



# Michigan WIC Vendor News

Volume 20, Issue 4

December 2011



## Application Period for Northern Cycle Contracts

The current contracts with WIC authorized vendors in the NORTHERN part of the state will expire on June 30, 2012. The new application period for WIC vendors in these counties is **January 1, 2012 through February 15, 2012**.

Below is the list of NORTHERN counties affected:

- |            |                |              |
|------------|----------------|--------------|
| ALCONA     | GOGEBIC        | MENOMINEE    |
| ALGER      | GRAND TRAVERSE | MIDLAND      |
| ALPENA     | HOUGHTON       | MISSAUKEE    |
| ANTRIM     | IOSCO          | MONTMORENCY  |
| ARENAC     | IRON           | NEWAYGO      |
| BARAGA     | ISABELLA       | OCEANA       |
| BENZIE     | KALKASKA       | OGEMAW       |
| CHARLEVOIX | KEWEENAW       | ONTONAGON    |
| CHEBOYGAN  | LAKE           | OSCEOLA      |
| CHIPPEWA   | LEELANAU       | OTSEGO       |
| CLARE      | LUCE           | PRESQUE ISLE |
| CRAWFORD   | MACKINAC       | ROSCOMMON    |
| DELTA      | MANISTEE       | SCHOOLCRAFT  |
| DICKINSON  | MARQUETTE      | WEXFORD      |
| EMMET      | MASON          |              |
| GLADWIN    | MECOSTA        |              |

**NOTE: Vendors must submit a new, complete application in a timely manner to be considered for renewal.**

During the application period all currently contracted vendors in these counties, who are interested in WIC authorization for the contract period July 1, 2012 through June 30, 2015, **MUST** submit a WIC Vendor Application for a new contract. **An application, along with instructions, will be mailed to each currently contracted WIC vendor during December 2011.**

Neither the Michigan Department of Community Health nor WIC vendors have an obligation to renew a WIC contract. **Expiration of the contract is not subject to appeal.**

All applications sent by vendors in these counties and received by February 15 will be processed accordingly. *All applicants will be notified of a decision regarding their application, **no earlier than May 2012.***

Approved vendors in these counties will receive a three year contract valid from July 1, 2012 through June 30, 2015.

**NOTE:** Individual WIC chain outlets are not required to submit an application, however, some chain outlets will be required to submit price and stock information. If your store has its own contract, you are NOT a chain outlet.

Vendors who were placed on the “waiting list” in these counties will be notified of the application period. If interested in seeking WIC authorization, they must submit a written request for an application.

In addition, any other vendors in these counties that are not currently on WIC, and wish to be considered for WIC authorization, may also apply from January 1, 2012 through February 15, 2012 by sending a written request for an application.

### INSIDE THIS ISSUE

1	North Cycle Application Period
2	Change of Ownership, WIC Vendor Survey, Problems Selling WIC Items, WIC Stickers on Bread
3	Selling Fresh Fruits and Vegetables, Expiration Dates, WIC Approved Cereals, Peanut Butter Prices, Client Food Benefits
4	Price Changes, Food Stamp Fraud Convictions, Infant Formula Label Changes

**WIC WEBSITE ADDRESS**

[www.michigan.gov/wic](http://www.michigan.gov/wic)

## **Change of Ownership during Application Period**

For the NORTH region (See Page 1 for a list of the affected counties), changes of ownership that occur prior to May 31, 2012, as evidenced by a final bill of sale, will be processed normally. The new owner of a currently WIC authorized store will not be considered for authorization under the change of ownership policy if the change of ownership occurs between May 31, 2012 and June 30, 2012.

If a change of ownership of a currently authorized vendor in the NORTH region occurs between May 31, 2012 and June 20, 2012, the new owner may submit a request for an application for WIC authorization. Upon receipt, the application will be placed on a waiting list for consideration as a *new applicant* after July 1, 2012.

## **WIC Vendor Survey**

Enclosed with this newsletter is the annual WIC Vendor Survey. **The survey must be completed and returned by the due date indicated on the survey.**

Mail the completed survey to:

**Michigan Department of Community Health  
WIC Vendor Management and Operations  
320 S. Walnut St.  
Lansing, MI 48913**

**FAILURE TO SUBMIT THE ENCLOSED  
VENDOR SURVEY BY THE DUE DATE WILL  
RESULT IN THE ASSIGNMENT OF 5 VIOLATION  
POINTS.**

Full line chain headquarters must complete and return a full line vendor survey. Individual chain vendor outlets are not required to submit a survey. If your store has its own WIC contract, you are NOT a chain store, and are required to complete and submit a survey.

If you did not receive a vendor survey with this newsletter or if you have any questions regarding the survey, call your Vendor Relations Analyst at 517-335-8937.

## **Problems Selling WIC Items**

If you experience problems when trying to load a WIC product/price into the WIC POS so you can sell it, you should first make sure the item is exactly as described on the most current WIC Food List. In particular, WIC representatives have observed that many stores are trying to sell breads or tortillas that are not the exact brand, type, or package size as shown on the WIC Food List.

If you are quite sure an item is a WIC approved product, the problem could be that you have not loaded the UPC and price for that item into your POS device. When you decide to carry a new WIC item (including store brands) that you have not sold before, be sure to go to "Load WIC Prices" on the POS to scan the UPC and add the price.

In the case of chain stores, if an item will not scan, check with the store information technology department, or with the store's headquarters to see if the product is on their WIC approved list. If the problem can be handled at the store, it will save you from having to call the WIC program or ACS.

If a product is new, and you are confident the product should be WIC approved but still are not able to load it into the POS, you may need to submit a UPC request form to have the UPC added to the WIC database. UPC request forms are available by request from the WIC office.

## **WIC Stickers on Bread**

It has come to our attention that certain bread companies are placing "WIC Approved" stickers on individual loaves of bread. This is to remind you that these types of tags or stickers placed on individual food items are NOT allowed. The reason is that these types of tags could mislead WIC customers into thinking that only that particular brand of bread (or any WIC food item) is allowed when, in fact, the vendor may carry several types of WIC approved bread from which WIC customers can choose.

Vendors may use the red and white WIC shelf talkers (provided by the WIC program) placed on shelves underneath products to indicate the various types of WIC approved items carried in the store, but tags should not be placed on individual items. Also, it is a violation to use "WIC approved" tags to advertise non-WIC items.

## **Rules for Selling Fresh Fruits and Vegetables**

- For independent vendors, **you must enter the 4469 PLU code and the dollar amount of the sale.** If you try to scan a UPC for a package of fresh fruit or vegetables, the POS will return the “Not a WIC Item” error message. For chain vendors, follow the appropriate in-store procedure at the cash register for selling WIC fresh fruits and vegetables.
- It is a violation to use the 4469 PLU code to sell any food item other than WIC approved fresh fruits and vegetables.
- White potatoes are NOT WIC approved. The only types of “Potato” allowed are yams or sweet potatoes. Any other type, such as Idaho, russet, Yukon gold, red potatoes, etc. are NOT allowed.
- Herbs, such as cilantro, are NOT allowed.
- Do not keep expired, stale, dried out, spoiled, or moldy fruits and vegetables on display for sale. If, during a routine monitoring visit by a WIC representative, such items are observed, the store can be assigned 10 sanction points per visit.
- Remember, the minimum stock requirement for fresh fruits and vegetables are two varieties of fruit and two varieties of vegetables for a total of \$25 retail or 10 lbs. Expired or spoiled produce will not be counted toward your minimum stock requirement.

## **Check Expiration Dates!**

One common violation found by WIC representatives during monitoring visits is expired WIC stock on the shelves or in coolers. This is a particular problem with items such as liquid concentrate infant formula, cheese, frozen juice and juice in cans or bottles--especially if the juice is dark and the expiration date is printed on the bottle instead of the cap.

Expired stock can result in a 10 point sanction per visit against the vendor. Further, expired stock cannot be counted toward your minimum stock requirement. It is highly recommended that each vendor establish a process to routinely check expiration dates on WIC stock to avoid such sanctions.

## **WIC Approved Cereals**

King Vitaman cereal has reduced their box size from 12 oz. to 10 oz. Since the minimum box size for WIC approved cereal is 11 oz., the 10 oz. King Vitaman is not WIC approved and will not scan.

WIC representatives have observed 8.9 oz. boxes of Cheerios on shelves along side WIC approved cereals. While Cheerios brand is approved, the 8.9 oz box does not meet the 11 oz. minimum box size requirement for WIC cereals. Therefore, it is not WIC approved and will not be counted toward the minimum stock requirement.

## **Peanut Butter Prices Soar**

In an effort to address rising peanut butter prices, the WIC Program has raised the maximum price for peanut butter by a substantial amount across all peer groups to assure vendors are being reimbursed a reasonable amount for peanut butter.

PLEASE NOTE: A vendor can NOT ask WIC customers to pay the difference between the retail price and maximum reimbursement price. This is a contract violation (Section III, #19, Page 6): “Never contact or seek restitution from clients for foods not paid by the Department or charge WIC clients for foods obtained with food instruments”.

## **Client Food Benefits**

Vendors....please remember that WIC clients are issued specific food benefits for health reasons. You must sell ONLY the types of foods that you are able to scan based on what is assigned to their WIC EBT Card. It is a serious violation to scan a UPC not attached to the item the customer is actually authorized to purchase.

For example, you must NOT scan the UPC for whole milk if the client was issued low fat milk but wants to get whole milk instead (even if the two kinds of milk are the same price). You MUST sell the low fat milk, as that is what has been issued to the client by the WIC Program. If the client is unhappy about their assigned benefits, advise them to contact their local WIC office to ask if it is possible to change their benefits

## **Price Changes**

Despite continued reminders in the vendor newsletter and discussions in vendor group training sessions, WIC Program representatives continue to observe differences between the shelf price of WIC items and the prices loaded in the WIC POS device.

**IMPORTANT:** When you change the shelf price or advertise a sale price for a food item that is WIC authorized (i.e., gallon of milk), you **MUST ALSO UPDATE THE PRICE IN YOUR WIC POS DEVICE.**

**Failure to match the prices loaded in the WIC POS with current shelf prices may result in OVERCHARGING.** If overcharging happens on three different occasions, your store could be terminated and disqualified from the WIC Program for three years. *This could also impact your eligibility to participate in SNAP (food stamps).*

## **Convictions for Food Stamp (SNAP) Fraud Scheme**

The USDA Office of Inspector General successfully convicted five suspects in a \$500,000 food-stamp scheme at J&K General Store on Isbell Street in Lansing. The defendants typically accepted electronic benefits on Bridge Cards in exchange for cash and other items.

All five suspects have been sent to prison. Sentences ranged from 18 months to 16 years. Defendants were also ordered to pay restitution ranging from \$215,868 to \$496,089. All of the defendants were also ordered to serve three years on supervised release once prison terms end.

**NOTE:** Loss of SNAP authorization will also result in loss of WIC authorization

## **Infant Formula Label Changes**

Per Mead Johnson communication, the following WIC authorized products will undergo label changes. The following products will no longer feature the name "LIPIL" on the label and the Peter Rabbit™ bunny on the front label will also be removed:

- Nutramigen with Enflora LGG 12.6 powder
- Nutramigen liquids (13 oz concentrate and 32 oz ready-to-feed)
- Pregestimil 16 oz powder
- Pregestimil 8 oz ready-to-feed

These changes will NOT affect production formulation, UPC code, or price. The newly labeled products are expected to begin shipping in mid to late December, 2011.



In accordance with Federal Law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age or disability.

To file a complaint of discrimination, write U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, SW., Washington, D.C. 20250-9410, or call toll free (866) 632-9992 (voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer.

DCH 0205 04/2011

Authority P.A. 369 of 1978