

## April 2022 WIC Vendor Quarterly Call Discussion Summary

<b>Meeting Name:</b>	<b>April 2022 WIC Vendor Quarterly Call</b>		
<b>Date of Meeting:</b>	April 4, 2022	<b>Time:</b>	<b>2:30 PM</b>
<b>Written Summary Prepared By:</b>	Shawn Gompa	<b>Location:</b>	<a href="#">Public Zoom Webcast</a>
<b>Topics and Summary</b>			
<b>Topic</b>	<b>Discussion</b>		
<b>Introduction</b> Katherine Groble, Vendor Relations Analyst	Vendor Relations Analyst Katherine introduces WIC Vendor Quarterly Call as an opportunity to provide information to WIC Vendors about program changes and to allow Vendors to ask program staff questions. Vendor Relations Analyst Katherine Groble outlines the agenda for the call and explained how to access the recording of the call.		
<b>Vendor Advisory Council</b> Myra Lee Fowler, Policy Analyst	<p>Policy Analyst Myra Lee Fowler introduced the Vendor Advisory Council, a group of Vendors that launched last fall and meet for the purpose of</p> <ul style="list-style-type: none"> <li>• providing feedback on WIC policies,</li> <li>• discuss barriers to improve service to WIC customers,</li> <li>• collaborate with WIC staff to develop marketing, promotion and retention, and training tools.</li> <li>• Address food access and security needs</li> <li>• Address DEI and Racial Equity efforts</li> </ul> <p>She explained the VAC has focused on two things so far:</p> <ul style="list-style-type: none"> <li>• Strengthening partnership with Vendors – inspired quarterly call.</li> <li>• Develop methods to make information available and transparent to all Vendors.</li> </ul> <p>Myra outlined the VAC members.</p>		
<b>Formula Recall</b> Dawn Pline, Vendor Relations Manager	<p>Vendor Relations Manager Dawn Pline provided a timeline for major events and WIC Program responses to assist during the formula recall.</p> <p>Vendor Relations Manager Dawn Pline explained the temporary expanded choices that may be used for each Similac formula benefit. She explained important considerations for accepting returns and transacting the temporary choices, including:</p> <ul style="list-style-type: none"> <li>• Vendors may allow for returns, exchanges, store credit, noting this is an exception to WIC program policies made specifically for recalled formula</li> <li>• Vendors must treat WIC participants the same as other customers</li> <li>• Michigan WIC advises stores display chart for temporary choices near formula in store and at the register</li> <li>• Michigan WIC advises stores allow clients to attempt to purchase any formula and let their point-of-sale device determine whether it is allowed.</li> <li>• Michigan WIC reminds Vendors to update their store’s system to get the latest Approved Product List (APL) file.</li> <li>• Michigan WIC provides a reminder that some of the larger cans may count for 2 units of client’s benefits while smaller cans count for 1 unit.</li> </ul> <p>Vendor Relations Manager Dawn Pline also described Abbott’s process for receiving reimbursement for recalled formula.</p>		
<b>Peer Groups &amp; NTE Prices</b> Katherine Groble, Vendor Relations Analyst	<p>Vendor Relations Analyst Katherine Groble described how the Michigan WIC Program categorizes Vendors into peer groups and uses a formula that automatically calculates Not-to-Exceed (NTE) prices for WIC products for each peer group.</p> <ul style="list-style-type: none"> <li>• NTE = maximum price WIC will reimburse a Vendor for a specific product (UPC)</li> <li>• <i>Statewide Avg. + PG-specific Stand. Deviation</i></li> <li>• NTEs are updated monthly</li> </ul>		

	<p>Vendor Relations Analyst Katherine Groble explained that the peer groups and NTE calculation formula were updated on June 8, 2021 based on Vendor type, # of registers, and chain status</p> <ul style="list-style-type: none"> <li>• Pharmacy Vendors</li> <li>• Large chain stores (18+ registers)</li> <li>• Medium chain stores (&lt;18 registers)</li> <li>• Medium non-chain stores (5+ registers)</li> <li>• Small non-chain stores (&lt;5 registers)</li> <li>• Unique Vendors</li> </ul> <p>Vendor Relations Analyst Katherine Groble explained that, if Vendors find any reason that the dollar amount they are being reimbursed for WIC products is unsatisfactory, they may submit a written appeal to the Michigan WIC Program. She explained the appeal may be submitted via email or fax with the following information.</p> <ul style="list-style-type: none"> <li>• Copy of purchase records (amount paid)</li> <li>• Copy of WIC receipt (amount reimbursed)</li> <li>• Written justification</li> </ul>
<p><b>On-site Monitoring</b> Shawn Gompa, Vendor Relations Analyst</p>	<p>Vendor Relations Analyst Shawn Gompa explained that the Michigan WIC Program requested and received approval from the federal government for Michigan to temporarily suspend in-person monitoring visits. The monitoring visits will resume on May 1.</p> <ul style="list-style-type: none"> <li>• Michigan WIC explained that minimum stock will be checked, along with other monitoring visit functions. First violations are warnings.</li> <li>• Expanded formula options <b>will count</b> towards 12 can requirement for Similac Advance and Total Comfort</li> <li>• Michigan WIC uses the monitoring visits to also provide assistance and training.</li> </ul> <p>Michigan WIC also explained that the program will begin enforcing the sales volume requirement for stores as well.</p> <ul style="list-style-type: none"> <li>• There will be an extended period between the first warning and the termination from the Michigan WIC Program: WIC wants to offer assistance to Vendors seeking advice on how to better serve WIC customers.</li> </ul>

<p><b>Program Integrity</b> Bill Dokianos, Senior Vendor Analyst</p>	<p>The last couple of years, inventory audits were primarily formula. This year, Michigan WIC is also auditing Vendors for maintaining records for milk purchases – to make sure they are purchased from WIC-approved suppliers.</p> <ul style="list-style-type: none"> <li>• Recommend that records are stored electronically or in a folder that is not exposed to the elements – posing a risk of fading receipts and making them unreadable.</li> </ul> <p>Compliance buys are when undercover shoppers go to stores to make WIC purchases – looking for issues with the store performing any actions against the contract.</p> <ul style="list-style-type: none"> <li>• Undercover shoppers do keep receipts and photos to prove their observations.</li> <li>• Vendors would receive official letters from Michigan WIC from violations found during compliance buys.</li> <li>• The most common violations are when prices are not posted but there are times when Vendors receive violations for switching out one item for another.</li> </ul> <p>Monetary claims are a process by which the Michigan WIC bills Vendors for violations. This process was updated.</p> <ul style="list-style-type: none"> <li>• Michigan WIC sends a billing amount to the MDHHS accounting department instead of requesting payment directly from the Vendor to the WIC Program.</li> <li>• Monetary claims are not appealable.</li> <li>• If monetary claims go past the due date without payment, the bill will go to collections and then treasury.</li> </ul>
<p><b>Fall Vendor Conference</b> Katherine Groble, Vendor Relations Analyst</p>	<p>This year’s Vendor Conference is called “You are the Star” to highlight our gratitude for our Vendors, especially with the service they continued to provide throughout the COVID-19 Pandemic.</p> <p>Date: September 8, 2022 Location: Doubletree Hotel in Dearborn, MI</p> <p>An email or survey will likely come out to Vendors to receive feedback on things they wish to discuss.</p> <p>There will be a panel of Vendor Advisory Council members to share some of their experiences and best practices.</p>
<p><b>Announcements</b> Katherine Groble, Vendor Relations Analyst</p>	<p>Michigan WIC primarily communicates through email and requests that you check your email. Some recent important updates include formula recall updates, the spring Vendor Newsletter, and notices of policy changes.</p> <p>There is period of public comment: March 1 – April 30 Email: <a href="mailto:mdhhs-wicoutreach@michigan.gov">mdhhs-wicoutreach@michigan.gov</a></p> <p>Next quarterly call: Monday July 11, 2022 at 2:30 PM</p>
<p><b>Questions &amp; Comments:</b></p>	<p>Question 1: Can we request someone come to our store?</p> <p>Answer: Yes, you can request someone come to your store to do a training or assist. The Michigan WIC staff will not conduct a monitoring visit unless it is unannounced, however.</p> <p>Question 2: We received a violation for being unable to source infant cereal, which was not coming from our distributor.</p>

	<p>Answer: Michigan WIC’s minimum stock requirements were designed to be flexible in how they are met. If the distributor is unable to source a specific item, we encourage you to see if there are other items from the distributor you may purchase or a secondary source you may use to make sure you are consistently meeting minimum stock.</p> <p>Note: Michigan WIC staff spoke offline with this Vendor and came to an understanding.</p> <p>Question 3: We have had a lot of issues with FIS machines. It is hard to get somebody from FIS that understands the machine through their customer support lines. The store staff updated the machine but continue to have issues. The store has changed internet providers and continue to have issues.</p> <p>Answer: There are other options for providers posted on our Michigan.gov/wicvendor site under Point of Sale Equipment and Systems.</p> <p>Question 4: Milk prices are fluctuating like gas. How can the state accommodate small businesses that are paying more for milk than minimum sale prices?</p> <p>Answer: NTE prices are based on the average sales price for an item. Even though the NTE should fluctuate with milk prices, the system is not perfect. If you notice issues like this, we ask that you notify our office. We understand that you are operating business and do not wish to take advantage of you. We are currently evaluating data to see how last summer’s peer group restructuring is working.</p> <p>Question 5: We are upgrading our WIC and it is costing \$6000 which is unacceptable.</p> <p>Answer 5: The Michigan WIC Program acknowledges that this is not a required action and thanks you for making that investment in your business. We do note that there are other less expensive options.</p> <p>Question 6: A client was concerned that a 529 college savings plan may invalidate them from receiving WIC benefits.</p> <p>Answer 6: Michigan WIC provided a link to the 529 college savings plan overview on Michigan.gov/mistudentaid. Michigan WIC advises that if client’s have any questions about eligibility, their WIC clinic would be able to best answer that question.</p>
<p><b>4. Next Quarterly Call Date:</b></p>	<p>Monday July 11, 2022 at 2:30 PM</p> <p>Join Zoom Meeting  <a href="https://us02web.zoom.us/j/88122567519?pwd=aTdkQ3hxb0VOdzIra3BvaGJGcmxWQT09">https://us02web.zoom.us/j/88122567519?pwd=aTdkQ3hxb0VOdzIra3BvaGJGcmxWQT09</a></p> <p>Meeting ID: 881 2256 7519  Passcode: 898564</p>