



Working With WIC Retailer Bulletin

DIVISION OF COMMUNITY NUTRITION

February 2014

Message from Mike

Looking back, 2013 was not only a very productive year for the Virginia WIC Program, but also a historic one. We were the first state to provide direct assistance to Value Added Resellers (VARs) in order to prepare for WIC food benefits being purchased via electronic benefits transfer. On November 18, Virginia became the first state to pilot the Crossroads system, a State Agency Model (SAM) Management Information System (MIS) for WIC, which also included electronic benefits. But, most importantly, we provided nutritious food benefits to over 200,000 women, infants, and children. The WIC Program continues to serve nearly 50% of all pregnant women in Virginia. We should never forget that this is our true goal: to provide sound nutrition counseling and nutritious supplemental foods to ensure healthy pregnancies and child development to those at risk. This is the strength of the WIC Program.

So what is on tap for 2014? As most should know by now, we begin the Crossroads/eWIC systems rollout for the rest of the state March 3, 2014 starting in the eastern part of the state. Please visit our website for the scheduled rollout dates. These new systems allow the WIC Program to issue electronic benefit transfer cards in order to pay for foods purchased by eWIC cardholders. It will take considerable effort by all to accomplish this task (as well as patience and calmness, which brings to mind the World War II quote "Keep Calm and Carry On")! I have no doubt that we will succeed!

Also, the Virginia WIC Program is taking the lead in forming a Crossroads User Group. Crossroads was developed in part-

nership with West Virginia, North Carolina, and Alabama. Now that the system is in use, other states can begin to adopt Crossroads for their use (think California, New York, as well as the U. S. territories like Puerto Rico, etc). As more and more states begin to use Crossroads, there needs to be rules in place for changes and enhancements. I can assure you that the Virginia WIC Program will continue to provide strong leadership in directing the User Group to ensure all of our needs continue to be met. This leadership role is vitally important as the United States Department of Agriculture (USDA) has made it clear that in the future, states that have adopted a SAM system, and are active in user groups will receive the highest priority in project funding.

The Virginia WIC Program is recognized by many as being one of the best in the country. States will continue to look to us to lead them into the future, and because of a great team, we are prepared to lead. Like any championship team, you have to have great players. I thank all of you, including our retail store partners, for being great players on a championship team.

There is no doubt that 2014 will be a great year!!!!

Michael J. Welch, Ph. D.
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IMPORTANT: Similac Formula Changes

In March 2014, Abbott Nutrition will launch their Similac OptiGRO infant formulas, which could become available to some retailers later that same month. If a participant presents a WIC Food Instrument that prescribes Similac Advance, either Similac Advance or Similac Advance OptiGRO for the specified type, form, and size stated can be purchased.

Abbott Nutrition plans to introduce the Similac Advance powder formula as three separate products: Stage 1, Stage 2, and Stage 3. The Similac Advance powder formula (12.4 ounce) will be discontinued and replaced with Similac Advance

Stage 1 powder formula (12.4 ounce), which will be approved by the Virginia WIC Program. The new products, Similac Advance Stage 2 powder and Similac Advance Stage 3 powder, will **not** be approved by the WIC Program. Similac Advance concentrate will continue to be approved and prescribed by the WIC Program.

Abbott Nutrition also plans to reformulate their Similac Sensitive formula. This reformulated product no longer qualifies as a primary infant formula. Over the next several months, you should see a noticeable decline in participants purchasing Similac Sensitive formula.

How is the eWIC Pilot Going?

On November 18, 2013, the Virginia WIC Program launched the pilot of eWIC to manage WIC food benefits via electronic benefits transfer. The eWIC system, developed and operated by Xerox, was piloted in the Crater Health District, which consists of eight WIC clinic sites and 20 retailers serving 4,500 participants. The purpose of the pilot is to observe eWIC operations from clinic, retailer, and participant perspectives and gather “lessons learned” for improvements in statewide rollout.

Feedback from participants, retailers, and the Health District has been extremely positive. As with all pilots, some workflow and minor system bugs have been identified and addressed. One major point of feedback from participants is that they are anxious for stores outside the pilot area to start accepting the eWIC benefit card. As you may suspect, many participants shop in surrounding communities.

Several retailers located in the pilot area were surveyed and all of them indicated that once the learning curve was conquered, eWIC provides a better shopping experience for participants. One store manager commented that “eWIC is a lot faster”, reflecting on the streamlined checkout process. The need to keep track of paper food instruments by participants is gone! Retailers are thankful that they no longer have to handle paper food instruments and can avoid many risks associated with them, such as returned check fees.

Store personnel also offered some lessons learned based on their pilot experiences. “The more training the better, before going live” was one suggestion. Here are several additional lessons learned:

- Ensure that each retail store has demonstrated their ability to accept eWIC before the go-live date.
- Maintain an accurate, up-to-date list of eWIC enabled retailers statewide.
- Expand test buys to include transactions from each of the following categories: formula, food benefit, and cash value benefit.
- Provide enhanced training at the WIC clinics for participants regarding the available benefit balances, allowable foods, redemption procedures, and enabled stores. **(The new eWIC Cardholder DVD has been distributed to all WIC Health Districts and is being made available from the WIC website.)**
- Provide clinics, participants, and retailers a list of information needed by the State WIC Office to research benefit redemption issues (i.e. store location/address, product UPC, product quantity, balance inquiry receipt, etc.)
- Expand communication with retailers to emphasize procedures for timely APL downloads, Universal Product Code (UPC) or Produce Lookup (PLU) modifications, cashier responsibilities (specifically differences between paper Food Instruments and eWIC food benefits, mixed basket, etc.), and PLU redemptions.
- Work with individual retailers in advance of each rollout to ensure all allowable products, including fruit and vegetable PLUs, are accurately entered into eWIC.
- Provide retailers with a list of contacts including State WIC Office representatives for critical and time-sensitive issues.



Based on the results so far, the Virginia WIC Program is moving full speed ahead with fully implementing eWIC in all stores!

Please contact your assigned Vendor Liaison if you would like to arrange for an onsite visit after eWIC rollout for your store

eWIC Daily Reconciliation

eWIC transaction reconciliation is an important part of a retailer’s daily activities. Transactions that are executed before the daily cutoff time, currently Noon (EST), will be processed and posted that same business day. Transactions that are executed after the cutoff time will post the following business day. Daily monitoring and reconciliation of eWIC transactions help to ensure that a retailer is being correctly and promptly reimbursed for all eWIC transactions that were accepted in their store. If you use a Xerox stand-beside device, it is important to run the Retailer Total Report to identify all eWIC transactions submitted for payment. Conversely, if you use a different method (i.e. integrated Point of Sale system) to submit your eWIC transactions, check with your Value Added Reseller or corporate office to determine the best way to identify the daily eWIC payments being made to your store.

Not-To-Exceed (NTE) Prices

As part of the eWIC reimbursement process, a NTE is set for each Universal Product Code (UPC) in the Approved Product List (APL). The NTE price establishes the maximum reimbursement amount allowed by the program for each food item purchased using an eWIC benefit card. For each eWIC transaction processed, the NTE of each UPC is compared to the actual purchase price entered in the transaction. If the purchase price is less than or equal to the NTE, then the retailer is fully reimbursed for the actual purchase amount submitted. If the purchase price is greater than the NTE, then the retailer is reimbursed at the NTE amount. The printed receipt will also indicate when the NTE is exceeded for an item -- the item price will contain an identifying notation, and the "WIC total" will show an amount less than the "Total Requested" amount. During initial rollout, please contact your Vendor Liaison if you have a question about your current NTE for an particular food item.

Universal Product Code (UPC) Changes

UPC maintenance is an important part of a successful eWIC program. WIC staff has actively collected UPCs and Produce Look up (PLU) codes in advance of the statewide eWIC rollout. Retailers are encouraged to contact the State WIC Office if they would like to verify their UPCs are included on the APL (Approved Product List). If a retailer believes that a UPC for a WIC-approved product has been omitted or a UPC for an ineligible product has been included, they can email the proposed correction to "WIC_Retailer@vdh.virginia.gov." Along with sending this written notification, please also include an image of the label showing 12-digit UPC, product name, manufacturer, and size. All proposed corrections will be reviewed, and if approved, appropriate changes will be made to the APL. Please note that this process should only be used for correcting UPCs for currently approved foods. Proposed changes or additions to the current WIC Approved Food List should not be submitted to the State WIC Office at this time.



eWIC Program Compliance

While the eWIC rollout will result in significant program changes, most of the federally mandated requirements remain unchanged. As before, the WIC Program must continue to have an effective compliance program utilizing covert (undercover) visits to retailers as a tool to ensure integrity. So, while secret shoppers will continue to be utilized, the specific items being reviewed will change to reflect the new eWIC environment. For instance, since the eWIC benefit card and PIN will replace the participant's WIC ID folder and signature on an FI, this former requirement will no longer be checked during a compliance buy.

Prior to rollout, retail stores will be required to sign an eWIC Addendum to the existing Retailer Agreement. An updated Sanctions, Compliance, and Program Violations Schedule which reflects eWIC procedural changes also applies. Future compliance buys will be based upon this new Schedule. If you have any questions about compliance buys for eWIC, please contact Alex Acharya (804-864-7811 or alex.acharya@vdh.virginia.gov).

Policy Change: WIC ID Folder

Cashiers are no longer required to confirm that participants possess a WIC ID folder when using their WIC Food Instruments. Due to the impending implementation of eWIC, which uses an eWIC benefit card and Personal Identification Number (PIN), an ID Folder will no longer be used by the program. Please use the QR code to view the official announcement pertaining to this change or contact Alex Acharya (804-864-7811 or alex.acharya@vdh.virginia.gov)





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☆☆☆ eWIC Is Coming ☆☆☆



The current eWIC rollout schedule is posted on the WIC Program's website under "What's New" for January 2014. Please see page 2 for more details.



"Whats New"

Minimum Stocking Requirements

Effective April 1, 2014, several important changes are being made to the Minimum Stocking Requirement (MSR):

1. Retailers must carry either **Similac Advance** or **Similac Advance (Stage One)** to meet the MSR. The quantity required has not changed; for concentrate the requirement is 34 cans and for powder the requirement is 9 cans. The UPCs for these products have not changed. The UPC for concentrate is 0-70074-56958-2 and the UPC for powder is 0-70074-55958-2.
2. Effective March 1, 2014, there will no longer be a MSR for either concentrate or powdered **Similac Sensitive** formula. Retailers will no longer be required to carry the Similac Sensitive formula product.

Retailers are encouraged to stock other Abbott Nutrition formula that do not have minimum stocking requirement based upon their store's sales patterns and customer demand. Please contact your assigned Vendor Liaison if you have any questions concerning these upcoming changes.