/Discussion: Next Meeting, Jean Rogers

Jean Rogers shared the request of the IMAC to schedule their meeting the same day as this committee's meeting in June due to the Proposer Agency Conference on June 17, 1999. The committee agreed to conduct a joint meeting with IMAC on June 18, 1999 from 9:00 AM to 2:00 PM.

NEXT MEETING DATE:
June 18, 1999
***9:00 AM* – 2:00 PM**
101 S. Webster Street, GEF 2, Room 27
Madison, WI 53707

RECENT AND UPCOMING CARES CHANGES OVERVIEW
Issued May 21,1999

Major Initiatives: Completed or in Progress	DATE	BACKGROUND
FPL Mass Change	5/1	The FPL mass change for child care was successfully run over the weekend of 5/1/99
Clocks	5/99	The next portion of clocks to be implemented are clock notices at 20 and 23 months of job clocks. Also logic will be added for job clock extensions. These changes will be implemented during April and May. Agency will be notified when the changes are implemented.
Driver Flow Fixes	5/3	The problem of getting stuck on clearance screens when a W-2 review (ASCO) is initiated has been fixed. No new calls have been received by the Help Desk in the last two weeks regarding this problem.
BadgerCare	7/19/99	Although BadgerCare will be effective on 7/1/99, it will be implemented in CARES beginning 7/19. At this time, we are completing the writing of test scenarios. State staff testing will begin on 5/24. Train-the-trainers has been completed. Worker training will be in June; training announcements will be arriving soon if they haven't already been received.
Food Stamp EBT	10/1/99	There has been a change in direction in that MA benefits and FS benefits will not share the same swipe card at this time. However, the implementation schedule remains the same. The Rock County pilot is scheduled to begin operation in 10/99 with full roll out beginning after January 2000.
Pro-Rated/Wage Paying CSJs	10/99	The automation of the pro-rated and wage paying CSJs will be put into CARES in October 1999.
Major Fatals	Ongoing	Research continues on fatals, which occur when there are a large number of unconfirmed rows on AGEC. Also, work is continuing to reduce the overall number of fatals and abends. The overall number of fatals and abends which are occurring has decreased to under 100 per week. The average daily transaction count is over a million transactions per day.
Client Registration – Clearance	No date set	We are researching the various causes of duplicate PINs and exploring solutions to reduce their occurrence. We are also researching the best method of resolving duplicate PINs when they do occur.
Community Reinvestment	On-Hold	A preliminary review of options was conducted by DES. A meeting will be held with R&S to determine federal reporting requirements. Once an option and reporting requirements are determined, Deloitte Consulting will be asked for an estimate to implement in CARES.
Major initiatives: In Planning/Development		
SSA State On-Line Query (SOLQ)	5/99	SSA has expanded the pilot phase of the SOLQ to include Wisconsin. The necessary query screen and audit trail is being programmed in CARES. The pilot counties have not yet been announced. The query will be limited initially to state and county staff. SSA is not allowing private employee access at this time. Analysis to determine security requirements in CARES to limit access to state and county staff has started. Access should be available to pilot counties sometime in early to mid May.
Simulation for Benefit Recovery		The state and agency staff held a second meeting on 4/28/99. Significant progress was made in prioritizing the changes to notices that the group had identified. Some of the changes have had service requests written to begin work on them and will be completed, as resources are available.