



# VENDOR NEWS

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**Information for Store Owners, Managers, and Cashiers**

**Fall 2019**

Dear Vendor,

The Fall season is upon us and with it brings many changes, including cooler temperatures and colorful fall foliage. Changes are also occurring within the Vendor Relations & Program Integrity Section of the WIC Division. In July, I introduced myself, Kimberly Keilen, as the new Vendor Relations & Program Integrity Section Manager. I would also like to introduce Dawn Pline, the new Vendor Relations Unit Manager, and Julia Johnson, the new Program Integrity Unit Manager.

The Vendor team had the opportunity to interact with many of our statewide Vendors at the annual Vendor Conference held on September 5<sup>th</sup> in Lansing. Please see our event pictures inside the newsletter. We received valuable feedback indicating Vendors found the event informative. Vendors who attended the event were able to fulfill their mandatory training requirement of attending at least one training session per 3-year contract cycle.

The Vendor team is committed to ensuring the integrity of the WIC Program. The Vendor team's focus on training is imperative to building strong, well-informed WIC Vendors who provide customers with the best possible shopping experience.

In the quote below from a Mom in Grand Rapids, we were reminded of the impact Vendors can have on clients:

*"I want to express how undeniably grateful I am for this program. I'm the only one bringing home money and this feeds my family. This is a blessing to know I can get food for me and my baby when I'm working and hoping to afford my bills. Thank you to everyone involved to make this program work!"*

Thank you for your continued commitment to the WIC Program. I look forward to working with you!

*Kimberly Keilen*

Section Manager  
Vendor Management & Program Integrity  
Michigan Dept. of Health and Human Services

Vendor Relations & Program Integrity Section team



Please email [MDHHS-WICVendor@michigan.gov](mailto:MDHHS-WICVendor@michigan.gov) or call (517) 335-8937 with all questions and input.

# 2019 WIC VENDOR CONFERENCE

Thank you to all who attended our third annual WIC Vendor Conference on September 5th in Lansing, MI. This year's Conference was a great success with over 150 people in attendance. Guest speakers came from as far away as Texas. There were also exhibitors from the Michigan Fitness Foundation, the Healthy Corner Stores initiative, and WIC.

## PURPOSE

The Vendor Conference is an enhanced training opportunity that fulfills Vendors' mandatory interactive training requirement. Vendors networked with each other and various stakeholders from across the state. Participants were also trained on updated contractual requirements in accordance with federal and state regulations.



Vendors in attendance.

## THEME: Client Outreach & Retention

The Vendor Relations Unit chose Client Outreach & Retention as the theme of this year's Vendor Conference.

This was reflected in the message of our guest speakers. **Keva Williams**, a former WIC mom and current WIC employee, spoke of her shopping experiences as a WIC customer. She shared strategies on how to provide excellent customer service aimed at maintaining and increasing WIC clientele. Celeste Lunceford and Jeff Lopez from **Texas WIC** shared their initiatives to improve the customer shopping experience through client outreach and advertising. These initiatives have resulted in increased customer satisfaction and store sales. Texas WIC stated that their intensive training curriculum has led to an overall decrease in violations by Vendors around the state.



Jeff Lopez from Texas WIC.

Conference attendees received training and marketing materials, including WIC floor decals, a Quick Guide for trouble shooting common transaction problems, and an updated Vendor Handbook. One of the day's prizes was a large WIC Food Banner to advertise the location of WIC foods within a store.

### **CONTACT THE WIC VENDOR RELATIONS UNIT FOR UPCOMING TRAINING OPPORTUNITIES:**

Phone: (517) 335-8937

Email: [MDHHS-WICVendor@michigan.gov](mailto:MDHHS-WICVendor@michigan.gov)



Pam Bartig and Sarah Trofatter from the MI Fitness Foundation.

# MONITORING VISITS

## ENSURE COMPLIANCE AND ASSIST IN VENDOR EDUCATION

Vendor Relations Analysts are required to conduct routine on-site monitoring visits with Vendors. These monitoring visits serve as an important tool to ensure that all WIC Vendors are in compliance with the WIC Vendor Contract and federal and state regulations.

Beyond contract compliance, monitoring visits are also an educational tool for Vendors. Vendor Relations Analysts review the WIC Vendor Monitoring Visit Report and any cited violations with a store representative before completing the monitoring visit. This ensures Vendors understand both the violations and any necessary corrective actions.

The Monitoring Visit Report form can be found on the WIC website at [michigan.gov/WICVendor](http://michigan.gov/WICVendor) and is an important reference for store management to:

- Understand contractual obligations
- Identify areas of improvement

Vendor Relations Analysts work with Vendors across the state. They can respond to your questions about federal regulations and state policies. They train Vendors on their WIC Vendor responsibilities and provide on-site trainings that can include the following:

- Minimum stock requirements
- Authorized foods
- Transaction procedures
- Record retention
- Contractual obligations
- Sanctions and appeals
- Complaint process
- Training responsibilities

Please contact the Vendor Relations Unit at **(517) 335-8937** with questions or concerns!



Vendor Analysts Diala R. and Shawn G.

## UNDERSTANDING THE SANCTION POLICY & APPEAL PROCEDURES

Vendors must have a current executed **WIC Vendor Contract** in order to transact and be reimbursed for WIC purchases. The Contract outlines a Vendor's roles and responsibilities within the Michigan WIC Program.

Violations of the WIC Vendor Contract and their associated sanctions are outlined in the **WIC Vendor Sanction Policy**. The Sanction Policy is based on federal and state regulations that mandate the Michigan WIC Program and it outlines the corresponding departmental sanctions for each violation.

In accordance with the **Administrative Hearing Procedures** and **Administrative Review Procedures**, a Vendor has the right to appeal certain sanctions. If a sanction is appealable, the Vendor will be notified in writing of the timeline and process.

A sample Contract, the Sanction Policy, and the Administrative Hearing Procedures and Administrative Review Procedures may all be found at [michigan.gov/WICVendor](http://michigan.gov/WICVendor) as links under the header 'Sample WIC Vendor Contract and Associated Documents.' Please read these documents for more information about Vendor responsibilities.



# FULL-LINE GROCER REQUIREMENTS

The current **Vendor Selection Criteria** states that to be eligible for participation in the Michigan WIC Program, a Vendor must be a **full-line grocery store**. A full-line grocery store is defined as:

*A store that stocks, and has on hand at all times: In addition to WIC Minimum Stock requirements (Appendix G): (1) at least 1 additional variety of **bread or tortillas** with 6 or more units of said variety; (2) 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.*

\* Examples of meat, poultry or fish

1. Meat—beef, lamb, mutton
2. Poultry—turkey, chicken
3. Fish—tuna, catfish, salmon, shrimp

For a description of eligible foods in each category, please see the USDA guidelines at:

<https://www.fns.usda.gov/snap/retailer/eligible>.



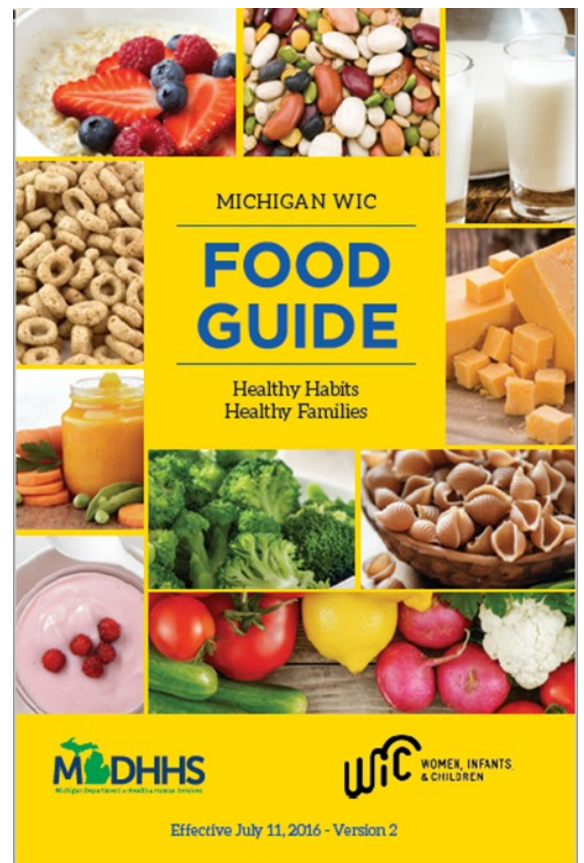
## SUPPLEMENTAL FOODS

WIC food benefits are scientifically-based and intended to address the supplemental nutritional needs of each category of WIC participant: pregnant, breastfeeding and postpartum women, infants and children.

Each month, participants are issued quantities of Michigan authorized supplemental foods that reflect the maximum monthly allowances determined by the United States Department of Agriculture (USDA).

For more information about maximum allowances by client category, please refer to Michigan WIC **Policy 7.04 Maximum Food Package**. For a current list of foods authorized by the Michigan WIC program, please refer to **Policy 7.02 Authorized WIC Foods**.

These policies can be found on the Michigan WIC website at [michigan.gov/MDHHS](http://michigan.gov/MDHHS). Vendors may also call the WIC office at (517) 335-8979 to speak to a WIC Nutritionist.



# CONDUCTING WIC TRANSACTIONS

Each WIC customer is prescribed a specialized shopping list with unique food items and food quantities. WIC Vendors must know how to process WIC transactions and troubleshoot problems in order to assist clients in redeeming their benefits and improve the WIC customer shopping experience. The following provides guidance for conducting WIC transactions.

## Steps to Process WIC:

 Participant/authorized representative shops at an authorized WIC vendor

 Participant proceeds to checkout lane and identifies the form of tender as WIC

 Cashier swipes WIC card and prints benefit balance

 All items scanned in the POS and then cashier hits the key to tender WIC

 Once approved by the customer, the food quantities are debited off the WIC EBT Card

 Cashier completes transaction

## Key Items to Remember

### Scan ALL non-produce food items



The POS will determine if the food is WIC approved and/or covered by the customer's benefits. Customers must receive the exact items scanned.

### Use PLU #4469 to charge fresh fruits / veggies to a client's cash-value benefit balance



Split Tender Policy—If the cost of produce exceeds the customer's balance, the customer may pay the difference with any tender accepted by the Vendor.

## SUBMITTING COMPLAINTS

Federal regulations and Michigan WIC state policies are created with WIC clients in mind. The Michigan WIC Program asks that Vendors take initiative in protecting the integrity of the Program so we may continue to serve Michigan's families.

Vendors may file complaints regarding WIC policy violations they observe with the Michigan WIC Program. All complaints will be investigated by Michigan WIC staff and follow-up may include routine monitoring visits, compliance buys or referral to other federal, state or local law enforcement agencies. WIC Vendor Relations staff will also follow-up with training and technical assistance when necessary.

### Vendors may report complaints and/or issues in the following ways:

**CALL** 1-800-Call-WIC  
**EMAIL** [WICfraudinvestigations@michigan.gov](mailto:WICfraudinvestigations@michigan.gov)  
**FAX** (517) 335-9206

**NOTE:** Please use as much detail as possible when submitting complaints. This allows WIC staff to fully and efficiently address the issue. Please include the following information:

- Nature of the suspected fraud/abuse
- WIC Vendor Name
- WIC Client name/ID number
- Address or approximate location of the occurrence
- Date and approximate time of occurrence
- Copy of **receipt** if available



Please utilize the **Complaint Form** found at [michigan.gov/WICVendor](http://michigan.gov/WICVendor) under "Submitting Complaints."

# COMPLIANCE INVESTIGATIONS

The Vendor Relations & Program Integrity Section is responsible for the coordination of Compliance Investigations to ensure Vendors are compliant with all Michigan WIC Program requirements.

The Department utilizes system-generated statistically based reports that identify high risk Vendors, complaints, referrals, information from other federal, state and local agencies and other sources to schedule compliance investigations, which include inventory audits and compliance buys.

## Inventory Audit

### Guidelines

When submitting purchase records, please consult with your accountants and attorneys. Make sure your records comply with the following:

- Original receipts are NOT acceptable
- Receipts are to be copied on 8 ½ x 11 paper
- Please do not send duplicate records
- All receipts must be clear enough to read
- Beginning fiscal year 2020, Vendor signatures will be required on the Record Summary sheet certifying the receipt information is true and correct

Please contact the **Program Integrity Unit** with your questions:

Phone: **(517) 335-8899**

Fax: **(517) 335-8835**

Email: [MDHHS-WICProgramIntegrity@michigan.gov](mailto:MDHHS-WICProgramIntegrity@michigan.gov)

## Inventory Audits

Vendors selected for inventory audits are required to submit to the Department their purchase and inventory records for WIC authorized foods for a particular period of time to substantiate their WIC redemptions during that period.

Inventory audits also **verify** that Vendors:

- Only purchase infant formula from licensed wholesalers/retailers
- Maintain required purchase and inventory records for a period of **3 years**

## Compliance Buys

During a compliance buy, an undercover shopper is instructed to purchase items or attempt other activities at a store.

These activities may include attempts to:

- Purchase non-WIC items with their WIC Bridge Card
- Trade infant formula or other benefits for cash or unauthorized items
- Sell WIC Bridge card or card benefits



# FORMULA PURCHASE REQUIREMENTS

The Michigan WIC Program requires that all WIC authorized Vendors **MUST** only purchase infant formula from wholesalers, distributors, and retailers **licensed** by the Michigan Department of Agriculture and Rural Development (**MDARD**) or from infant formula manufacturers registered with the Food and Drug Administration (**FDA**). This requirement also applies to all **online purchases**.

MDARD is available to answer any questions as to whether a wholesaler, distributor, or retailer is properly licensed or general questions you may have regarding licensing requirements and procedures. You may contact MDARD in a variety of ways:

- Contact by phone: **1-800-292-3939**
- Contact by e-mail: [mda-info@michigan.gov](mailto:mda-info@michigan.gov)
- Website: <http://michigan.gov/mdard>

If you are unable to confirm MDARD licensure status or have any questions regarding this requirement, please call the WIC Vendor Relations Unit at (517) 335-8937.



# INCENTIVE POLICY GUIDELINES

All Michigan WIC Vendors are required to comply with program policy regarding **allowable incentives**. Please see the following for additional information:

- Incentives must not be made or advertised directly or primarily for WIC customers.
- Incentives must not be made at the cost of the Michigan WIC Program.
- Incentives offered to WIC participants are limited in value to a maximum of **\$2.00 per day**.

The following are the only allowed exceptions to the **\$2.00 daily limit**:

- Discounts applied directly to the total transaction amount being charged to the WIC Program.
- Loyalty programs or clubs that require participant enrollment and documented membership issued at the time of enrollment.
- Manufacturers' coupons.
- Free ounces added to food items by the manufacturer (i.e. bonus sized items). The bonus amount must not be charged to a WIC customer's benefits.
- Buy one, get one (BOGO). The second item must not be charged to a WIC customer's benefits. **Infant formula may not be included as a part of a BOGO.**



The following are **NEVER** acceptable incentive items:

- Cash or cash equivalents, including debit cards, checks, money orders, phone cards, gas cards, gift cards
- Lottery
- Alcohol & Tobacco
- Guns

## NON-DISCRIMINATION STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

USDA is an equal opportunity provider, employer, and lender.

Michigan Department of Health &  
Human Services, WIC Division  
Lewis Cass Building  
320 S. Walnut St.  
Lansing, MI 48913

Questions/Comments  
Telephone Number: (517) 335-8937  
Email: MDHHS-  
WICVendor@michigan.gov



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HERE

## REMINDERS!



1. The **OPEN APPLICATION PERIOD** for Southeast Vendors starts **October 1st**, with WIC Vendor Applications due to the Department by **December 13th**. If you live in Lenawee, Livingston, Macomb, Monroe, Oakland, Washtenaw or Wayne county, please check your mail and ensure you return your application **on time**.
2. The Michigan WIC Program is requiring **BUSINESS EMAIL ADDRESSES** from all authorized Vendors. Please be aware that all WIC Vendor Applications now require a business email address. Failure to provide this information on an application may result in the application being considered **incomplete**.

Please call the Vendor Relations Unit at **(517) 335-8937** if you have not provided the WIC Program with a business email address or if you have any questions and/or concerns. Thank you!

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