



VENDOR HANDBOOK

Table of Contents

WHAT IS WIC?	4
THE WIC VENDOR'S COMMITMENT	5
APPLICATIONS FOR WIC VENDORS	5
MSDH WIC VENDOR MINIMUM STOCK REQUIREMENTS	7
WHAT FOOD A WIC PARTICIPANT MAY PURCHASE	8
WIC APPROVED FOODS FOR PURCHASE - GROCERS	9
Milk Products	9
Eggs	10
Cheese	10
Yogurt	11
Cereal	11
Fruit Juice	11
Whole Grains	12
Dry Beans and Canned Beans	12
Peanut Butter	13
Canned Fish	13
Fruits and Vegetables	13
Infant Cereal	15
Infant Fruits and Vegetables	15
Infant Meats	16
Infant Formulas	16
WIC APPROVED FOODS FOR PURCHASE – PHARMACIES	17
Medical Infant Formulas	17
VENDOR RESPONSIBILITIES FOR STORE BRANDS PURCHASE REQUIREMENT	18
Vendor Declaration of Store Brands	18

Assessment of Store Brand Sales 18

MANUFACTURER AND STORE PROMOTIONS & SPECIALS 18

 Authorized Promotions 19

 Unauthorized Promotions or Incentives 19

WIC TRANSACTION PROCESSING 19

 WIC Participant eWIC Card 19

 WIC Participant Shopping List 20

 Participant Purchase with eWIC and Printed Receipt 20

PAYMENT OF REDEMPTIONS 20

WIC COMPLIANCE REVIEWS 21

 Vendor Monitoring 21

USE OF WIC LOGO 22

VENDOR TRAINING 22

VENDOR MATERIAL AVAILABLE BY ORDER 24

Vendor Sanction System 24

Administrative Review of State Agency Actions 31

 Administrative Review Overview 31

 Administrative Review Procedure 34

When to Contact The MSDH WIC Program Vendor Management Staff 35

VENDOR COMPLAINTS 36

VENDOR REPORTING PROGRAM ABUSE OR FRAUD 36

WHAT IS WIC?

The Special Supplemental Nutrition Program for Women, Infants and Children (WIC) was established by Congress in 1972. WIC was designed to help prevent the occurrence of health problems and to improve the health status of women, infants, and children during critical times of growth and development, with no cost to eligible participants.

WIC is administered federally by the United States Department of Agriculture (USDA). The Mississippi State Department of Health WIC Program (hereinafter referred to as the MSDH WIC Program) receives a grant from the USDA Food Nutrition Services (FNS) to administer the program. The MSDH WIC Program is responsible for program management and operation. Currently, local health departments and non-profit agencies provide WIC services in every county in Mississippi. WIC is available to pregnant, breastfeeding, and postpartum women, infants, and children up to 5 years of age. In order to participate in the MSDH WIC Program, participants must currently live in Mississippi, meet one of the eligible categories, and have a nutrition risk.

The MSDH WIC Program provides participants with supplemental nutritious foods, nutrition education, breastfeeding support, and referrals to health and community services. WIC services help clients to achieve optimal growth and development and build a foundation for healthy eating patterns. The goals of nutritional counseling and education provided by WIC are to:

- teach the relationship between proper nutrition and good health,
- achieve a positive change in eating habits, and
- promote the optimal use of WIC supplemental foods and other nutritious foods.

The counseling provided while the client is receiving WIC services helps families learn healthy eating habits and how to make nutritious food choices they can continue to practice when they are no longer eligible for WIC.

A WIC Certifier in the local WIC office conducts a nutrition assessment, provides client centered counseling, and prescribes a specific food package to supplement the daily diet for each WIC participant. The prescribed food package is based on the needs of the participant, USDA regulations, and state WIC requirements. WIC foods provide nutrients that are often lacking or consumed in inadequate amounts by WIC participants. When consumed in the prescribed portions, these foods will help to ensure that the WIC participant has the needed nutrients for good health, growth, and development.

WIC promotes breastfeeding as the normal way of feeding and nurturing infants. WIC provides expert assistance and support to mothers and infants who choose to breastfeed. Infants who are not breastfed or who are partially breastfed may receive infant formula to supplement the infant's dietary needs.

THE WIC VENDOR'S COMMITMENT

Grocers and pharmacies selected to be WIC authorized Vendors are designated members of the WIC Program Team. This team has two important responsibilities. First, the team is responsible for delivering only prescribed WIC supplemental foods to WIC participants. Second, the team must be constantly vigilant to ensure WIC supplemental foods are provided at the most competitive price on a consistent basis.

The MSDH WIC Program uses a selection process to identify retail grocers and pharmacies that are capable of providing the required WIC supplemental foods in the necessary quantities and at the most competitive price in the market.

Vendors that apply for participation in WIC must demonstrate that they meet WIC vendor and inventory requirements. They must also show they are qualified and capable of sustained, high quality performance throughout the life of their agreement with WIC. Further, these vendors must show they are able and willing to ensure WIC pays for only those WIC supplemental foods prescribed.

In regard to competitive price and cost, federal grant regulations require that WIC find and pay only the most competitive market price for foods. WIC must find efficiencies and economies to ensure grant dollars are capable of meeting the needs of as many participants as possible.

The amounts of funds for WIC services are limited. Therefore, WIC is required to identify retail grocery and pharmacy vendors that consistently provide the most competitive price on prescribed foods. This is done by comparing each participating vendor's prices to prices in other stores with similar characteristics. This comparative process uses a fact-based mathematical computation.

After a thorough screening and price analysis, the most competitive grocers that meet the vendor selection criteria are selected to participate as a WIC Vendor. That selection includes certain responsibilities. Retail grocers are required to maintain specified inventory quantities on its shelves at all times. Pharmacies are required to provide medical formula within 48 hours of the participant's request. Equally as important, the vendor is required to charge a competitive price at all times. That price is determined by all WIC Vendors in the market when they report their charges for each transaction. WIC conducts routine analysis of these redemptions to ensure the most competitive prices continue to be charged. The WIC Vendor Agreement specifically requires vendors to charge a competitive price for all WIC eligible items throughout the term of the Agreement.

APPLICATIONS FOR WIC VENDORS

The WIC State Agency is responsible for the authorization of each WIC vendor including full-service grocers and pharmacies. In order to be considered for participation as a WIC Vendor, the vendor must meet vendor selection criteria. The selection criteria are designed to ensure that vendor participation in the MSDH WIC Program will adequately fulfill the needs of the WIC Program participants. T Each vendor must demonstrate that it will charge competitive prices within its peer

group (stores with similar characteristics). The vendor must continue to comply with the vendor selection criteria throughout the agreement period including any changes to the criteria.

Application for participation as a WIC Vendor is considered on a competitive basis. Every two years, vendors are required to reapply for participation. The vendor agreement does not constitute a license or a property interest. If a vendor wishes to continue to be authorized beyond the period of its current agreement, the vendor must reapply for authorization.

Vendor applications are currently accepted on an on-going basis. Beginning in 2021, vendor applications will only be accepted from February 1 to March 31, unless more frequent consideration is necessary to ensure adequate participant access. If additional vendors are necessary due to inadequate participant access, the WIC State Agency will post a notice on its website informing retailers of the need for additional authorized vendors in particular areas of the state. Applications will be evaluated for compliance with vendor selection criteria, competitive price, and participant access in the vendor's region.

The application cycle is established for up to a two-year period. Reauthorization of existing stores will occur at the end of each vendor agreement period. Vendors applying for re-authorization are required to complete the application and have it submitted no later than May 31st of the authorization period. Vendors will be notified by September 1st of the cycle year of the result of their application for reauthorization. Vendors selected for the next two-year cycle will be presented with a new WIC Vendor Agreement on or about September 1st that must be signed and returned and that becomes effective October 1st of the cycle year. In order to be considered for authorization, the vendor must demonstrate sufficient business viability to support the requisite WIC minimum inventory. If the vendor is unable to demonstrate its business viability, it may not be authorized for the WIC program.

The MSDH WIC Program is required to assess vendor performance throughout the agreement period. The WIC Vendor Agreement must be terminated if a vendor fails to meet the current selection criteria. This selection analysis focuses consistently on competitive price analysis. Vendors that fail to meet competitive price criteria will be notified.

The MSDH WIC Program must terminate the vendor agreement if a vendor is disqualified. A vendor will be required to reapply to be considered for authorization only after the period of disqualification has expired. In all cases, the vendor's new application is subject to the State agency's vendor selection criteria and any vendor limiting criteria in effect at the time of application.

The MSDH WIC Program is not required to issue an agreement to an applicant, a previous vendor whose agreement has expired, or an applicant who is purchasing a store that is currently authorized. **It is at the sole discretion of the MSDH WIC Program whether an agreement will be issued.**

MSDH WIC VENDOR MINIMUM STOCK REQUIREMENTS

Category	Type or Brand	Minimum Quantity
Infant Formula	12.4 – 12.5 oz. cans powder standard milk-based formula – WIC approved	12 cans
	12.4 – 12.9 oz. cans powder soy, reduced lactose, and added rice starch formula – WIC approved	9 cans of each
Infant fruits and vegetables	4 oz. jars with at least 3 varieties of vegetables and 3 varieties of fruits – WIC approved	48 jars total
Infant Cereal	8 oz. container of dry infant cereal without fruit (Rice, Oatmeal, Multigrain, or Whole Wheat) – WIC approved	6 containers
Milk	Whole milk – WIC approved	6 gallons total
	1%, or fat free (skim) – WIC approved	12 gallons total
	Dry milk – WIC approved	3 boxes
Cheese	16 oz. cheese (Must carry at least two varieties) – WIC approved	8 pounds total
Eggs	Large white eggs, grade A or AA – WIC approved	9 dozen total
Cereal	At least 6 varieties of hot or cold cereal – WIC approved	36 boxes total
	At least 12 boxes of cereals carried must be whole grain – WIC approved	
Bread	16 oz. whole grain bread – WIC approved	4 loaves
	Any combination of tortillas or brown rice – WIC approved	4 packages/bags
Juice	64 oz. bottles of juice in at least two flavors – WIC approved	5 bottles
	48 oz. container or 11.5 – 12 oz. conc. or frozen juice in at least two flavors – WIC approved	8 containers
Peanut Butter	16 – 18 oz. jars of peanut butter – WIC approved	6 jars
Dry beans/peas or canned beans/peas	16 oz. package of dry beans/peas in 3 varieties – WIC approved	6 bags
	15 – 16 oz. cans beans/peas in 3 varieties (No Added Flavors) – WIC approved	16 cans
Chunk tuna or pink salmon	5 oz. cans tuna – WIC approved	6 cans
	14.75 oz. cans salmon – WIC approved	
Fruits and vegetables	At least 5 varieties of fresh fruits and 5 varieties of fresh vegetables – WIC app	\$24 dollar retail value
	At least 5 varieties of canned fruits and 5 varieties of canned vegetables – WIC approved	24 cans total

WHAT FOOD A WIC PARTICIPANT MAY PURCHASE

The MSDH WIC Program approves a variety of nutritious foods that meet federal and state requirements and are appealing to WIC participants. The specific types and quantities of foods that may be purchased by WIC participants are incorporated on the eWIC card.

Every eWIC purchase is controlled by the use of the Universal Product Code (UPC) affixed or assigned to each product that scans through the store check-out. The authorized foods associated with UPC codes are identified in the Approved Product List (APL) and only those UPCs available on the eWIC card and in the APL will be considered for WIC payment.

WIC participants are prescribed food items by type and quantity. Consequently, the WIC participant may not substitute other foods for those prescribed. If a vendor substitutes an item in place of the food prescribed on the eWIC card, the vendor will be subject to sanction and/or disqualification.

The eWIC card contains the maximum amount of each food that can be purchased. WIC participants may choose to purchase all or some of the foods listed, but they may not purchase more than prescribed on the eWIC card. WIC participants may also choose to pay the difference in cash or other form of acceptable payment at check-out if they do wish to obtain more items than eligible via eWIC.

It is important to note that vendors may not require a WIC participant to purchase everything on the eWIC card if the person chooses to leave a food item out of their purchase transaction. WIC participants may not receive rain checks or cash if an item is out of stock or if they choose not to buy an item.

WIC APPROVED FOODS FOR PURCHASE - GROCERS

The MSDH WIC Program prescribes various quantities of staple foods. These include:

- Milk
- Fruit Juices
- Eggs
- Whole Grains
- Cheese
- Dry Beans and Canned Beans
- Yogurt
- Peanut Butter
- Breakfast Cereal
- Canned Fish
- Infant Cereal
- Fruits and Vegetables
- Infant Fruits and Vegetables
- Infant Meats

Please refer to the MSDH WIC Food Guide or the MSDH WIC Program website at www.freshnewwic.com for the current list of allowed brands, types, container sizes, and any restrictions on WIC approved foods.

Milk Products

WIC participants must buy the declared store brand of milk. Each vendor must declare their store brand of milk annually (based on authorization date). Please refer to the section entitled “Vendor Responsibility for Store Brand Purchase Requirement” in this Handbook for important instructions on processing the declaration of store brands.

The eWIC card will control the type and size of milk that may be purchased. Quantities for eWIC are specified in gallons, half- gallons, quarts, boxes (dry milk), or cans (evaporated milk). Participants may select any combination of gallon and half gallon sizes. Quarts, boxes, and cans are available only if specified on the eWIC card.

Refrigerated Milk – Refrigerated milk is allowable in the gallon and half gallon size. Quarts are available when specified on the eWIC card. It is important to note that participants may select gallon and half-gallon sizes interchangeably.

Lactose- free/ reduced milk – Lactose free/ reduced milk is allowable in half gallon size.

Evaporated Milk – Evaporated milk is allowable in 12 ounce cans and specified on the eWIC card.

Dry Milk – Nonfat dry milk is allowable in a 9.6 ounce box and specified on the eWIC card.

UHT Milk –Ultra-Heat Treatment (UHT) milk is allowed in the quart size and specified on the eWIC card.

Soy Milk – Soy milk is allowable in the half gallon size and specified on the eWIC card.

Eggs

WIC participants must select the declared store brand of large white chicken eggs. Eggs are authorized in one dozen size carton only. Each vendor must declare their store brand of eggs annually (based on authorization date). Please refer to the section entitled “Vendor Responsibility for Store Brands Purchase Requirement” in this Handbook for important instructions on processing the declaration of store brands. WIC participants are **NOT** permitted to purchase specialty eggs, low cholesterol eggs, organic eggs, or brown eggs.

Cheese

WIC participants must select the declared store brand of cheese. All cheeses must be in a 16 ounce package. Please refer to the section entitled “Vendor Responsibility for Store Brand Purchase Requirement” in this Handbook for important instructions on processing the declaration of store brands.

The eWIC card will determine the quantity that may be purchased. The only types of cheese that WIC participants may purchase with the eWIC card are listed:

- Processed American
- Cheddar
- Colby Jack
- Monterey Jack
- Colby
- Mozzarella
- Swiss

Cheese may be low fat, low cholesterol, low sodium, sliced, hoop, string, shredded, cubed, or block.

The following are NOT permitted:

- Fat-free cheeses
- Cheese product or cheese food
- Cheese mixtures, such as Cheddarella
- Cheese spreads, sticks, crumbles, cracker cuts, or strips
- Cheese from the delicatessen or cheese shop
- Cheese with added ingredients, imported, or waxed
- Organic products
- White cheddar

Yogurt

Participants may choose brand specific Whole, Nonfat, or Low fat yogurt. “Greek” yogurt is permitted. Allowable brands are listed in the WIC food guide. No organic, artificial sweeteners, or mix-in ingredients (containing granola, candy pieces, honey, etc.) are authorized. Allowable sizes of 32 ounce packages are as follows:

- 32 ounce container
- One 16 pack with 2oz servings
- Two 8 packs with 2oz servings

Cereal

The breakfast cereal allowance on the eWIC card is listed in total ounces authorized for purchase. Breakfast cereal containers must be 11 to 36 ounces. The eWIC card will permit the purchase of different cereal types. No organic products are authorized. Allowable hot cereals include brand specific instant oatmeal, instant cream of wheat, and instant grits. Allowable cereals are brand specific and listed in the WIC Food Guide.

Fruit Juice

Fruit juices must contain 100% juice with no added sweeteners. Fruit juice may contain added calcium. No organic juices are permitted. Allowable brands and flavors are listed in the WIC Food Guide.

The below sizes and flavors may be purchased:

- 64 ounce container WIC Approved varieties (refrigerated or non-refrigerated),

- 48 ounce container WIC Approved varieties, and
- 11.5-12 ounce frozen or non-frozen concentrate WIC Approved varieties.

Whole Grains

100% Whole Wheat Bread – Specified brands of 16 ounce (1 pound) loaves are authorized for purchase. Participants are NOT permitted to purchase breads with added ingredients such as raisins, other dried fruits, or nuts. No organic products are permitted in this category.

100% Whole Wheat Hamburger Buns – Specified brands of 16 ounce (1 pound) packaging are authorized for purchase. Participants are NOT permitted to purchase breads with added ingredients such as raisins, other dried fruits, or nuts. No organic products are permitted in this category.

100% Whole Wheat Pasta – Any brand of 16 ounce (1 pound) packages are authorized for purchase. “Whole wheat flour” and/or “whole durum wheat flour” must be the only flours listed in the ingredient list. May be any shape. No organic. No added sugars, fats, oils, or salt. No pasta made from rice, quinoa, flax, corn, or vegetables. No gluten free.

Brown Rice – Any brand of regular, instant, or boil-in-bag 14-16 oz. bag or box is authorized for purchase. Products may NOT contain added ingredients such as seasonings. No white, frozen, gourmet blends, or organic are allowed.

Tortillas – Brand specific corn and 100% whole wheat tortillas are allowable. WIC Approved 16 ounce package is the only size permitted. For 100% whole wheat tortillas, “whole wheat flour” must be the only flour listed in the ingredient list. Participants may NOT purchase flour tortillas, taco shells, or tortilla chips. No organic products are permitted.

Dry Beans and Canned Beans

Some examples of beans include, but are not limited to black beans, black-eyed peas, cannellini beans, garbanzo beans (chickpeas), great northern beans, kidney beans, lentils, lima beans, navy beans, pinto beans, red beans, split peas, and white beans.

Dry beans, dry peas, or dry lentils – 16 ounce (1 pound) bag is the only size permitted. Any brand of dry beans, peas, or lentils are permitted.

Participants are **NOT** permitted to purchase flavored, seasoned, gourmet, or soup mix varieties. No organic products are permitted.

Canned Beans – 15 to 16 ounce cans are the only sizes permitted. Any brand of canned beans is permitted. These products may be with salt or reduced sodium. Participants may NOT purchase products with added meat, fat, oils, or artificial sweeteners. No soups may be purchased. No chili beans, seasoned beans, refried beans, or baked beans. No organic products are permitted.

No canned green peas, green beans, wax beans, yellow beans, or snap beans are permitted. These types of peas and beans are permitted to be purchased in the Fruits and Vegetables category only.

Peanut Butter

WIC participants may purchase 16 to 18 ounce jars only. The product may be creamy, crunchy, or extra crunchy. Participants are NOT permitted to purchase products with added jelly, marshmallow, honey, chocolate, or artificial sweeteners. No spreads, whipped, fortified, plus, or reduced fat products may be purchased. No organic products are permitted.

Canned Fish

WIC participants are permitted to purchase 5, 6, and 7.5oz cans of any brand light tuna, chunk style, packed in water; and 5, 6, 7.5, and 14.75 ounce cans of any brand pink salmon. No white or albacore tuna, sockeye or red salmon is permitted. Participants may not purchase pouches or products that have olive oil, lemon, flavored, gourmet, smoked, grilled, blackened, or added ingredients. No low sodium, less sodium, or organic products are permitted.

Fruits and Vegetables

WIC participants are permitted to purchase fresh, frozen, and canned fruits and vegetables. Organic fruits and vegetables are allowable under Fruits and Vegetables benefits.

Permitted

Fresh Fruits and Vegetables

- Any brand, variety, size, or mixture of fresh fruits and vegetables
- These items may be whole or cut.
- They may be presented as loose or packed item(s) in bags or plastic containers.
- Fresh garlic, onions, scallions, cassava, and yucca are permitted.

Frozen Fruits and Vegetables

- Any brand, variety, size, or package type of whole or cut frozen fruits
- Any plain vegetables or plain vegetables mixtures without white potatoes
- Any beans or mixtures of beans and peas

Canned Fruits and Vegetables (including plastic or glass containers)

- Any brand, variety, size, or mixture of canned fruits and vegetables with “no added sugar”, syrup, artificial sweeteners, fat, oil, or meat are permitted.
- Canned fruit must be packed in water or 100% fruit juice and may not have added salt.
- Canned vegetables may include low sodium
- Applesauce with no sugar added and applesauce/fruit blends with no sugar added are permitted.
- Tomato sauce, tomato paste, whole tomatoes, crushed tomatoes, and diced tomatoes with no added sugar, syrup, artificial sweeteners, fat, oil, or meat are permitted.
- Canned beans and peas such as green peas, green beans, wax beans, snap beans, and snap peas are permitted.

The following are NOT permitted for purchase with eWIC fruit and vegetable benefits:

- Dried or dehydrated fruits and vegetables of any type. This includes but is not limited to raisins, prunes, fruit roll-ups, fruit leathers, dried potatoes, potato chips, corn chips, popcorn, dry beans, dry peas, and dry lentils.
- Items from the salad bar, party trays, or fruit baskets,
- Decorative fruits or vegetables, painted pumpkins, or gourds,
- Herbs and spices, minced garlic in jars, ginger root,
- Edible blossoms, flowers, or plants,
- Pouches of fruit purees, fruit pulps, or frozen fruit bars,
- Beverage such as fruit juice, tomato juice, and vegetable juice,
- Nuts, coconuts, or fruit-nut mixtures,

- Ketchup, relishes, pickles, olives, sauerkraut, or mustard,
- Jellies, jams, fruit preserves, or apple butter, or
- Frozen smoothies and popsicles
- Frozen vegetables with pasta, noodles, nuts, rice, cheese, or meat
- Frozen vegetables with butter, oil, sauces, glazes, or breading
- Frozen potatoes, sweet potato fries, French fries, hash browns, or shaped potatoes
- Dry or canned beans/peas that are only permitted in eWIC for “Beans” category
- Canned white potatoes
- Dry beans, peas, and lentils may only be purchased when dry or canned beans are on the eWIC card.
- Items with added sugar or syrup. This limitation includes no added sugar, sucrose, corn syrup, high-fructose corn syrup, maltose, dextrose, honey, maple syrup, and artificial sweeteners such as Splenda®, NutraSweet®, Equal®, aspartame, saccharin, sucralose, and acesulfame-k.

Infant Cereal

Infant cereals are permitted in 8 ounce containers. Only Beechnut and Gerber are allowed. Participants are NOT permitted infant cereal in cans or jars. No infant cereal with fruit, formula, yogurt, DHA, or other additives is permitted. No organic products are permitted.

Infant Fruits and Vegetables

Infant fruits and vegetables are listed in total ounces authorized for eWIC purchases. WIC approved infant fruits and vegetables are permitted in 4 ounce containers or 8 ounce (2 packs of 4oz) packages. WIC participants are permitted to purchase any 2nd stage single ingredient infant fruits and vegetables. Only Beechnut and Gerber are allowed. Infant fruits and vegetables that have added DHA, sugars, starches, salt, sodium, meat, poultry, cereal, noodles, rice, yogurt, raisins, or granola are not allowable. Desserts, dinners, casseroles, toddler foods, fruit and vegetable juice, and organic products are permitted. Combinations of fruits and vegetables are not allowed.

Infant Meats

WIC approved infant meats include single ingredient chicken, turkey, ham, and beef. Infant meats with gravy or broth are permitted in 2.5 ounce containers. Only Beechnut and Gerber are allowed. Infant meats that contain added sugars, salt, sodium, or DHA are NOT allowed. Meat sticks, infant meat combinations (such as meat and vegetables), dinners (such as spaghetti and meatballs), and organic products are NOT permitted.

Infant Formulas

Inventory & Source

The MSDH WIC Program offers standard milk-based and soy-based formulas to most infants who are not fully breastfed. WIC participants must purchase brand, size, and type of formula specified on the eWIC card.

The MSDH WIC Program has a contract with one infant formula manufacturer. The contract provides the State of Mississippi with rebate money when the contract formulas are bought with eWIC card. These rebate funds are used to provide benefits to additional WIC participants. The MSDH WIC Program must ensure the correct infant formula is sold for the WIC rebate contract and to ensure the infant is receiving the appropriately prescribed formula. This is all controlled by the UPC assigned to each product. If the UPC does not “scan” as approved for WIC purchase, it is not to be paid for by the MSDH WIC Program. The current contractor is Mead Johnson. Mead Johnson products available include Enfamil Infant 12.5 oz powder, Enfamil ProSobee 12.9 oz powder, Enfamil Gentlease 12.4 oz powder, Enfamil AR 12.9 oz powder, Enfamil Infant 13 oz concentrated liquid, and Enfamil ProSobee 13 oz concentrated liquid.

At the request of a health care provider, MSDH WIC Program may grant special/medical formula products for those infants who have documented medical conditions. Vendors are not asked to stock all special formula products but are encouraged to stock special formula products that are regularly used by WIC participants. The MSDH WIC Program can provide more specific information about special formula products.

WIC Vendors must purchase infant formulas from a list of approved infant formula suppliers maintained by the MSDH WIC Program. The list will be updated as needed to show the addition or removal of approved infant formula sources. Vendors must check the list to ensure that infant formulas are purchased only from approved sources. The list is available at the MSDH WIC Program website: www.freshnewwic.com.

This approved list is also the standard against which all inventory audits are compared. Periodically, the MSDH WIC Program may conduct inventory audits of a vendor

account. The results of the audit are compared to the total redemptions for a specific item and the total number of items the vendor purchased from their suppliers. The only invoices for which the WIC Vendor will receive credit are invoices from MSDH WIC Program approved infant formula sources listed on the above website. The vendor will not receive credit for any formula invoice unless that invoice is verified as being issued by a state approved source. In such a situation the vendor will be required to repay the charges for unsupported inventory and may be disqualified.

No Exchanges, Returns, or Substitutions

After a WIC participant purchases formula with eWIC, the participant may not exchange the formula for another type of formula or for cash. If the WIC participant requires a different formula size or type, they must return to their local WIC office and a WIC Certifier will assist them in determining what changes may be required.

Under no circumstances may a WIC participant purchase a formula other than the brand, size, or type of formula specified by the eWIC benefit balance.

WIC APPROVED FOODS FOR PURCHASE – PHARMACIES

Medical Infant Formulas

WIC pharmacies provide medical infant formula and WIC- eligible nutritionals only. An infant formula supplier is a manufacturer, wholesaler, or distributor from which infant formula is purchased for distribution to WIC participants. Allowable medical infant formulas are specific and listed in the WIC Medical Formula Formulary located on the web page at www.freshnewwic.com.

All vendors are required to order WIC approved infant formula only from the approved list of manufacturers, wholesalers, and distributors provided by the MS WIC Program to ensure product integrity. A current listing of approved suppliers will be available on our website at: www.freshnewwic.com. If you do not see your current supplier listed, please contact the MS WIC Program

No Exchanges, Returns, or Substitutions

After a WIC participant purchases formula with eWIC, the participant may not exchange the formula for another type of formula or for cash. If the WIC participant requires a different formula size or type, they must return to their local WIC office and a WIC Certifier will assist them in determining what changes may be required.

Under no circumstances may a WIC participant purchase a formula other than the brand, size, or type of formula specified by the eWIC card.

If exempt infant formula and/ or WIC-eligible nutritionals are not available, the pharmacy shall order and provide it to the WIC participant within 48 hours

VENDOR RESPONSIBILITIES FOR STORE BRANDS PURCHASE REQUIREMENT

Each WIC Vendor has agreed to the terms of and signed a WIC Vendor Agreement. One of the key requirements in that agreement is vendors must control and manage inventory to ensure WIC participants purchase only declared store brands of specific food categories. This enables the MSDH WIC Program and WIC Vendors to serve more eligible participants. Prior to authorization, all vendors will declare the store brand for each type and size of WIC authorized milk, eggs, and cheese that the vendor may sell to WIC participants.

Vendor Declaration of Store Brands

The store brand declaration form must be submitted by each vendor declaring store brands for milk, eggs, and cheese. This form can be found on the MSDH WIC Program website: www.freshnewwic.com The vendor's declared store brands will be used in periodic analyses of vendor redemptions.

Vendors must manage their inventories to ensure that at least 85% of all sales for milk, eggs, and cheese are of the declared store brand. The WIC Vendor may change the declared store brand annually. This change must be reported to the MSDH WIC Program.

Assessment of Store Brand Sales

The MSDH WIC Program will periodically assess vendor redemptions against the vendor's annually declared store brand. The vendor's declared store brand will be compared to the redeemed brand. If a vendor's declared store brand is redeemed less than 85% of purchases for the specified item, the MSDH WIC Program will contact the vendor and require the vendor to re-evaluate its store brand declaration.

MANUFACTURER AND STORE PROMOTIONS & SPECIALS

The MSDH WIC Program requires WIC Vendors to make every possible special and promotion available to WIC participants. Manufacturer promotions and specials are ideal for WIC participants.

Authorized Promotions

The objective of the promotion must be to reduce prices to all shoppers. The only promotions WIC participants qualify for are:

- Buy one, get one free
- Buy one, get one at a reduced price
- Manufacturer or store cents-off coupons
- Store “savings” card or “customer reward” card

The additional foods and product amounts obtained from promotions and specials do not count toward the number of foods or the ounce limits specified in an eWIC card account or the dollar amount specified on a fruit and vegetable eWIC benefit balance.

Unauthorized Promotions or Incentives

Vendors are not permitted to offer incentives or promotional items or services specifically for WIC participants or encourage WIC participants to shop in a particular store. The MSDH WIC Program and the WIC Vendor Agreement outline those promotions and activities that are not authorized. The following are examples of prohibited incentives:

- Refunds for authorized foods obtained with eWIC,
- Exchange of food items unless such exchange is for an identical WIC food which is defective, spoiled, or outdated, or
- Accept telephone orders for WIC purchases.
- Cash, alcohol, tobacco, and/ or lottery tickets even if these are being offered to non-WIC customers

If there are questions about allowable promotions or specials, contact the MSDH WIC Program at 1-800-545-6747.

WIC TRANSACTION PROCESSING

WIC Participant eWIC Card

State MSDH WIC offices will provide eWIC cards to WIC participants. WIC participants will create their own personal identification number (PIN). No other form of identification is required. Participants should not be asked for additional identification. If a WIC

participant has questions regarding the PIN or needs a PIN reset for any reason, they should contact the local WIC office or the customer service number on the back of the eWIC card for assistance.

WIC Participant Shopping List

WIC State Office provides each WIC participant with a WIC shopping list. This is a list of all the items prescribed for the WIC participant. All items are listed by units of measure (ounces, pounds, dozen, etc.) and may be described by containers (jar, bag, can, or bottle). Many of these items are abbreviated on the shopping list. For example: CON= container, DOZ= dozen, GAL= gallon, LB= pound, OZ= ounce, QT= quart.

Milk Conversions are as followed: .75= 1 quart and 1 half gallon -or- 3 quarts, .5= 1 half gallon -or- 2 quarts, .25= 1 quart

If a participant does not have his/her shopping list, they may request an eWIC Balance Inquiry Receipt from the vendor.

Participant Purchase with eWIC and Printed Receipt

The WIC Vendor is required to provide a printed receipt to each WIC participant at the end of each sales transaction. The eWIC printed receipt varies in format and content at each store.

The WIC participant presents the products they wish to purchase at the vendor's check-out counter. Depending on the point of sale system used, WIC participants swipe the eWIC card before, during, or after the products are scanned. The WIC participant enters the personal identification number (PIN) to authorize redemptions. The WIC participant confirms the items to be purchased with WIC funds. Only products prescribed for the WIC participant will be authorized for redemption with WIC funds. All other items the participant brought for purchase may be purchased using a different tender type.

At the end of each sales transaction a printed receipt must be provided to the WIC participant. These receipts are a record of what was purchased and must provide the beginning and ending balance. The date of expiration of benefits must also be printed on the receipt.

PAYMENT OF REDEMPTIONS

Vendors are responsible for all arrangements with their third-party processor, their financial institution, and the MSDH WIC Program EBT contract provider.

To be a WIC Vendor, a grocer and/ or pharmacy must meet all program requirements. Vendors are responsible for ensuring they are eWIC capable. The vendor must be in possession of these eWIC capabilities prior to authorization. The vendor must execute an independent contract with a third-party processor that will manage redemption processing, settlements, and reconciliations for the facility. The vendor must also execute an independent contract with the MSDH WIC Program WIC EBT contract provider if any additional equipment such as a point-of-sale device (i.e. a VX520) is required for each checkout lane.

If the WIC Vendor Agreement is approved, the MSDH WIC Program will arrange to have a unique identifying number issued. That identifying number corresponds to a number of other records with the MSDH WIC Program WIC EBT contractor and the selected third-party processor for the vendor. It is the vendor's responsibility to ensure the appropriate contracts and links are in place to process WIC redemptions and receive payments.

WIC COMPLIANCE REVIEWS

Vendor Monitoring

WIC Vendors execute a WIC Vendor Agreement with the MSDH WIC Program. The agreement engages the vendor, the MSDH WIC Program, and WIC participant in a team effort to effectively manage WIC benefits and funds. The WIC Vendor is the most important part of the benefit redemption responsibilities of the MSDH WIC Program. The MSDH WIC Program is responsible for maintaining a consistent and productive relationship with each of its WIC Vendors. Some of the ways the MSDH WIC Program addresses these responsibilities are:

- The MSDH WIC Program has Monitoring and Compliance (MaC) Staff assigned to a specified number of WIC vendors. These staff members provide training and assistance in the local areas. Vendors are encouraged to actively maintain a professional relationship with assigned WIC vendor management staff.
- The MSDH WIC Program is required to complete compliance reviews of each vendor facility. These compliance reviews are a no-notice review of mandatory minimum inventory availability, processing procedures, and training. If deficiencies are identified a return review is required to verify that corrective action has been taken by the vendor.
- WIC Vendor redemptions are reviewed routinely, and non-competitive trends are identified and addressed with individual vendors.

- A vendor's records and redemptions may be audited for comparison of the quantities of food purchased from suppliers with the quantities represented in the eWIC redemptions. All vendors have agreed in the WIC Vendor Agreement to retain all invoice records for a period of three years. This process is used to ensure the vendor is obtaining food from wholesalers and distributors listed on the MSDH WIC Program website and that the vendor has purchased sufficient quantities of items to support the redemption claims submitted.

The MSDH WIC Program is required to periodically conduct covert, no-notice compliance buys in which a MSDH WIC Program representative poses as a WIC participant and purchases food items from a selected vendor. The purpose of the compliance buy is to ensure the vendor is meeting all MSDH WIC Program requirements and providing only prescribed foods.

USE OF WIC LOGO

The WIC acronym and the WIC logo are registered service marks of the USDA for USDA WIC, registration numbers 1,630,468 and 1,641,644, respectively. WIC Vendors are required to observe limitations on the use of the acronym and logo as a condition of continued participation in the MSDH WIC Program and as a term in the WIC Vendor Agreement.

WIC Vendors may not use the WIC acronym or logo in advertising or promotional materials that may imply the MSDH WIC Program or USDA endorses either the WIC Vendor or its products. The WIC Vendor may not use the acronym or logo in a way that may cause confusion, mistakes, or deception regarding the affiliation or connection of the vendor to the MSDH WIC Program or the USDA. WIC Vendors are required to comply with the terms of their WIC Vendor Agreement and laws applicable to acronym and logo.

VENDOR TRAINING

A training session will be conducted for all vendors by the State Agency. At least one representative of the vendor must participate in training annually. Interactive training will be done prior to or at the time of initial authorization and at least every two years. The MSDH WIC Program will have sole discretion to designate the date, time, and location of all interactive trainings. The MSDH WIC Program will provide the vendor with at least one alternative date to attend such training. Annual training may be provided by the MSDH WIC Program in a variety of formats, including newsletters and videos. WIC Vendors who do **NOT** attend the mandatory training will not be authorized and/or reauthorized as WIC Vendors.

WIC training and education materials, including the documents listed below, are available for WIC Vendors. These materials may be viewed or downloaded as needed from the MSDH WIC Program website: www.freshnewwic.com. The following materials are available:

- **MSDH WIC Vendor Handbook** – A handbook that contains additional information about the policies and procedures of the MSDH WIC Program. It may be used in conjunction with the terms of the WIC Vendor Agreement, WIC training materials, and assistance from the WIC Vendor management team.
- **MSDH WIC Food Guide** – A pamphlet that includes descriptions and images of eligible WIC foods.
- **WIC Authorized Supply Sources for Infant Formula** – An approved list of infant formula manufacturers, wholesalers, and distributors the MSDH WIC Program recognizes as authorized sources of supply will be available on the MSDH website at www.freshnewwic.com WIC Vendors are subject to inventory and invoice audits. WIC Vendors will not receive credit for infant formula purchased from a source not listed as an authorized source of supply for infant formula.
- **Mandatory Minimum Stock Requirement** – A list of the mandatory minimum WIC inventory all vendors must have on sales shelves available to the public at all times. Vendors that fail to maintain this inventory at all times may be disqualified.

New WIC vendors are required to provide training for store associates before transacting eWIC benefits. WIC vendors must submit the verification of store associate training form and provide proof of training or training plan. This form is required before materials for new vendors will be sent materials. Information to support store associate training for grocery stores and pharmacies are available on the MSDH WIC Vendor Information page at www.freshnewwic.com. At a minimum, training must include the following:

- Purpose of WIC
- Role of the WIC Vendor
- WIC Vendor Requirements
- WIC Approved Foods (for Grocery Store Vendors only)
- WIC Approved Formula

- Identifying an eWIC Card
- Processing an eWIC transaction
- How WIC monitors and assigns sanctions
- Store- specific point of sale system transactions

VENDOR MATERIAL AVAILABLE BY ORDER

WIC Vendors may contact their MSDH WIC Program vendor management staff to order the following vendor materials:

- **WIC Window Decal** – A window decal identifying WIC stores.
- **WIC Shelf Tags** – A shelf tag is used to identify eligible WIC foods in the store. It is recommended that vendors use shelf tags to identify WIC foods. The WIC logo is most helpful in areas where language barriers exist.

Vendor Sanction System

Sanctions can be applied against a vendor for program violations. The State Agency shall determine the type and level of sanctions to be applied against food vendors based upon the severity, nature, and pattern of the violations observed. Violations noted during two to three compliance investigations will constitute a pattern of violations.

Vendor offenses subject to State and Federal sanctions include but are not limited to:

- A pattern, defined as two or more incidences, of claiming reimbursement for the sale of an amount of a specific food item which exceeds the store's documented inventory of that food item for a specific period of time
- Exchanging cash, credit, or consideration other than eligible food; or the exchange of firearms, ammunition, explosives or controlled substances, as defined in section 802 of title 21 of the United States Code, for WIC benefits
- A pattern of receiving, transacting, and/or redeeming WIC benefits outside of authorized channels
- A pattern of exchanging non-food items for WIC benefits
- A pattern of charging WIC participants more for food than non-WIC customers, or charging WIC participants more than current shelf price

- A pattern of charging for food items not received by the WIC participant, or for food provided in excess of those listed on the food prescription.

The State Agency generally regards violations as an indication for training. Therefore, efforts will be made to correct the problems through vendor training. After unsuccessful attempts have been made to correct the violations, sanctions will be imposed. Sanctions shall be imposed by the State Agency against a vendor where evidence of abuse is documented. The Program will provide written notification to the vendor regarding any sanction points assessed and the type of violation(s) found (including initial violations). The State Agency may not accept voluntary withdrawal of a vendor as an alternative to disqualification.

Mandatory Federal Sanctions

Mandatory vendor sanctions 7 CFR 246.12(l)(1) allowed by law and rules include but are not limited to:

Permanent Disqualification: For a vendor convicted of trafficking in WIC benefits, selling firearms, ammunition, explosives, or controlled substances (as defined in section 102 of the Controlled Substance Act (21 U.S.C. 802) in exchange for WIC benefits. The State Agency shall impose a Civil Money Penalty in lieu of WIC disqualification when it determines:

- (a) disqualification of the vendor would result in inadequate participant access; or
- (b) the vendor had, at the time of the violation, an effective policy and program in effect to prevent trafficking; and the ownership of the vendor was not aware of, did not approve of, and was not involved in the conduct of the violation.

Six-Year Disqualification: One incidence of buying or selling WIC benefits for cash (trafficking); or one incidence of selling firearms, ammunition, explosives, or controlled substances as defined in 21 U.S.C. 802, in exchange for WIC benefits.

Three-Year Disqualification: 246.12 (l) (iii) Pattern is defined as three or more incidences

- (a) One incidence of sale of alcohol or alcoholic beverages or tobacco products in exchange for WIC benefits; or
- (b) A pattern of claiming reimbursement for the sale of an amount of a specific supplemental food item which exceeds the store's documented inventory of that supplemental food item for a specific period of time; or

- (c) A pattern of charging participants more for supplemental food than non-WIC customers or charging participants more than the current shelf or contract price; or
- (d) A pattern of receiving, transacting and/or redeeming WIC benefits outside of authorized channels, including the use of an unauthorized vendor and/or an unauthorized person; or
- (e) A pattern of charging for supplemental food not received by the participant; or
- (f) A pattern of providing credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances as defined in 21 U.S.C. 802, in exchange for WIC benefits.

One-Year Disqualification: The State Agency must disqualify a vendor for one year for pattern of providing unauthorized food items in exchange for WIC benefits, including charging for supplemental food provided in excess of those listed on the food prescription.

Second Mandatory Sanction: A vendor, who has been assessed a sanction for any of the violations in this section, receives another sanction for any of these violations, the State Agency shall double the second sanction. Civil money penalties may be doubled up to the maximum allowable amount.

Third or subsequent mandatory sanction: A vendor, who has been assessed two or more sanctions for any of the violations in this section, receives another sanction for any of these violations, the State Agency shall double the third sanction and all subsequent sanctions. The State Agency shall not impose civil money penalties in lieu of disqualification for third or subsequent sanctions.

Disqualification based on a SNAP disqualification: The State Agency will disqualify a vendor who has been disqualified from SNAP. The disqualification must be for the same length of time as the SNAP disqualification, may begin at a later date than the SNAP disqualification, and is not subject to administrative or judicial review under the WIC Program. The vendor may be assessed a Civil Money Penalty in lieu of disqualification if it will impose an accessibility hardship on participants. Participant access is not subject to review and the vendor does not have the right to appeal any decision under this section. The State Agency has the right to disqualify a vendor who has been assessed a civil money penalty for hardship in SNAP, as provided under 7

CFR 278.6. Violations that lead to disqualification from the State Agency may result in disqualification of authorization to participate in SNAP. This disqualification from WIC may result in disqualification as a retailer in SNAP. Such disqualification is not subject to administrative or judicial review under SNAP. Further, a vendor's previous non-compliance with WIC policy and/or procedures will be considered when re-contracting with the vendor and may be used as criteria in determining whether the vendor is eligible to re-contract.

Voluntary withdrawal or non-renewal of agreement: The State Agency shall not accept voluntary withdrawal of the vendor from the Program as an alternative to disqualification for violations listed in this section but shall enter the disqualification on the record. In addition, the State Agency shall not use non-renewal of the vendor agreement as an alternative to disqualification.

MSDH WIC Program Sanctions/Vendor Violations and Points for Violations

Sanctioning points can be assigned for each single occurrence of the violation, which is documented during any redemption analysis, monitoring visit(s), other formal visit(s), follow-up of previous problems, inventory audits, or any other objective means. All points are cumulative and will be kept current for a period of one (1) year as long as the vendor is authorized on the Program. Points accrued for each violation will be erased one (1) year after the date of the violation regardless of a renewal of a vendor agreement. Vendors may be subject to sanction points in addition to claims for improper or overcharged WIC benefits.

The State Agency may impose a CMP in lieu of disqualification when it determines and documents, at its sole discretion, that such action would result in inadequate participant access. Availability of other authorized vendors within approximately 15 miles will be considered, in accordance with 7 CFR 246.12 (2)(8), when determining participant access. The CMP calculation and collection will be the same as stated under the mandatory disqualifications and sanctions in accordance with 7 CFR 246.1. Sanctions are commensurate with the number of points accumulated for one or more of violations in any combination. The following violations are assigned specific sanction points.

Any combined total of:

5-10 points	=	Warning letter
11-15 points	=	Initial or follow up warning letter with required training.
16-18 points	=	3 month disqualification
19-20 points	=	6 month disqualification
21-25 points	=	9 month disqualification
26 or > points	=	1 year disqualification

Violation Description	Sanction Points
Vendor Handbook or Approved Foods Guide, not in store	1
WIC Food Prices not posted	1
WIC Sign is not posted	1
Allows unauthorized brands/foods to be purchased	2
Attempts to limit number of WIC benefits redeemed	2
Requires WIC participants to put back food items if the amount exceeds the MARL	2
Demands identification other than PIN	2
Discourteous to participants	2
Does not follow proper eWIC procedures	2
Fails to train store personnel in WIC procedures	2
Refuses to accept manufacturer coupons for WIC foods	2
Refuses to honor valid WIC benefits	2
Labels non-authorized brands as WIC approved	2
Misbranding WIC items	2
Redeems WIC benefits for non-authorized food brands, quantities, or types within WIC food categories	2
Exceeds WIC peer group pricing for eligible food items	2
Failure to comply with any other of the vendor responsibilities noted in the Vendor Agreement	2
Failure to submit Vendor Price Survey when requested	3
Unauthorized amounts purchased	5
Use of Special WIC Lane	5
Failure to provide WIC transaction receipts for review	5
Requires WIC participants to pay the difference if a food item exceeds the MARL amount	5
Does not maintain a clean and sanitary store	5
Does not maintain competitive prices on WIC authorized items	5
Fails to maintain minimum stock.	5
Pharmacies fail to provide special formula within 48 hours.	5
Fails to maintain store business hours as specified on application	5
Fails to provide evidence of proof of purchase (invoices) of WIC foods	5
Fails to remit payment for overcharges or provide justification for the overcharges, including scanner vs. shelf price discrepancies	5
Provides rain checks for WIC benefits	5
Seeks restitution from participants for WIC benefits not paid by the State agency or subject to non-payment by the State agency.	5
Submits false information on Vendor Price Survey	5
Submits false information on WIC transaction	5
WIC food items have stale dates	5
Discriminates against WIC participants (protected classes)	10

Submits false information on application	15
Redeems specific contract formula benefits for other formula	15
Redeems WIC benefits for foods which are not in WIC food categories	15
Circumvents disqualification or CMP through a purported transfer of ownership	25

The vendor will be notified in writing regarding any sanction points assessed and the type of violation(s) found (including initial violations). All vendors with 11-14 points will be required to receive training by the Program on the violation(s) in question within thirty (30) days of the notice of issuing the sanctioning points. This training will be documented and sent to MS WIC Program Vendor Compliance Analyst. The State Agency shall provide the appropriate FNS/ SNAP office with a copy of the notice of administrative action and information on vendors it has imposed a CMP in lieu of disqualification from the Program, or for any federal violations listed above.

Civil Money Penalty

The State Agency shall impose a CMP in lieu of WIC disqualification if:

- (a) Such disqualification of the vendor would result in inadequate participant access.
- (b) The vendor had at the time of the violation, an effective policy and program in effect to prevent trafficking, and the ownership of the vendor was not aware of, did not approve of, and was not involved in the conduct of the violation.

The State Agency shall use the following formula to calculate a CMP imposed instead of disqualification (up to the maximum allowable CMP amount, see below):

- (1) Determine the vendor's average monthly redemptions for at least the 6-month period ending with the month immediately preceding the month during which the notice of adverse action is dated.
- (2) Multiply the average monthly redemptions figure by 10 percent (.10).
- (3) Multiply the product by the number of months for which the store would have been disqualified. This is the amount of the CMP, provided that it does not exceed the maximum allowable CMP amount.
- (4) For a violation that warrants permanent disqualification, the amount of the CMP shall be the maximum amount specified for each violation. During the course of a single investigation the State agency determines a vendor has committed multiple violations, the State agency must impose a CMP for each violation.
- (5) The total amount of CMPs imposed for violations investigated as part of a single

investigation may not exceed the amount specified as the maximum penalty for violations occurring during a single investigation.

Civil money penalty for a vendor convicted of trafficking in food instruments, codified at 42 U.S.C. 1786(o)(1)(A) and 42 U.S.C. 1786(o)(4)(B) is \$15,692 for each violation, and maximum penalty for violations occurring during a single investigation is \$62,767.

Civil penalty for a vendor convicted of selling firearms, ammunition, explosive, or controlled substances in exchange for food instruments, codified at 42 U.S.C. 1786(o)(1)(B) and 42 U.S.C. 1786(o)(4)(B) is \$15,306 for each violation, and maximum penalty for violations occurring during a single investigation is \$62,767. Other sanctions allowed by law and rule include, but are not limited to:

- (a) Termination of authorization to participate in the Program
- (b) Offset against payment based on previous overpayment
- (c) Repayment of the full amount of vendor's reimbursement for cash, unauthorized foods, or other items of value to participants in lieu authorized supplemental foods
- (d) Repayment of the full amount of the difference between the vendor's customary price and the cost charged to the Program when the vendor charges the Program more for the supplemental foods than other customers are charged for the same food items, and assessment of the reasonable administrative costs

The State Agency has the right to disqualify a vendor who has been assessed a CMP for hardship in SNAP as provided under 7CFR 278.6. The length of such disqualification shall correspond to the period for which the vendor would otherwise have been disqualified in SNAP. The vendor has the right to appeal any decision under this section. Expiration of the vendor contract is not subject to appeal.

Any vendor found guilty of a violation by a different WIC State Agency will face the same sanctions, CMP, or disqualification as imposed by the other WIC State Agency. The length of the disqualification will be same as the disqualification imposed by the other WIC State Agency.

Vendor Appeal Hearing Procedure

Any vendor who is issued a sanction under the above mentioned mandatory Federal sanctions and/ or MSDH WIC Program Sanctions vendor sanctions has the right to appeal under the following procedures. The steps for an Appeal Hearing are as follows:

1. The vendor must file a written request for appeal with the MS WIC Program Vendor Manager, P.O. Box 1700, Jackson, MS 39215-1700, within 60 days of

the date the agency mails the applicant or vendor the sanction notice for disqualification, termination, or CMP.

2. Pending the appeal hearing, the vendor will continue to participate in the Program, comply with all regulations, and be subject to all monitoring requirements.
3. A case number will be assigned to the appeal.
4. The hearing shall be set at least fifteen (15) days after receipt of the request unless an earlier time is agreed upon by all parties and shall be set at a place satisfactory to the parties. The vendor shall be afforded the opportunity to reschedule the hearing, provided a minimum of 48 hours notice is given to the State Agency. The hearing may be rescheduled a maximum of one time.
5. The parties shall have the opportunity to present evidence and cross-examine witnesses. The vendor may review the case record during regular business hours prior to the hearing.
6. The parties may be represented by counsel.
7. The Director of the MS WIC Program shall appoint an impartial hearing examiner who is not involved in the Program.
8. The hearing examiner's decision shall be based solely on the evidence presented at the hearing and the regulations and policies governing the Program.
9. The hearing examiner shall issue a written decision and provide a copy to the parties within sixty (60) days of the request for a hearing.
10. In the event the hearing decision results in termination from Program participation, the State Agency must present the vendor with not less than 15 days advance written notice of expiration of the contract or agreement or other adverse action.

Administrative Review of State Agency Actions

Administrative Review Overview

The State Agency shall provide Full Administrative Reviews to vendors that appeal the following adverse actions:

- Denial of authorization based on the application of the vendor selection criteria

for minimum variety and quantity of authorized supplemental foods, or on a determination that the vendor is attempting to circumvent a sanction

- Termination of an agreement for cause
- Disqualification
- Imposition of a fine or a civil money penalty in lieu of disqualification

The State Agency shall provide Abbreviated Administrative Reviews to vendors that appeal the following adverse actions, unless the State agency decides to provide full administrative reviews for any of these types of adverse actions:

- Denial of authorization based on the vendor selection criteria for business integrity or for a current SNAP disqualification or civil money penalty for hardship (§246.12(g)(3)(ii) and (g)(3)(iii))
- Denial of authorization based on the application of the vendor selection criteria for competitive price (§246.12(g)(4))
- The application of the State agency's vendor peer group criteria and the criteria used to identify vendors that are above-50-percent vendors or comparable to above-50-percent vendors
- Denial of authorization based on a State agency established vendor selection criterion if the basis of the denial is a WIC vendor sanction or a SNAP withdrawal of authorization or disqualification
- Denial of authorization based on the State agency's vendor limiting criteria (§246.12(g)(2))
- Denial of authorization because a vendor submitted its application outside the timeframes during which applications are being accepted and processed as established by the State agency under §246.12(g)(8)
- Termination of an agreement because of a change in ownership or location or cessation of operations (§246.12(h)(3)(xvii))
- Disqualification based on a trafficking conviction (§246.12(l)(1)(i))
- Disqualification based on the imposition of a SNAP civil money penalty for hardship (§246.12(l)(2)(ii))
- Disqualification or a civil money penalty imposed in lieu of disqualification based on a mandatory sanction imposed by another WIC State agency

(§246.12(l)(2)(iii))

- A civil money penalty imposed in lieu of disqualification based on a SNAP disqualification under §246.12(l)(1)(vii)
- Denial of an application based on a determination of whether an applicant vendor is currently authorized by SNAP

The State Agency shall not provide administrative reviews pursuant to this section to vendors that appeal the following actions:

- The validity or appropriateness of the State Agency's vendor selection criteria for minimum variety and quantity of supplemental foods, business integrity, and current Supplemental Nutrition Assistance Program disqualification or civil money penalty for hardship (§246.12(g)(3))
- The validity or appropriateness of the State Agency's selection criteria for competitive price (§246.12(g)(4)), including, but not limited to, vendor peer group criteria and the criteria used to identify vendors that are above-50-percent vendors or comparable to above-50-percent vendors
- The validity or appropriateness of the State Agency's participant access criteria and the State agency's participant access determinations
- The State agency's determination to include or exclude an infant formula manufacturer, wholesaler, distributor, or retailer from the list required pursuant to §246.12(g)(11)
- The validity or appropriateness of the State agency's prohibition of incentive items and the State agency's denial of an above-50-percent vendor's request to provide an incentive item to customers pursuant to §246.12(h)(8)
- The State agency's determination whether to notify a vendor in writing when an investigation reveals an initial violation for which a pattern of violations must be established in order to impose a sanction, pursuant to §246.12(l)(3)
- The State agency's determination whether a vendor had an effective policy and program in effect to prevent trafficking and that the ownership of the vendor was not aware of, did not approve of, and was not involved in the conduct of the violation (§246.12(l)(1)(i)(B))
- Denial of authorization if the State agency's vendor authorization is subject to the

procurement procedures applicable to the State agency

- The expiration of a vendor's agreement
- Disputes regarding redemption or cash-value benefit amounts and vendor claims (other than the opportunity to justify or correct a vendor overcharge or other error, as permitted by §246.12(k)(3))
- Disqualification of a vendor as a result of disqualification from SNAP (§246.12(l)(1)(vii)).

Administrative Review Procedure

Full Administrative Review Procedures

In the event that a Full Administrative Review is required, the State Agency shall provide vendors with all of the following:

- Adequate advance notice of the time and place of the administrative review so all parties can prepare for the review.
 - The opportunity to present its case and at least one opportunity to reschedule the review date upon request. The State agency may set standards on how many review dates can be scheduled, as long as at least two review dates are allowed.
- The opportunity to cross-examine adverse witnesses. A protective screen or other device may be used to protect the identity of WIC Program investigators when necessary.
- The opportunity to be represented by counsel.
- The opportunity to examine the evidence the State agency used for the action prior to the review.
- An impartial decision-maker to review whether the State agency has correctly applied federal and State statutes, regulations, policies, and procedures governing the Program, according to evidence presented at the review. The State agency may appoint a reviewing official to review appeal decisions to make sure they follow approved policies and procedures.
- Written notification of the review decision, including the basis for the decision:
 - Within 90 days from the date of receipt of the request for an administrative

review from a vendor.

- Within 60 days from the date of receipt of a local agency's request for an administrative review.

The above timeframes are administrative requirements and are not a basis for overturning an adverse action if the decision is not made within the timeframe.

Abbreviated Administrative Review Procedures

In the event that an Abbreviated Administrative Review is required, and unless a State agency decides to provide full administrative reviews for adverse actions, the State Agency shall provide vendors with the following:

- Written notification of the adverse action, the procedures to obtain an abbreviated administrative review, the cause(s) for and the effective date of the action, and an opportunity to provide a written response.
- A decision-maker to use the available information to determine whether the State agency has correctly applied federal and State statutes, regulations, policies, and procedures governing the Program. The decision-maker will be someone other than the person who made the initial decision on the action.
- Written notification of the review decision, including the basis for the decision, within 90 days of the date of receipt of the request for an administrative review. This timeframe is an administrative requirement and is not a basis for overturning an adverse action if the decision is not made within 90 days.

When to Contact The MSDH WIC Program Vendor Management Staff

The MSDH WIC Program vendor management staff can assist vendors when questions or problems arise. If you wish to contact the MSDH WIC Program, please call (800) 545-6747.

The MSDH WIC Program should be contacted when a vendor needs assistance or information regarding the following:

- Eligible food items
- Vendor transaction processing
- Compliance issues

- Use of WIC acronym and logo
- To report WIC abuse or fraud
- Training of vendor personnel
- WIC shelf tags
- WIC Window decal
- Reporting Vendor status changes (change in ownership or location)
- Complaints

VENDOR COMPLAINTS

Vendors must report unusual incidents or complaints against a participant to the State Agency via the Vendor Complaint Form. The Vendor Complaint Form can be found on the agency website at www.freshnewic.com. The State Agency will provide appropriate follow-up with the participant to resolve the complaint. Verbal complaints will not be accepted.

VENDOR REPORTING PROGRAM ABUSE OR FRAUD

To report program abuse or fraud, please contact the MSDH WIC Program's Toll-Free Fraud Hot Line at 1-800-545-6747. Callers may remain anonymous.

WIC Vendors are encouraged to call the WIC Fraud Hot Line if they or their employees observe or are aware of inappropriate conduct regarding the MSDH WIC Program, participants, or the misuse of eWIC. These calls are accepted during normal business hours. After normal business hours the caller may leave a message on the WIC Fraud Hot Line answering service. Calls will be reviewed during normal business hours.

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, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

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 Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

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Office of the Assistant Secretary for Civil Rights
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- (2) Fax: (202) 690-7442; or
- (3) Email: program.intake@usda.gov.

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