



STATE OF MICHIGAN

GRETCHEN WHITMER  
GOVERNOR

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
LANSING

ROBERT GORDON  
DIRECTOR

January 6, 2021

Dear Vendor:

This Notice contains important information regarding **changes to the WIC Vendor Selection Criteria** (Appendix A) which is part of the Michigan WIC State Plan of Program Operation and Administration (State Plan). Be sure to keep a copy of this Notice with your WIC Vendor Contract for future reference.

Per Section VII of the WIC Vendor Contract, all authorized WIC Vendors must comply with the Vendor Selection Criteria throughout the contract period, including any changes to the criteria. **The low volume selection criterium was reduced to \$1,200 in WIC transactions per quarter from the previous \$2,400 quarterly requirement.**

Section B, Item 7, of Appendix A now states:

*A Vendor that transacts less than **\$1,200 per quarter** of WIC EBT transactions will be considered as low volume of WIC transactions and will be treated as lack of demand for a particular store.*

Using the current Vendor Selection Criteria, the Department may reassess the Vendor at any time during the contract period. The Department may terminate the WIC Vendor Contract and disqualify the Vendor per the Sanction Policy if the Vendor fails to meet the current Vendor Selection Criteria.

Please be advised that this change to the low volume selection criterium, **effective February 1, 2021**, has been approved by the United States Department of Agriculture – Food and Nutrition Services (USDA-FNS) for the Michigan WIC Program.

If there are any questions, please contact the Vendor Relations Unit staff at 517-335-8937.

Thank you.

Sincerely,

Christina Herring-Johnson, Director  
WIC Division

Attachment: Revised WIC Vendor Selection Criteria (Appendix A)

**B. Vendor Selection Criteria**

Vendors requesting authorization, for participation in the WIC Program must meet all the selection criteria. Failure or difficulty in meeting any of the selection criteria may be used as just cause for denial of a vendor application for authorization or disqualification of a current WIC vendor. Incomplete applications will not be considered or processed and will be returned to the vendor.

The Department will review the vendor applications utilizing some or all the following selection criteria:

1. Availability of mandatory minimum stock of specified items with the exception of special infant formulas and the availability of all categories of WIC supplemental foods. (Appendix G)
2. Variety of available WIC authorized foods and accessibility of a store to WIC participants.
3. Competitive prices as determined by the Department.

As a guide, the Department may use the peer group average price of foods in determining competitive prices. In addition, actual market prices and prices for food categories may be compared among vendors. A WIC Vendor Peer Group description is included in Appendix H.

4. Vendors must have a current valid license issued by the Michigan Department of Agriculture and Rural Development. Vendors must only purchase infant formula from wholesalers, distributors, and retailers licensed by the Michigan Department of Agriculture and Rural Development or from infant formula manufacturers registered with the Food and Drug Administration.
5. A WIC vendor must be authorized to accept and redeem Supplemental Nutrition Assistance Program (SNAP) benefits and provide documented proof of participation in SNAP. A WIC vendor must be in good standing with the USDA Food and Nutrition Service.
6. Lack of any conflict of interest between the vendor and the local agency or the Department as defined by applicable State laws, regulations and policies.
7. Low volume of WIC transactions. A vendor that transacts less than \$1,200 per quarter of WIC EBT transactions will be considered as low volume of WIC transactions and will be treated as lack of demand for a particular store. New vendor's will be evaluated following three (3) months of WIC authorization, and will receive a warning if not in compliance with this requirement, and will be terminated and disqualified if not in compliance with the requirement following a six (6) month evaluation.

8. Unless denying authorization of a vendor applicant would result in inadequate participant access the Department will not authorize a vendor applicant if during the past six years the vendor applicant or any of the vendor applicant's current owners, officers, or managers have been convicted of or had a civil judgment entered against them for any activity indicating a lack of business integrity. Activities indicating a lack of business integrity include but are not limited to fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, and obstruction of justice.
9. Compliance history with WIC program policies, rules and regulations as applicable and compliance with any prior contract with the Department. In the case of stores owned jointly or by corporations, the Department may evaluate past performance of one or more of the same partners, shareholders, directors or officers at other locations.
10. Review and determination by the Department as to whether the store was sold by its previous owner in an attempt to circumvent a WIC sanction. The Department will consider such factors as to whether the store was sold to a relative by blood or marriage of the previous owner(s) or sold to an individual or organization for less than its fair market value. The Department may also consider other factors in making its determination.
11. Compliance with the price limitations in the amount the Department pays vendors for WIC food instruments.
12. A vendor's total WIC sales for any annual period cannot exceed 50% of the vendor's total annual food sales.
13. A vendor must be a full-line grocery store. A full-line grocery store is a store that meets the following criteria:

A store that stocks, and has on hand at all times: (1) in addition to WIC Minimum Stock requirements, at least 1 additional variety of bread or tortillas with 6 or more units of said variety; (2) in addition to WIC Minimum Stock requirements, at least 1 additional variety of brown rice with 6 or more units of said variety; (3) at least 4 varieties of fresh fruits with 5 or more units of each variety; (4) at least 4 varieties of fresh vegetables with 5 or more units of each variety; and (5) at least 4 varieties of fresh meat, poultry or fish with 5 or more units of each variety.