



Impact of WIC EBT Implementation on Vendor Compliance

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Massachusetts WIC Program

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Massachusetts WIC

- Massachusetts WIC completed statewide eWIC implementation October 2014.
- Current caseload 120,730.
- 959 Retailers statewide.
 - 332 Small Independent stores
 - 417 Chains
 - 210 Pharmacies
- Contract with Miles Investigations for Compliance Investigations .



Changes to Investigation Procedures

Scheduling is easier!

- Benefits are now loaded remotely.
- No need to send updated shopping lists to the investigator. The WIC Shopper App is used to obtain up to date benefit balances.
- eWIC cards issued to the investigator can be used for multiple stores and/or future investigations.



Changes to Investigation Procedures

- Benefit balance should appear to be like a normal participant/household's benefits. Be careful not to load too many benefits on an investigator card.

(With eWIC, stores have a tendency to run a balance inquiry at the beginning of the transaction).



Changes to Investigation Procedures

- Basic investigation procedures remain the same.
 - start with a “Safe Buy” or minor substitution.
- The investigator must ask for a receipt (this would be unusual with WIC checks).



Changes to Documentation

Basic documentation requirements are the same

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**MASSACHUSETTS WIC PROGRAM
COMPLIANCE PURCHASE REPORT**

DATE _____ DAY _____ Time In: _____ am/pm
Time Out: _____ am/pm

VENDOR NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

1. At the checkout counter there was _____ person(s) inline ahead of me
and _____ person(s) in line behind me.

CASHIER DESCRIPTION

Description of clerk: <input type="checkbox"/> Male <input type="checkbox"/> Female, Approximate Age: _____, Approximate Height: _____
Build: <input type="checkbox"/> Small <input type="checkbox"/> Medium <input type="checkbox"/> Large Hair Color: _____
Apparent Ethnicity: <input type="checkbox"/> White <input type="checkbox"/> Black <input type="checkbox"/> Hispanic <input type="checkbox"/> Asian <input type="checkbox"/> Middle Eastern <input type="checkbox"/> Other
Wore glasses: <input type="checkbox"/> Yes <input type="checkbox"/> No Other identifying characteristics: _____
Cashiers Name (if known): _____ Means of Determining Name: _____

Changes to Documentation:

New Requirements – Investigator must now record:

- UPC codes for all items purchased.
- How the UPC code was scanned:
 - the actual item was scanned
 - another item was scanned
 - the UPC code was scanned from sheet of UPC codes or from a cell phone.



Differences in eWIC Investigations

- With WIC checks, violations could occur without the involvement of the participant.
 - the store could fill in or alter the check amount after the investigator/participant left the store.
- With eWIC, once the investigator/participant leaves the store with the eWIC card, the transaction is completed.



Differences in eWIC Investigations

- WIC terminals in most cases are behind the counter. However, the transaction details can be viewed on the purchase receipt.
- Investigation results are in “real time”. With WIC checks, there was a wait time for the checks to be processed.
- No longer necessary to investigate unauthorized stores.



eWIC High Risk Identification

- Basic monthly dollar volume reports are still effective.
- In the “check world” many high risk indicators were based on check type.
- With e WIC , high risk indicators are mostly item/transaction based.



High Risk Identification

- With the implementation of eWIC, detailed transaction information is now available.
- MA WIC utilizes reports from the WIC Direct System (CDP/FIS) and in-house reports to identify high risk vendors.
- Reports include data related to sales patterns, product-mix, pricing, product UPC information, as well as unusual redemptions patterns by location, date and time.



High Risk Identification

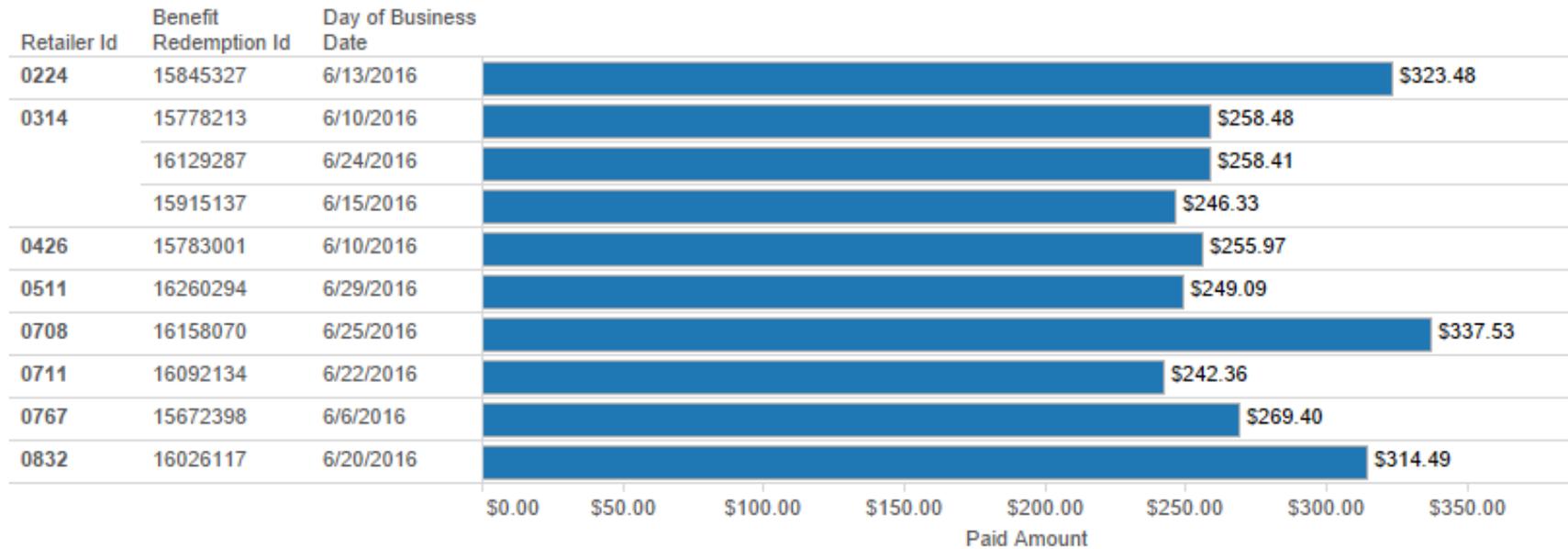
- In the WIC Direct reporting system, most reports can be edited. Fields can be added or removed.
- All reports can be exported into Excel.
- The ability to edit and export reports is necessary for any reporting system.



Sample Reports – Transactions Over \$100

213 - Transactions Over \$100 [June, 2016]

Select a month, peer group, and minimum Paid Amount on the right.



Redemptions (MA) Data Last Refreshed: 7/7/2016 9:21:19 AM

This report is reviewed for a pattern of high transaction amounts.

Sample Reports – Transactions Over \$100

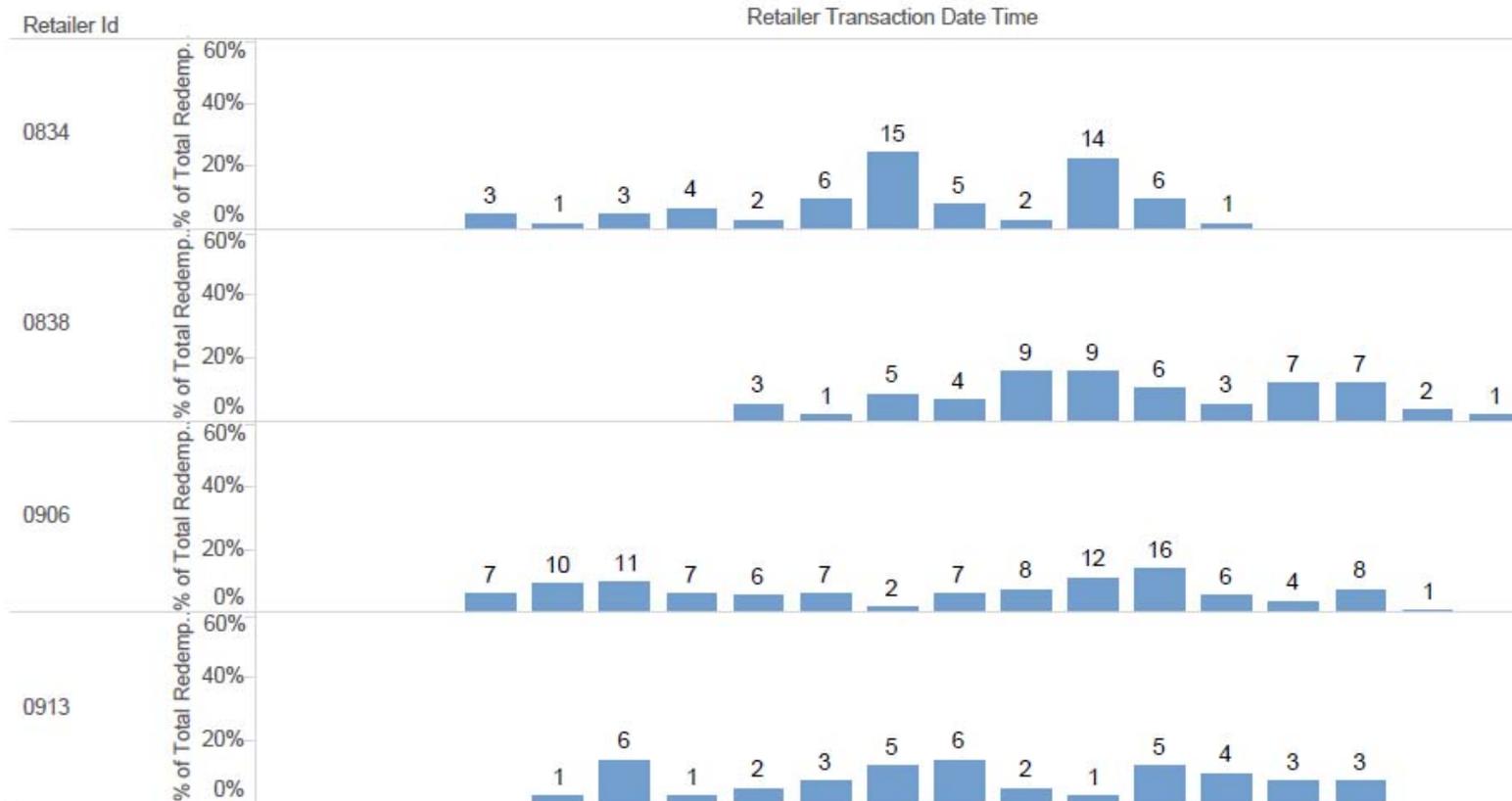
- The report can be exported to Excel and sorted by transaction amount (high to low) and vendor number.
- Review transaction details to determine if large amounts of infant formula is being purchased in relation to store type and/or the store is redeeming the full benefit balance in one transaction.



Sample Reports - Redemptions by Hour

402 - Redemptions by Hour

The data is based on the retailer's local time.



Review report for stores that have an unusual pattern of transactions in comparison to stores with comparable peer groups and/or in the same Geographic area/neighborhood.

Sample Reports – Retailers Generating NTE

204 – Retailers Generating NTE [June, 2016]

Select a benefit year/month and an NTE adjustment % on the right. The default is "last month".

Retailer Id	Retailer Peer Group	Redemption Transaction Count	Paid Amount	NTE Amount	NTE Adjustment %
5802	Peer Group 2	75	\$858.95	\$47.20	5.21%
1202	Peer Group 2	35	\$361.38	\$17.40	4.59%
5806	Peer Group 2	136	\$2,269.19	\$73.24	3.13%
5341	Peer Group 1	123	\$2,176.97	\$66.97	2.98%
1617	Peer Group 2	239	\$5,131.71	\$147.63	2.80%
0435	Peer Group 2	164	\$3,235.30	\$80.55	2.43%
6211	Peer Group 2	99	\$1,175.01	\$28.49	2.37%
2023	Peer Group 1	121	\$2,687.88	\$59.80	2.18%
0425	Peer Group 2	63	\$1,089.73	\$23.05	2.07%

Redemptions (MA) Data Last Refreshed: 7/7/2016 9:21:19 AM

Review report for large NTE Adjustment percentages. Note: Extremely high NTE adjustments could mean the store made an error using the quantity key on the stand-beside device.

Sample Reports – Retailers Generating NTE (detail)

204 - Retailers Generating NTE [June, 2016]

Select a benefit year/month and an NTE adjustment % on the right. The default is "last month".

Retailer Id	Item Desc	Redemption Transaction Count	Paid Amount	NTE Amount	Requested Amount
0425	Juicy Juice Cherry 64oz	1	\$4.29	\$0.60	\$4.89
	Kelloggs Corn Flakes 18oz	1	\$5.49	\$0.50	\$5.99
	Oakhurst 2 % Reduced Fat Mi..	1	\$3.07	\$0.22	\$3.29

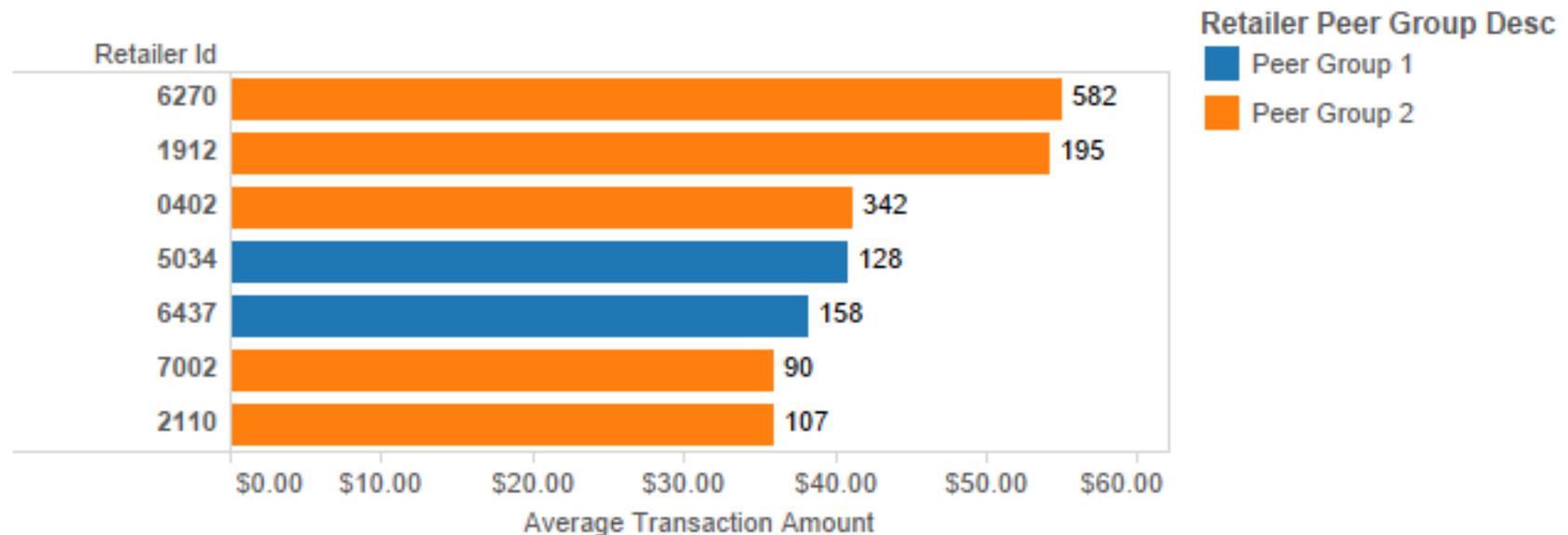
Redemptions (MA) Data Last Refreshed: 7/5/2016 9:21:00 AM

Stores routinely charging prices that were not approved can be terminated.

Sample Reports – High Avg. Transaction Amount

212 - High Avg Transaction Amt

Select a time frame and minimum average transaction amount on the right. The label shows the number of transactions.



Redemptions (MA) Data Last Refreshed: 7/6/2016 9:21:38 AM

Review report for stores that have an unusual pattern of transactions in comparison with comparable peer groups to determine if further investigation is necessary.

Sample Reports - Retailer Utilization

210 - Retailer Utilization [June, 2016]

Select a business year/month on the right. The household count is the number of shoppers.

Retailer Id	Household Count	Redemption Transaction Count	Settlement Amount	Transactions per Household
5555	300	766	\$22,374.05	2.55
5538	291	805	\$13,122.72	2.77
5539	247	530	\$14,153.55	2.15
3435	199	516	\$13,230.66	2.59
0705	184	412	\$9,687.40	2.24
0770	180	474	\$9,416.82	2.63
6236	156	373	\$9,676.63	2.39
3421	154	323	\$7,528.21	2.10
5554	149	333	\$8,461.60	2.23

Review report for stores that have an unusual pattern of transactions in comparison with comparable peer groups to determine if further investigation is necessary.

Sample Reports - Retailer Sales Profile

206 - Retailer Sales Profile [June, 2016]

Select a business year/month on the right. The default is "last month".

Retailer Id	Item Category Desc	Settlement Amount	Paid Amount % along Ite..	Price Per Unit	Redemption Transaction Co..	NTE Adjustment Count	Total Adjustment Amount	Retailer Peer Group
1937	Cheese or Tofu	\$149.76	4.42%	\$5.76	26	0	\$0.00	Peer Group 1
	Legumes	\$120.39	3.55%	\$4.15	28	0	\$0.00	Peer Group 1
	Infant Fruits and Vegetables	\$163.76	4.83%	\$14.89	11	0	\$0.00	Peer Group 1
	Eggs	\$114.61	3.38%	\$3.47	33	0	\$0.00	Peer Group 1
	Infant Cereal	\$62.16	1.83%	\$6.91	9	0	\$0.00	Peer Group 1
	Bread/Whole Grains	\$153.60	4.53%	\$4.56	34	2	\$1.32	Peer Group 1
	Breakfast Cereal	\$370.81	10.94%	\$0.38	42	0	\$0.00	Peer Group 1
	Fruits and Vegetables - Cash Value	\$206.53	6.09%	\$5.35	43	0	\$0.00	Peer Group 1
	Infant Formula	\$964.67	28.46%	\$107.19	9	0	\$0.00	Peer Group 1
	Juice 64 oz	\$335.94	9.91%	\$5.89	53	0	\$0.00	Peer Group 1
	Milk - Whole	\$233.00	6.87%	\$4.31	51	0	\$0.00	Peer Group 1
	Milk Low Fat/Fat Free	\$513.97	15.16%	\$4.66	99	0	\$0.00	Peer Group 1
	Total	\$3,389.20	100.00%	\$13.96	196	2	\$1.32	Peer Group 1

Review report for stores that have an unusual pattern of transactions in comparison with comparable peer groups to determine if further investigation is necessary.

After Statewide Rollout

- Approximately 60 small independent stores withdrew from the program when eWIC was implemented in October 2014.
- Increase in inventory audits.
- More terminations than disqualifications (i.e. no minimum inventory and price).



After Statewide Rollout

- Stores are now informed MA WIC can see all transactions in “real time” which may impact compliance.
- Disqualifications have decreased. Many stores have withdrawn from the program after receiving a warning letter.
 - Substitutions are now difficult to defend - as they are intentional. Stores must scan an eligible item for a substitution.





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