AN ACT to renumber 49.143 (3g) (a) 1., 2., 4., 5. and 6.; to renumber and amend 49.143 (3) and 49.143 (3g) (a) 3.; to consolidate, renumber and amend 49.143 (3g) (a) (intro.) and (b); to amend 49.143 (3) (title); and to create 20.435 (4) (bt), 49.143 (3) (b), 49.79 (7r) and 49.79 (9) (f) of the statutes; relating to: payments based on performance for Wisconsin Works and FoodShare employment and training program contractors and making an appropriation.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1g. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

<table>
<thead>
<tr>
<th></th>
<th>2017−18</th>
<th>2018−19</th>
</tr>
</thead>
<tbody>
<tr>
<td>20.435 Health services, department of MEDICAID SERVICES (bt) Healthy eating incentive pilot program</td>
<td>GPR C</td>
<td>425,000</td>
</tr>
</tbody>
</table>

SECTION 1k. 20.435 (4) (bt) of the statutes is created to read:

20.435 (4) (bt) Healthy eating incentive pilot program. As a continuing appropriation, the amounts in the schedule to contract with an entity to administer the healthy eating incentive program under s. 49.79 (7r). No moneys may be expended under this paragraph after December 31, 2019, except for moneys encumbered on or before that date.

SECTION 1m. 49.143 (3) (title) of the statutes is amended to read:

49.143 (3) (title) PERFORMANCE STANDARDS, PERFORMANCE-BASED PAYMENTS, AND BONUSES

SECTION 2. 49.143 (3) of the statutes is renumbered 49.143 (3) (a) (intro.) and amended to read:

49.143 (3) (a) (intro.) The department shall establish performance standards for the administration of Wisconsin works Works. If a Wisconsin works Works agency does not meet the standards established under this subsection, the department may withhold or recover any or all payment from the Wisconsin works Works agency. Performance standards under this paragraph shall be based on all of the following criteria:

SECTION 3. 49.143 (3) (b) of the statutes is created to read:

49.143 (3) (b) The department shall create and implement a performance-based payment system for all contracts under this section based on the performance standards established under par. (a).

* Section 991.11, WISCONSIN STATUTES: Effective date of acts. “Every act and every portion of an act enacted by the legislature over the governor’s partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication.”
SECTION 4. 49.143 (3g) (a) (intro.) and (b) of the statutes are consolidated, renumbered 49.143 (3) (c) and amended to read:

49.143 (3) (c) The department shall base any performance bonus calculation that it makes for Wisconsin Works agencies on all of the following performance criteria: (b) established under par. (a). The department may not base any performance bonus payments on caseload decreases, or reduced spending by the Wisconsin Works agency, that are not directly attributable to placement of participants in unsubsidized employment.

SECTION 5. 49.143 (3g) (a) 1., 2., 4., 5. and 6. of the statutes are renumbered 49.143 (3) (a) 1., 2., 4., 5. and 6.

SECTION 6. 49.143 (3g) (a) 3. of the statutes is renumbered 49.143 (3) (a) 3. and amended to read:

49.143 (3) (a) 3. The job retention rate, as defined by the department, at periodic intervals after placement of former participants in Wisconsin Works employment positions.

SECTION 6p. 49.79 (7r) of the statutes is created to read:

49.79 (7r) HEALTHY EATING INCENTIVE PILOT PROGRAM. (a) The department shall establish and implement a 10–month pilot program to provide 2,000 households that are eligible for food stamp program benefits in both urban and rural areas with discounts on fresh produce and other healthy foods at the point–of–sale at participating retailers.

(b) The department shall obtain and review proposals to administer the program under par. (a) in accordance with the department’s request–for–proposal procedures and according to criteria developed by the department. After reviewing the applications submitted, the department shall select an applicant and enter into a contract with that applicant to administer the program under this subsection. In administering the program, the selected applicant shall do at least all of the following:

1. Manage all financial transactions between and among participants, retailers, food manufacturers, and the department.

2. Establish an adequate network of participating retailers to effectively conduct the pilot.

(c) The department shall contract with an independent research entity to conduct a study of the program established under this subsection. The department shall identify a statistically significant number of participants in the pilot program to provide food purchase, nutritional, and health data to the independent research entity. The research entity shall analyze the efficacy of the pilot program in affecting food purchases and the health of participating families.

SECTION 7. 49.79 (9) (f) of the statutes is created to read:

49.79 (9) (f) 1. Subject to subd. 3., the department shall create and implement a payment system based on performance for entities described in par. (a) that perform administrative functions for the employment and training program under this subsection. The department shall establish performance outcomes for the payment system under this paragraph based on all of the following criteria:

a. The placement of participants of the employment and training program under this subsection into unsubsidized employment.

b. Whether the placement under subd. 1. a. is full time or part time.

c. The job retention rate, as defined by the department, at periodic intervals after placement of former participants in the employment and training program under this subsection.

d. Wages and benefits earned by former participants in the employment and training program under this subsection.

e. Appropriate implementation of the employment and training program under this subsection.

f. Customer satisfaction.

2. The department shall ensure that the payment system under this paragraph does not effect the moneys available for supportive services for participants in the program under this subsection.

3. If approval by the U.S. department of agriculture is required to implement the payment system and the U.S. department of agriculture does not approve, the department may not implement the payment system under this paragraph.

SECTION 8. Initial applicability.

(1) PAY FOR PERFORMANCE; WISCONSIN WORKS AND FOODSHARE EMPLOYMENT AND TRAINING PROGRAMS. The treatment of sections 49.143 (3) (title) and (3g) (a) (intro.), 1., 2., 3., 4., 5., and 6. and (b) and 49.79 (9) (f) of the statutes, the renumbering and amendment of section 49.143 (3) of the statutes, and the creation of section 49.143 (3) (b) of the statutes first apply to contracts that are entered into or renewed on the effective date of this subsection.