

# Georgia WIC Program

## VENDOR MAIL | Annual Training 2014



### Office of Vendor Management

August 2014

Volume 1, Issue 1

## WELCOME TO VENDOR TRAINING!

Greetings WIC Authorized Vendors,

Federal regulations governing the Georgia Women, Infants, and Children (WIC) Program requires all authorized vendors to complete annual training. This edition of the **VENDOR MAIL** newsletter will provide critical information related to annual training requirements and recent changes to our program. We appreciate your careful review of all provided information.

Remaining informed about program activities and changes will increase compliance and allow us to continually offer adequate, nutritious services to our WIC participant. As always, we value your partnership as we work to serve Georgia citizens.

Sincerely,

*Your Vendor Relations Team*



Georgia WIC Program | Office of Vendor Management | 2 Peachtree  
Street, NW 10th Floor | Atlanta, GA 30303-3142 | 1-866-814-5468  
[www.dph.georgia.gov/vendor-information](http://www.dph.georgia.gov/vendor-information)

## PURPOSE OF WIC PROGRAM

The WIC Program is a federally funded special supplemental nutrition program intended to provide supplemental foods, nutrition education, and nutrition counseling to Georgia's eligible citizens. WIC saves lives and helps to improve the health of nutritionally at-risk women, infants, and children (ages 1-5). Collective findings of studies, reviews, and reports illustrate that the WIC program is cost-effective in protecting and improving the nutritional status of low-income women, infants, and children.

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## Minimum Inventory Requirements

Georgia WIC Program Minimum Inventory Requirements Effective December 1, 2013				
Food Item	Types/Brands	Size	Minimum Inventory	✓
MILK Least Expensive Brand of type selected/allowed	Whole Milk	Gallon	8 Gallons	<input type="checkbox"/>
	Fat Free/Skim, Low-Fat (1%), Reduced Fat (2%) Milk	Gallon	12 Gallons (Can be Combined)	<input type="checkbox"/>
	Dry Powdered Milk OR	Makes 3 Quarts	3 Boxes	<input type="checkbox"/>
	Evaporated Milk	12 oz	12 Cans	<input type="checkbox"/>
CHEESE Least Expensive Brand of type selected/allowed	One Pound Package	16 oz (1 Pound)	8 - 1 lb Packages 2 Types	<input type="checkbox"/>

Each vendor is required to maintain the minimum inventory of approved WIC foods as well as a substantial amount of non-WIC foods **daily**. This is an imperative measure to guarantee compliance

with WIC Program guidelines and policies. Remember, all inventory items must be in the store or stocked in the stockroom and within expiration dates. Expired food does not count towards minimum inventory. For non-WIC inventory, authorized vendors must maintain 200 of the following in each category: meats, poultry and/or seafood (refrigerated or frozen, etc.), bread and cereal, dairy (milk, cheese, yogurt, etc.), shelf staples (flour, sugar, pasta, pudding mix, etc.), cans, jars, bottles good (mayo, ketchup, relish, etc.), beverages (soda, water, powdered drinks, etc.), snack foods (crackers, granola bars, etc.).

**Failure to stock the required inventory of any WIC food items will result in a CATEGORY I VIOLATION (see Sanction System) which could lead to disqualification.**

## Transacting and Redeeming Food Instruments and Cash Value Vouchers (CVV)

Knowing how to properly transact Food Instruments and CVVs can save time and money. Ensure all cashiers are effectively trained on all procedures to guarantee WIC participants are extended exceptional customer service. Following the procedures below will assist with efficient transacting:

- 1) Verify that the food instrument is issued by Georgia WIC, printed on Georgia WIC paper, and unaltered.
- 2) Food instruments are accepted on the "First Day to Use" date through the "Last Day to Use" date.
- 3) An authorized WIC vendor stamp must appear on the food instrument and must be legible. The food instrument must be deposited to the single account provided to the Georgia WIC program by the vendor, within sixty (60) days of the "First Day to Use".
- 4) Enter the purchase amount in the "PAY EXACTLY SPACE" in ink.
- 5) Obtain a signature from the participant in ink, **at the time of purchase**.
- 6) For CVVs the vendor must not issue change to a WIC customer for purchases that are less than the total value of the cash value voucher.
- 7) For cash value vouchers, the WIC customer may use his/her own funds for purchase amounts in excess of the monetary limit for his/her cash value voucher.



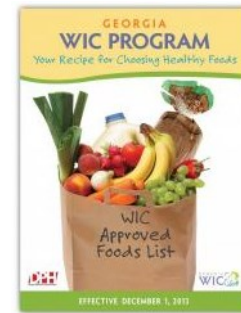
### CASH VALUE VOUCHER (CVV) CHANGES

- ◇ CVVs valuing **\$6.00** are no longer available
- ◇ CVVs have a maximum amount listed (e.g., \$7.00, \$8.00 and \$10.00)
- ◇ Participants may purchase fresh, frozen, and canned fruits and vegetables
- ◇ Vendors will **only** be paid for voucher amount

## WIC Approved Foods List

Items listed in the WIC Approved Foods List are foods that are available to the WIC customer. Only these food items may be purchased by the participant or proxy using the WIC food instrument. Effective August 11, 2014, The WIC Approved Foods List was updated to reflect changes to the following items:

### -UPDATES AS OF AUGUST 11, 2014-



#### **Low Fat Milk**— 2% will no longer be offered. **ONLY Low-fat 1% or Non-fat milk**

- ◆ All children (24 months and older) and women will receive low-fat (1%) or non-fat milk
- ◆ 2% milk is no longer an allowed option for children (24 months and older), as well as women
- ◆ Children younger than 24 months will continue to receive whole milk
- ◆ This change also applies to reduced lactose milk

#### **Baby Food and Bananas**— New voucher will offer option, baby food OR banana [any fresh **YELLOW** banana including organic]

- ◆ Infants (6-11 months) will now receive a choice of bananas as part of the standard infant food package
- ◆ Mothers can choose between four (4) fresh bananas or 16 ounces (4-4 oz. jars) of infant fruit and vegetables
- ◆ Organic bananas are allowed
- ◆ Red bananas and plantains are not allowed



#### **DISCONTINUED: PEPPERIDGE FARMS WIC APPROVED PRODUCT**

Pepperidge Farms® has discontinued the Soft 7 Grain Whole Wheat Sandwich Buns. Participants will not be able to purchase sandwich buns with their vouchers. Participants will be notified of the change in the local Health Departments.

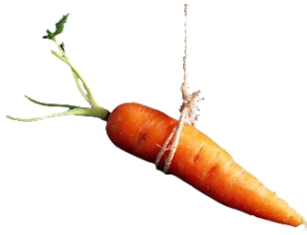
## State and Sales Use Tax (ST-3) Overview

Federal regulations require the Special Supplemental Nutrition Program for WIC to determine whether currently authorized WIC vendors derive more than 50% of their annual eligible food sales revenue from WIC food instruments. Georgia WIC conducts periodic assessment of vendors to make this determination. As part of the assessment process, vendors are required to submit sales information for specific timeframes upon request by Georgia WIC. Sales information includes Eligible Food Sales and must be generated through the Georgia Department of Revenue's Georgia Tax Center. All printed ST-3 documentation **must** reflect a confirmation number located in the upper right-hand corner for authentication purposes.



**Note —Vendors with multiple stores should provide supporting documentation that separates the total sales for each store.**

## Incentive Items



The WIC customer must be allowed to participate in in-store or manufacturer promotions that are available to all other customers, and that include WIC approved food items. This includes 'buy one get one or more free' promotions. However, Georgia WIC prohibits any vendor from using incentives to solicit the patronage of WIC participants. Vendors who use advertisements to solicit the business of WIC

participants, or who offer incentives or delivery services to participants, will be subject to sanctions as explained in the Vendor Agreement and handbook. Incentives are defined as any item, service, or gimmick used to solicit the patronage of a WIC participant. Incentives include, but are not limited to, free or complimentary gifts, home delivery of foods, store memberships, and other free or discounted services that are offered to WIC customers to entice them to transact food instruments. **Georgia WIC will not authorize or continue the authorization of a vendor that advertises, promises, provides, or indicates an intention to provide prohibited incentive items to customers.**

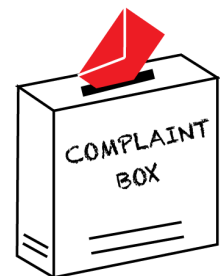
### REMINDER:

Minimum square footage **does not** include administrative and storage space.

## How To File A Complaint

**VENDOR FEEDBACK IS IMPORTANT TO US!** Georgia WIC has a vendor customer service hotline available to assist Georgia WIC vendors with any aspect of the WIC Program. The hotline 1-866-814-5468 is available Monday through Friday, with the exception of State holidays, from 8:00 AM—5:00 PM Eastern Standard Time.

Your feedback will help provide opportunities for improvement and allow the Vendor Relations Team to appropriately address your concerns.



Remember to always remain courteous and respectful to our clients. If WIC participants are not complying with program guidelines or demonstrating adversarial behavior, please obtain the name of the participant and notify the WIC Office of Vendor Management.

## LET'S TALK

### Federal Fiscal Year 2014 NEWS

Applications for WIC Vendor Authorization are accepted during the following periods in each federal fiscal year:

**October 1st to December 31st AND March 1st to June 30th**

## Shelf Price Survey Quarterly Submission

**Each vendor is required to submit the shelf prices for WIC food items carried in each store. Georgia WIC collects mandatory shelf prices quarterly.**



Georgia WIC uses vendor reported shelf prices to determine the maximum allowable prices for food items, in each peer group. Vendors who exceed the maximum allowable limits will be paid based upon the average shelf price, which will be based on the average shelf prices for all comparable stores in the same peer group and/or the statewide average for a given time period. Should an authorized Georgia WIC vendor change prices after authorization, the vendor is required to inform Georgia WIC of such changes within **forty-eight (48) hours** of implementing the new prices. The vendor should make the changes to the State Electronic Notifiable Disease Surveillance System (SENDSS) at <https://sendss.state.ga.us/sendss/wicpricing.wiclogin>. To access the database, please use the password provided in the notice for shelf price collection. If the vendor fails to update Georgia WIC of such changes, the program may rely on the latest submission of shelf prices by the vendor in determining its current shelf prices. The Georgia WIC Program encourages all vendors to update shelf prices as required to ensure pricing remains competitive amongst peer groups. Collection of shelf prices is neither approval nor denial, by Georgia WIC, of the actual shelf prices that the vendor charges WIC participants.

### INFANT FORMULA RECORDS

Records of infant formula purchase records must be maintained for a minimum of three (3) previous years, plus the current year.



## Common Returned Food Instrument Errors

**\*\*\*AVOID DELAYS OR RISK OF NON-REDEMPTION BY PREVENTING THE FOLLOWING COMMON WIC BANKING ERRORS\*\*\***

- \* Amount Exceeds Limit
- \* Signature Missing
- \* Stale Date—accepted after ‘Last Day to Use’
- \* Post Date—accepted before ‘First Day to Use’
  - \* Vendor stamp missing or illegible
  - \* Food Instrument/CVV was altered



## Vendor Sanction System

**Any authorized WIC vendor found to be in violation of federal regulations or Georgia WIC policy will be assessed a sanction consistent with the severity and nature of the violation. Each period has a prescribed period of disqualification.**

There are seven (7) categories of sanctions: three (3) categories of **state agency sanctions** and four (4) categories of **federal mandatory sanctions**.

State Agency Sanctions are established by Georgia WIC program representatives and have been approved by the United States Department of Agriculture (USDA) prior to implementation. State agency sanctions include disqualification, and civil money penalties assessed in lieu of disqualification in the event of inadequate participant access.

Federal Mandatory Sanctions are established by the USDA.



### **ENFORCEMENT OF ALL SANCTIONS ARE REQUIRED WHEN VIOLATIONS HAVE BEEN COMMITTED.**

#### **COMPLIANCE PERFORMANCE METHODS**

- ⇒ Covert Compliance Investigations
- ⇒ Overt Unannounced Monitoring Visits
  - ⇒ Inventory Audits
- ⇒ Research of Programmatic Reports and Databases

## Vendor Claims

### **CLAIMS ASSESSED AND COLLECTED**

When a vendor has committed a vendor violation that affects payment to the vendor by Georgia WIC, or the program identifies errors in a vendor's completed food instrument(s) submitted for payment, Georgia WIC will delay payment or establish a claim to recover funds. Vendors are afforded an opportunity to justify or correct a claim or other error.

If Georgia WIC does not approve the submitted justification or correction, a vendor will be responsible for repayment of the claim assessed. Such claims are not subject to administrative review.



All claims assessed by the Georgia WIC Program **must** be paid.

## Vendor Selection Criteria Changes

### THE VENDOR SELECTION CRITERIA HAS CHANGED EFFECTIVE APRIL 1, 2014 TO INCLUDE THE FOLLOWING:

- 1) Length of Time as a SNAP Retailer and Previous Grocery Industry Experience.** All applicants must demonstrate a minimum of twelve months experience as a retail grocer. Additionally, the applicant must have a **minimum of twelve consecutive months of retail sales history as a vendor under the SNAP Program.**
- 2) Complete, Accurate, and Truthful Information and Documents.** All applicants and vendors must provide complete, accurate and truthful information and supporting documents during the application process.
- 3) Previous Sanction or Violation History with SNAP or WIC Program.** Applicants who have pending or current Terminations or Disqualifications that have not expired will not be authorized.
- 4) Previous Applicant History.** An applicants prior application **history** with the program will be reviewed.
- 5) Competitive Prices.** All applicants and vendors are required to submit and maintain prices that are at, or lower than other vendors currently participating in the program.
- 6) Timing and Number of Pre- Approval Visits.** At least one (1) pre-approval visit is required for each applicant to verify the items listed on the application.
- 7) Re-scheduling Announced Pre-Approval Visits.** In the event that an applicant suspects that they may not be prepared for their announced pre-approval visit, they may re-schedule the visit twice during the application process.

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**GEORGIA WIC PROGRAM**  
**APPLICATION FOR VENDOR AUTHORIZATION AND INSTRUCTIONS**  
 Complete this application in its entirety. Incomplete applications will not be processed. Any misrepresentations and/or omissions made with respect to the information requested in this application may result in denial of the application or termination of the vendor agreement.

Check ☐ one

A. ☐ New Application ☐ Re-Authorization (enter current vendor number) V#

☐ Addition of New Store Locations (attach list of existing WIC authorized stores owned by the corporate vendor)  
 (New Vendors must provide food sales data within six months of authorization)

B. 1. Is this store owned by a corporate entity? ☐ Yes ☐ No

2. Enter the total number of stores for which the applicant is seeking authorization: (If seeking authorization for two or more stores, applicant must complete a Corporate Attachment form for each store.)

3. How many food stores are owned by applicant (this includes stores located within and outside Georgia, as well as those stores for which the applicant is NOT seeking WIC authorization)?

C. Is this store expected to derive more than 50% of its annual food sales from the sale of WIC approved foods? ☐ Yes ☐ No

D. Is this application submitted as a result of a change in the store's location? ☐ Yes ☐ No

E. Does this store location only sell special infant formula, including medical foods? ☐ Yes ☐ No

**PART I - STORE IDENTIFICATION**

1. Full Legal Name of Store: Store Number: #

Full Legal Name of Corporation (if applicable):

Registered Agent's Full Name (if applicable):

Store Manager's Full Name:

**CONTACT INFORMATION**

2. Business Telephone Number: ( ) - Fax Number: ( ) -

E-mail Address (required):

**Physical Location**

Street Address/Rural Route:

City: State: County: Zip +4

**Mailing Address (if different from above, a P.O. Box must be accompanied by a street address)**

Street Address:

City: State: Zip +4

P.O. Box:

City: State: Zip +4

3. Square Footage of Store Retail Space Open to the Public (excluding administrative and storage area):

Rev. 1/06/2014

### PEER GROUPS

Authorized vendors are classified into seven (7) different peer groups depending on square footage of the store (excluding administrative and storage space), the number of store locations, and assessment findings.

**NOTE:** Vendors in operation prior to October 1, 2013 may remain at 3,000 square feet until **September 30, 2015**, unless the vendor agreement expires or is terminated prior to this date.

## Infant Formula Requirements

All vendors are required to purchase infant formula solely from the suppliers selected and approved by Georgia WIC. The Program does not allow vendors to purchase infant formula from other program vendors. Only purchases from the approved list of manufacturers, distributors and wholesalers will be permitted. **Records of infant formula purchases must be maintained for a minimum of three (3) previous years plus the current year (or until any pending investigations are closed).** Purchase invoices from those permitted suppliers will be considered legitimate. The list of authorized manufacturers, distributors and wholesalers are posted on the Georgia WIC vendor website. The program may also require vendors to supply the program with written permission to confirm their infant formula purchase history with suppliers.



### INTERESTED SUPPLIERS?

All prospective suppliers should contact the Office of Vendor Management to appropriately be added to the list of approved infant formula suppliers.

## Peer Groups A, B, and G

Stores in Peer Groups A, B and G are not permitted to redeem vouchers for Special Infant Formula and Medical Foods. If WIC participants inquire about special infant formula in their store, please refer them to their local Health Department.



### REPORTING FRAUD AND ABUSE

Call the customer service hotline 1-866-814-5468

### FRAUD AND ABUSE COULD INCLUDE THE FOLLOWING:

#### CLIENTS WHO-

- ⇒ Sell or give away formula or foods purchased with WIC benefits
- ⇒ Lie about income or family size when applying for WIC
- ⇒ Buy non-WIC food with WIC benefits
- ⇒ Trade WIC benefits for other items or cash

#### VENDORS WHO-

- ⇒ Buy WIC benefits for cash
- ⇒ Accept WIC benefits for non-WIC food
- ⇒ Accept WIC benefits for past purchases
- ⇒ Accept WIC benefits for credit
- ⇒ Overcharge for WIC food

Fraud and abuse is not tolerated by the Georgia WIC Program. Those who participate in fraud and abuse will be subject to criminal prosecution under applicable federal, state, or local law.



## We are on the Web!

NEED TO ACCESS ADDITIONAL VENDOR DOCUMENTS OR NEED A COPY OF THE VENDOR HANDBOOK AND MUCH MORE?



**VISIT OUR WEBSITE!**

Click on the link below to find the following information:

<http://dph.georgia.gov/vendor-information>

- The Vendor Handbook (effective April 1, 2014)
- Vendor Application, Instructions, and additional documentation
- Approved Infant Formula
- Approved Foods Brochures and Posters
- Minimum Inventory Requirements
- Approved Foods List Update Training Video
- Average Shelf Price Per Food Item
- Average Shelf Price Per Voucher Code

### CHANGES IN VENDOR INFORMATION

Vendors must provide Georgia WIC with at least twenty-one (21) days advance written notice of any changes in store location, changes in ownership, operation, corporate structure, and management of its business or cessation of business.

Notification should include an effective date.



## Frequently Asked Questions ???

- 1) How long does SENDSS remain closed after shelf price submissions? SENDSS is closed for a week after the due date of shelf price submission. It is available using the same login ID and password afterwards.
- 2) If a participant does not sign the WIC voucher prior to leaving the store, may I contact them later to get their signature? Vendors are not allowed to contact participants once the WIC transaction has been completed. Ensure staff is adequately trained on procedures to assure all communication takes place prior to the participant's departure. Contacting a participant once they have left the store could result in a sanction.
- 3) If a WIC participant wants to purchase a store brand item, but it is not the least expensive brand, can vendors offer a brand name item? WIC participants can use the food instrument for the WIC approved least expensive brand despite brand name. The store brand is not always the least expensive. It is the responsibility of the vendor to ensure all WIC participants receive the applicable WIC approved least expensive option, at the time of purchase.
- 4) Can a vendor make one SENDSS submission for all of their stores? Currently, it is not possible to make one submission that covers all of an entity's WIC authorized locations. Georgia WIC is currently working on modifications to SENDSS that will allow users to upload pricing data for all of its stores.



- 5) How do I know if my store is in the right Peer Group? You may contact the Georgia WIC Program anytime to find out your store's Peer Group assignment. If you believe your store's Peer Group assignment should be reviewed or changed due to revised square footage, please submit a written request along with supporting documentation.
- 6) If I contact the Georgia WIC Program with questions or for technical assistance, that indicates I am not in compliance with Georgia WIC Program policies and procedures, will I be penalized? It is not the policy of the Georgia WIC Program to penalize a vendor requesting assistance.

## Georgia Department of Public Health

### Georgia WIC Office of Vendor Management

2 Peachtree Street, NW  
10th Floor  
Atlanta, Georgia 30303-3142  
404-657-2900

Customer service hotline: 1-866-814-5468  
(toll free within Georgia)

<http://dph.georgia.gov/vendor-information>



### Georgia WIC Program Vendor Relations Team

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