



TEXAS
Health and Human
Services



Texas WIC Vendor Quarterly Webinar

May 12, 2021

2:00 – 3:30 p.m. CT

Call-in: 1-877-820-7831

Passcode: 902437#



Welcome

Celeste Lunceford

Vendor Management and Operations (VMO)
Unit Director



Thank you, WIC Vendors!



VMO Updates

Compliance Oversight Branch

Cost Containment

Monitoring

WIC EBT Branch

Vendor Outreach Branch

Vendor Policy Updates

WIC Participant Survey Comments

Vendor Open Forum/Q&A



Compliance Oversight Branch

Kimberly Minty

Cost Containment – Team Lead



Compliance Oversight Branch

Submit a new [UPC webpage](#) updated

Verify it is not on the [APL](#).

Submit new UPCs:

by email: WICUPC@hhs.texas.gov

by fax: 512-341-4422 with updated, fillable [form](#)

Attach a clear picture of the item label(s) including:

Item name, size, UPC barcode, ingredients, & nutrition facts

Visit the [UPC webpage](#) for more info.



Compliance Oversight Branch

Least Expensive Brand (LEB) Food Update

Three new cheese types coming for FY22: Starting October 1, 2021

Provolone



Muenster



Swiss



LEB Change Request Forms should be submitted to WICLEB@hhs.texas.gov.

[LEB Webpage](#) updated.

Compliance Oversight Branch

WIC Allowable Food Substitutions

Temporarily in effect until further notice.

LEB Food Categories: Whole-Wheat Bread & Milk

NON-LEB Foods Categories:

Eggs & Whole-Wheat Pasta

Utilize substitutions when prescribed food items are unavailable.

[Temporary WIC Approved Foods](#) - Vendor News Flash



Compliance Oversight Branch

LEB Sales Monitoring

Sanctionable LEB Food categories	Temporarily Non-Sanctionable LEB Food Categories
Cheese Fluid and Frozen Juice Corn and Wheat Tortillas	Milk Whole Wheat Bread

Reminder: Non-sanctionable items will still receive a notification email and an offer of technical assistance.



Compliance Oversight Branch

Cost Containment – Review of NTE vs. MAR

Not-to-Exceed (NTE)	Maximum Allowable Reimbursement (MAR)
The maximum price that Texas WIC will pay for a food type.	A price limit derived monthly by Texas WIC's end-of-process month analysis of claims paid.
Enforced as a pre-payment edit.	Enforced as a post-payment monthly adjustment.
NTE adjustments reduce the reimbursement total to the vendor prior to payment (up-front).	MAR limit varies by competitive pricing classification TWICs (Price Region/Sales Volume Band) & PWICs.
Not dependent on TWIC/PWIC classification.	MAR for TWIC is 125% of the average price paid to each peer group. MAR for PWIC is 100% of statewide price average.

Compliance Oversight Branch

Cost Containment – NTE vs. MAR TWIC Example

Claim submitted for
1 lb. Cheese = \$5.25

EBT Not to Exceed Amounts Effective 2/22/2021

FOOD DESCRIPTION	MAXPRICE
WHOLE, SKIM 1/2% 1% MILK GAL	\$5.50
WHOLE, SKIM 1/2% 1% MILK 1/2 GAL	\$2.75
WHOLE, SKIM 1/2% 1% MILK QUART	\$2.00
CHEESE 1 lb	\$6.00
CHEESE 2 lb	\$12.00

Price Region	CAT/ SUB	Description	UOM	Band 1		Band 2		Band 3		Band 4	
				100%	125%	100%	125%	100%	125%	100%	125%
001	001-003	BUTTERMILK LOWFAT	1/2 gal	\$2.75	\$3.44	\$2.26	\$2.83	\$2.60	\$3.25	\$2.67	\$3.34
001	002-012	CHEESE	lb	\$4.37	\$5.47	\$4.21	\$5.26	\$4.13	\$5.16	\$4.14	\$5.18
001	002-013	CHEESE 8 OZ	pkg							\$2.50	\$3.13



Compliance Oversight Branch

Cost Containment – NTE vs. MAR PWIC Example

Claim submitted for
1 lb. Cheese = \$5.25

EBT Not to Exceed Amounts Effective 2/22/2021

FOOD DESCRIPTION	MAXPRICE
WHOLE, SKIM 1/2% 1% MILK GAL	\$5.50
WHOLE, SKIM 1/2% 1% MILK 1/2 GAL	\$2.75
WHOLE, SKIM 1/2% 1% MILK QUART	\$2.00
CHEESE 1 lb	\$6.00
CHEESE 2 lb	\$12.00

February 2021 EBT - PWIC Statewide Category/Subcategory Averages

Category Subcategory	Description	Unit of Measure	Statewide Average
001-003	BUTTERMILK LOWFAT	1/2 gal	\$2.62
002-012	CHEESE	lb	\$4.15
002-013	CHEESE 8 OZ	pkg	\$2.30
002-014	CHEESE 4 OZ	pkg	\$1.15



Compliance Oversight Branch

Kirk Moskey

Vendor Compliance Monitor



Compliance Oversight Branch

Monitoring

Vendors were notified on March 19, 2021, that in-store monitoring was resuming. Monitoring activities in your store might include covert compliance buys or virtual visits using technology.

See the [Vendor News Flash](#) posted online for more information.



Compliance Oversight Branch

Inventory Audits



What SUP				
	Jan	Feb	Mar	Total
1 What SUP				
2 Operating Cash Receipts Budget				
3				
4 Operating cash receipts				
5 Estimated repair hours				
6 Professional services revenue				
7 Product sales revenue				
8 Interest revenue				
9 Total revenue				
10 Current month collections				
11 1st subsequent month collections				
12 2nd subsequent month collections				
13 Operating cash receipts				
14				
15 Assumptions				
16 Pct. collections in current month				
17 Pct. collections in 1st subsequent month				
18 Pct. collections in 2nd subsequent month				
19 Product sales revenue in November				
20 Product sales revenue in December				
21 Hourly repair rate				
22				



Texas WIC Policy WV: 1.0, Section IV
Monitoring by Inventory Audit for procedural
requirements and sanction (three-year disqualification)

Compliance Oversight Branch

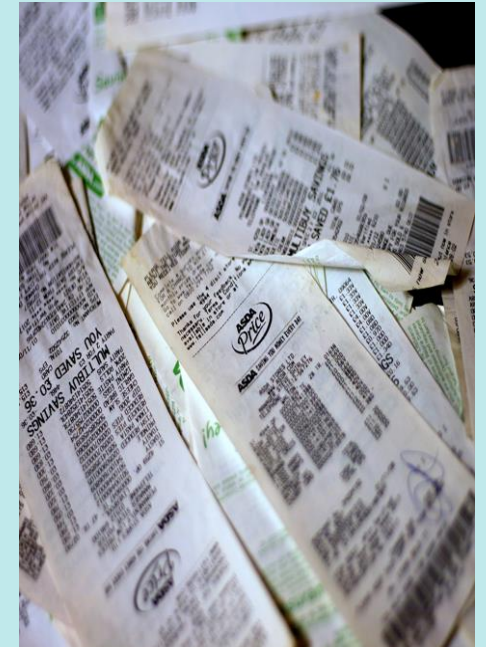
Inventory Audits

Examples of acceptable receipts/invoices:

- ▶ Purchase invoice.
- ▶ Your supplier/distributor can email an Excel spreadsheet directly to the requestor.
- ▶ Cash tickets (sales receipts) with store name and address.

Tips:

- ▶ Have receipts/invoices readily available.
- ▶ Write WIC on the back of receipts for your records.
- ▶ We will also need to see what was purchased on all receipts.
- ▶ Maintain all receipts for a minimum of 4 years.
- ▶ Send complete information.



Compliance Oversight Branch

Inventory Audits – Disallowance Scenario

UPC	Description	Size	60-Day Inventory Request Letter	Beginning Store Inventory	If requested – 20-Day Inventory Request Letter (Additional Inventory)	Total Inventory	Food Cost Report (Redeemed Items)	Quantity Difference	Food Cost Report - Paid Amount	Disallowance Amount
000000700 74559582	SIMILAC ADVANCE PWD	12.4 OZ	240 Items	10 Items	5 Items	255 Items	525 Items	270 Items	\$ 9,212.75	\$ 5,001.21



Compliance Oversight Branch

Inventory Audits - Disallowance Scenario

In the example, Texas WIC determined that an overpayment was made for WIC redemptions during an inventory audit. This holds a three-year disqualification period. The disallowance amount would be repaid to Texas WIC upon request.



Test Your Knowledge - COB

True or False

A disallowance is the result of Texas WIC overpaying a WIC vendor for WIC redemptions.

True - answer

False



EBT Operations



Duane Grabarschick

Systems Analyst - Team Lead



EBT Operations

Self-Checkout

May 2020

Two proprietary systems certified (1 national and 1 regional chain)

May 2021

Four proprietary systems certified (2 national and 2 regional chains)

Toshiba ACE self-checkout for independent retailers (TRUNO)

The self-checkout system may be WIC EBT certified but the store must be approved by Vendor Outreach Branch before transacting WIC through self-checkout.



EBT Operations

Online Ordering and Curbside Pickup

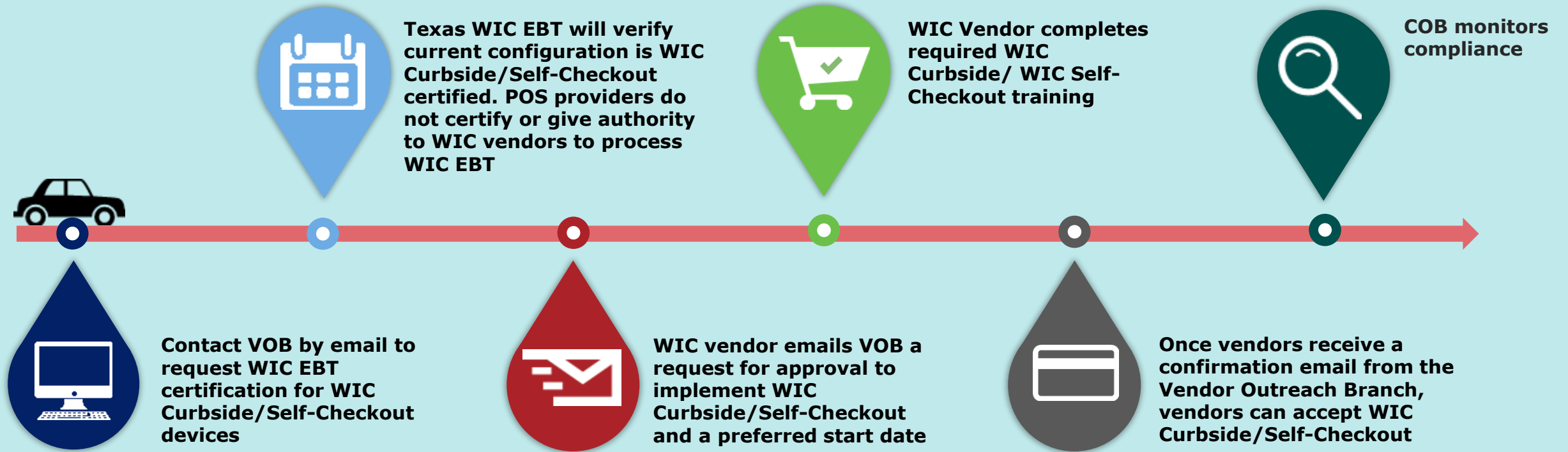
Some predominantly WIC vendors (PWICs) are offering curbside service now.

- ▶ Online ordering / curbside pickup
- ▶ Online ordering / in-store pickup
- ▶ Curbside transaction and pickup



EBT Operations

WIC Curbside/Self-Checkout WIC EBT Certification Process



EBT Operations

WIC EBT Curbside Informational Video



Find [WIC Vendor Training videos](#) on our website.

Test Your Knowledge - EBT

Which of these is the correct process flow for self-checkout/curbside implementation?

- A. Request VOB approval to implement; WIC-EBT Certification; WIC Vendor Training; Compliance Monitoring
- B. WIC Vendor Training; WIC-EBT Certification; Compliance Monitoring; Request VOB approval to implement
- C. WIC-EBT Certification; Request VOB approval to implement; WIC Vendor Training; Compliance Monitoring (ANSWER)



EBT Operations

Laurie Moore

EBT Operations

Accountant IV



EBT Operations

Claim Information

A claim is a group of transactions submitted to WIC for payment which contains transactions either from a single day or a cumulative group of transactions from multiple days.

In one claim, it is possible for Texas WIC to pay for some transactions while others are adjusted or rejected.



EBT Operations

Common Dispute Types

Late Claims

The deadline to submit a claim containing transactions for a specific month is the 15th of the next month. EX: The deadline to submit ANY transaction taking place in May would be June 15th.

Malformed Claims

Claims in which the formatting is incorrect in some way such as an improperly formatted date.

Claims Not Submitted

It is the responsibility of the vendor to communicate regularly with their POS provider to ensure all claims are submitted by the policy deadline.

If a claim is not submitted, WIC cannot pay it.



EBT Operations

Claim Disputes - State & Federal Requirements

- ▶ The USDA deadline to dispute a rejected transaction is 60 days after the date of the rejected transaction.
- ▶ Disputes over \$500 require USDA approval, which can lengthen the dispute approval and payment process.
- ▶ Claims rejected as “invalid signature” are not eligible for dispute. A signature is a string of data generated by the WIC Smartcard that uniquely identifies certain components of the WIC transaction.
- ▶ Per Policy WV: 05.0, Texas WIC is the sole arbiter of late or malformed claim disputes. Texas WIC’s assessments and resolution decisions are final and not subject to further appeal. Each dispute will be evaluated based on its merit. There is no guarantee the dispute(s) will be resolved in favor of the vendor.



Test Your Knowledge – EBT Operations

What is the deadline to submit a claim dispute?

- A. 60 days after the date of the claim.
- B. The 15th of the month following the transaction.
- C. 60 days after the date of the transaction. (ANSWER)
- D. 60 days after the vendor realizes they have not been paid.



Vendor Outreach Branch

Jody Ramey
Program Specialist



Vendor Outreach Branch

FY22 Reauthorization

On February 1, we emailed renewal packets to vendors who need to renew, this year.

Renewal packets were due **May 1, 2021.**

Interactive training and annual training is required by **September 30, 2021**, for each outlet.

WICVendorRelations@hhs.texas.gov or 1-800-252-9629



Vendor Outreach Branch

FY22 Reauthorization

TIP #1 - Food permit must be current.



TEXAS DEPARTMENT OF STATE HEALTH SERVICES
REGULATORY LICENSING UNIT

[Redacted]

Pursuant to Health and Safety Code Chapter 437 (Regulation of Food Service Establishments, Retail Food Stores, Mobile Food Units, and Roadside Vendors) and Title 25 of the Texas Administrative Code, and in reliance on statements and representations made by the licensee, the licensee shall be subject to all applicable rules, regulations and orders of the Texas Department of State Health Services now or hereafter in effect. The above licensee is authorized to engage in the following activities:

RETAIL FOOD OPERATION

Permit # [Redacted]
Expires: 04/21/2022

NON-TRANSFERABLE

John [Signature]
Commissioner

562460

TEXAS DEPARTMENT OF STATE HEALTH SERVICES
REGULATORY LICENSING UNIT

[Redacted]

Pursuant to Health and Safety Code Chapter 431 (Food, Drug, Device, and Cosmetic Act) and Title 25 of the Texas Administrative Code, and in reliance on statements and representations made by licensee, the licensee shall be subject to all applicable rules, regulations and orders of the Texas Department of State Health Services now or hereafter in effect. The above licensee is authorized to engage in the following activities:

FOOD MANUFACTURER

License # [Redacted]
Expires: October 1, 2022

NON-TRANSFERABLE


John [Signature]
Commissioner

635735

Vendor Outreach Branch

FY22 Reauthorization

INVOICE: 006704036 DIST: 406 EMPLOYEES: 2 PERMITS: 1

 **CITY OF HOUSTON
HEALTH DEPARTMENT**
832-393-5100 (phone) 832-393-5268 (fax)
CHS@houstontx.gov www.houstonconsumer.org

[REDACTED]

IN CONFORMITY WITH THE STATUTES OF THE STATE OF TEXAS, THE ORDINANCES OF THE CITY OF HOUSTON, AND THE REGULATIONS OF THE HOUSTON HEALTH DEPARTMENT IS GRANTED THIS

FOOD DEALERS PERMIT 1-9

FOR

ESTABLISHMENT TYPE: 100 DESCRIPTION: CONVENIENCE GROCERY - PACKAGED FOOD ONLY

DATE PURCHASED 07/01/2020


DATE PERMIT BEGINS 06/27/2020

DATE PERMIT ENDS 06/27/2021

ACCOUNT NUMBER [REDACTED]

THIS PERMIT IS NOT TRANSFERABLE
PROPERTY OF THE CITY OF HOUSTON
POST IN PUBLIC VIEW

Establishment ID Number [REDACTED] Permit Number [REDACTED]

 **TARRANT COUNTY
PUBLIC HEALTH**
ENVIRONMENTAL HEALTH DIVISION


This is to certify that the Establishment shown below has complied with the rules and regulations of this department, and is hereby granted permission to operate the type of establishment listed:

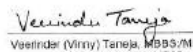
[REDACTED]

Food Store Permit less than 5000 sq. ft.
Additional Type (if Applicable): Grocery

THIS PERMIT IS VALID FOR THE PERIOD SHOWN BELOW, UNLESS SOONER REVOKED OR SUSPENDED FOR CAUSE.

08/11/2020 - 08/12/2021


David D. Johnson M.S., R.S.
ENVIRONMENTAL HEALTH MANAGER


Veerinder (Virvi) Taneja, MBS/MPH
PUBLIC HEALTH DIRECTOR

IN THE EVENT AN ESTABLISHMENT IS EXTENSIVELY REMODELED, A CHANGE OF OWNERSHIP OCCURS, OR THE NATURE OF THE OPERATION CHANGES, CONTACT
TARRANT COUNTY PUBLIC HEALTH AT 817-321-4960

**THIS LICENSE IS NOT TRANSFERABLE
DISPLAY PROMINENTLY AT THE PLACE OF BUSINESS**

Please forward the attached permit to the facility address shown above.
THIS PERMIT MUST BE PROMINENTLY DISPLAYED AT THE PLACE OF BUSINESS.

[REDACTED]

[REDACTED]

Vendor Outreach Branch

FY22 Reauthorization



TIP #2 – Application + Additional Documentation =
A Complete Packet

WIC Program Vendor Management and Operations
Vendor Application Checklist
This self-declaration certifies that the WIC Vendor Application is accurate and complete.

TIP #3 – Include account # and outlet # in email subject header.

TIP #4 – Follow reviewer's instructions for making corrections to maximize efficient processing.

Vendor Outreach Branch

For reauthorization, live interactive training and annual training is required by **September 30, 2021**, for each outlet.

Vendor Annual/On Demand [Training Catalog](#)

FY21 Annual Online/On Demand Trainings



Incentive Items: A Guide to Policy
WV:09.0



Policy WV:10.0 Training



LEB & Label Training



Understanding Cost Containment



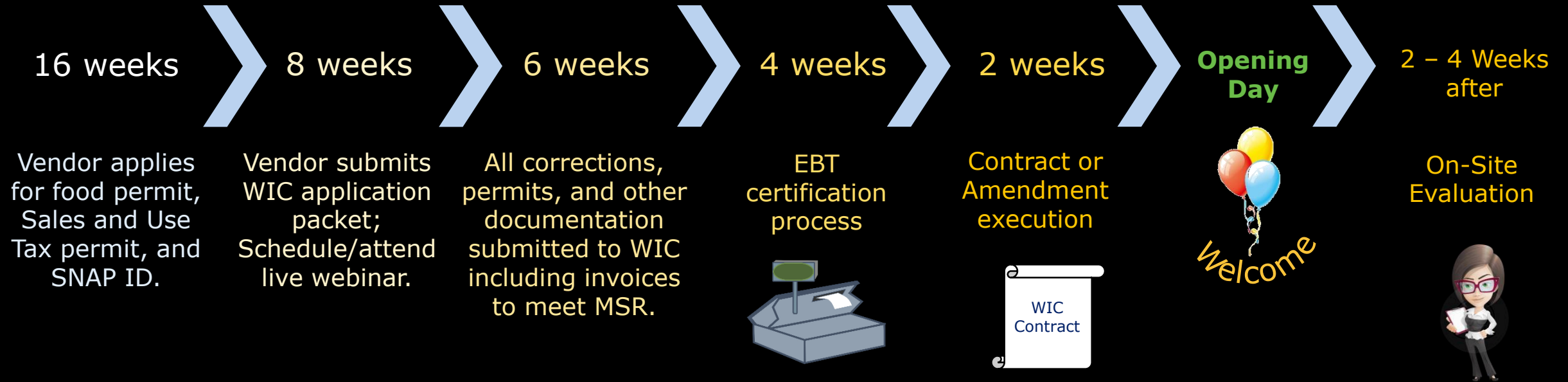
Store Manager Training



Vendor Customer Service Training

Live Interactive Webinar sessions typically on 2nd & 4th Wednesday

Application Process Timeline



EXAMPLES



Vendor Outreach Branch

Melody Hornback

Program Specialist



Vendor Outreach Branch

Vendor Materials

- Complete the [Vendor Materials Request Form](#).
- Click the “Submit Form” button at the end of the form or save the form and email it to WICVendorInfo@hhs.texas.gov.



Vendor Outreach Branch

Virtual On-Site Evaluation for Newly Authorized Vendors

- ▶ Texas WIC is now conducting Virtual On-Site Evaluations, since we are unable to travel to the stores in person.
- ▶ Virtual walk-throughs will occur within 2 – 4 weeks after initial authorization.
- ▶ In person On-Site Evaluations will resume within 90 days of the national emergency being declared as over.

[Policy WV: 10.0](#)



Vendor Outreach Branch

Minimum Stocking Requirements (MSR) Verification

- ▶ Vendors must submit invoices for *minimum stocking requirements only*.
- ▶ Invoices must show purchase or delivery of WIC items to that specific store.
- ▶ This meets WIC MSR review requirements.
- ▶ Stores (new accounts and outlets) will not be WIC authorized until these invoices have been received and verified by Texas WIC.



Vendor Outreach Branch

Jennifer Frasier

Branch Manager



Vendor Outreach Branch

Qualtrics WIC Participant Survey Results

39% of survey respondents are using the *myTexasWIC* mobile shopping app

A screenshot of the myTexasWIC mobile app login screen. At the top, there are logos for the State of Texas Health and Human Services and the TEXAS WIC program. Below the logos is a green button labeled "Scan Your WIC Card". Underneath this are three input fields: "19 digit WIC card number", "Password", and "First Name (optional)". At the bottom, there are three large, colored buttons: a blue "Login" button, a pink "New User" button, and an orange "Forgot Password" button.

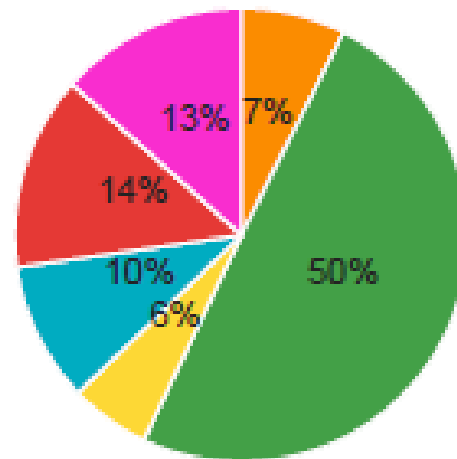
Vendor Outreach Branch

3rd Quarter

All WIC Vendors Qualtrics Survey Results (Jan. – Mar. 2021)

All WIC Vendors - Issues vs No Issues When Shopping

17728 Responses



- Other, please explain
- No Issues
- An item did not scan in the checkout line.
- I could not find one or more of my WIC items.
- I was confused about what foods or brands were allowed.
- The WIC items were not labeled correctly.



Vendor Outreach Branch

WIC Participant Survey Results

Comments regarding non-LEB food items*:
Survey respondents mostly requested...



*Yogurt is not part of minimum stocking requirements. Oatmeal can count towards the Whole Grain category of minimum stocking requirements.

Vendor Outreach Branch

WIC Participant Survey Results

Survey respondents report customer service issues in grocery stores:

- ▶ Locating WIC approved products
- ▶ Problems at checkout

Remember, USDA Federal Regulations state “The vendor must inform and train cashiers and other staff on WIC program requirements.”

Our current survey is limited to a handful of WIC vendors. An updated survey with store-specific feedback for more vendors is in the works.



Test Your Knowledge - VOB

LEB LABELING (Check all that apply)

Which food categories are Least Expensive Brands (LEBs) and need to be labeled with the pink WIC label?

- ▶ Milk
- ▶ Cheese
- ▶ Eggs (NO)
- ▶ Juice
- ▶ Cereal (NO)
- ▶ Whole Wheat Bread
- ▶ Whole Wheat or Corn Tortillas



Vendor Policy Update

Heather Claybrook

Analytics and Unit Support
Team Lead



Vendor Policy Update

Updated Policies: [Vendor News Flash](#)

Effective March 1, 2021 - **WV: 01.0**

WIC Vendor Agreement/Policy Violations

Key changes:

- Updated terminology
- Removed 24-month period an investigation must be completed



Vendor Policy Update

Updated Policies: [Vendor News Flash](#)

Effective March 1, 2021 - **WV: 2.0**

Least Expensive Brand Declaration

Key changes:

- Removed brown rice & dried beans as LEB
- Better organized sections
- Removed LEB sanction schedule – referenced in WV: 01.0
- Updated terminology



Vendor Policy Update

Updated Policies: [Vendor News Flash](#)

Effective March 1, 2021 - **WV: 9.0**

Vendor In-Store Promotions: Incentive Items, Discounts, and Coupons

Key changes:

- Better defined what is allowable and prohibited in-store promotions & incentive items
- Which allowable items require state approval



Vendor Policy Update

Updated Policies: [Vendor News Flash](#)

Effective March 1, 2021 - **WV: 10.0**

WIC Vendor Authorization

Key changes:

- No longer SNAP authorization required
- Updated competitive pricing to include how peer grouping is determined
- Updated competitive pricing selection criteria for all vendor types
- More clearly outlined vendors must meet selection criteria at all times

Visit the [Texas WIC Policy Webpage](#).



Wrap Up & Vendor Open Forum

Celeste Lunceford

Vendor Management & Operations
Unit Director



CELESTE'S WRAP-UP

We will continue to update vendors on USDA waiver end dates.

Temporary Benefit for Fruits and Vegetables*

From this June – September only (4 months), each eligible WIC participant receiving food packages 3-7 will each receive \$35 of fruits and vegetables.

*Fresh, frozen, and in approved containers per the Texas WIC Shopping Guide



Why we do what we do...

El Rancho

They were all marked correctly.

United
All good

Lone Star Family Market

I had no problems there. They always help me. I buy at the WIC store in San Marcos.

Nutritional Products of Texas

Friday was my first time. I was very nervous that I was going to the WIC store, but it was an excellent service they gave me.

Bryant's Market

They explained to me what products I could take, and I had no problem.

Grocery Services Inc.

The Pearland location is amazing! Always smells clean and the staff is so friendly. I've tried other locations and this one by far gets an A+.

Compliance Oversight Branch

LEB Forms/Questions:

WICLEB@hhs.texas.gov

Cost Containment/Peer Grouping Questions:

WICCostContainment@hhs.texas.gov

WIC Monitoring/Compliance Questions:

WICMonitoringOversight@hhs.texas.gov

Submit New UPCs for Addition to the Authorized Product List:

WICUPC@hhs.texas.gov



EBT Operations Contacts

Claim Payments/Reimbursements/Disputes, Drop Ship Vendors, and Direct Deposits:

WICEBTVendorRedemptions@hhs.texas.gov

General WIC EBT, Claims Processing/Reductions, WIC EBT Training Cards and Technical Issues, POS System Referrals, and WIC EBT/POS System Certifications:

WICEBTSupport@hhs.texas.gov



Vendor Outreach Branch

Contract Support, Contact Updates, Authorizations, Terminations, Amendments, & Applications:

WICVendorRelations@hhs.texas.gov

General WIC Questions, Requests for WIC Training, Technical Assistance, & Signage Approval:

WICVendorInfo@hhs.texas.gov



Questions and Answers (Q/A)

Q: How can I get a vendor application?

A: Email WICVendorRelations@hhs.texas.gov to request an application.

Q: Why do I have to send in the pictures/drawing of my store every time we apply for reauthorization?

A: All state and federal selection criteria must be reviewed every reauthorization period.



Thank you for your ongoing support of Texas WIC
and your continued efforts to ensure
Texas families are healthy families.

Next Vendor Quarterly Webinar

Aug 2021

