



Chapter 9: Vendor Relations

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Overview

The Idaho WIC Program operates according to WIC program specific federal regulations including guidance on vendors contracted to provide foods to participants.

Purpose

The sections in this chapter describe various functions and responsibilities related to vendors contracted to provide foods to participants.

Scope

The policy applies to all State and local agency staff operating within the Idaho WIC Program.

In This Chapter

Section A Local Agency Responsibilities

Section B State Agency Responsibilities

SECTION A: LOCAL AGENCY RESPONSIBILITIES

OVERVIEW

IN THIS SECTION

Local Agency Contract Agreements
Foods Not Available
Conducting a Preauthorization Visit for New Vendors

Local Agency Contract Agreements

POLICY

The local agency is required by contract agreement to:

- Use the State food delivery system
- Address vendor issues per the following:
 - Provide a minimum of two staff people to assist with compliance investigations for an average of four to six buys per year, as requested by the State
 - Provide at least one local agency staff person to attend each vendor training session, as requested by the State
 - Follow up on vendor problems as requested by the State.
 - Provide at least one local agency staff person to participate in the following eWIC activities as requested by the State
 - UPC collection
 - Test buys

ON-SITE REVIEW

A local agency may be asked to conduct an initial on-site review for a new store using the New Vendor Authorization Visit form.

A local agency may be asked to conduct a store authorization visit using the New Vendor Authorization Visit form for stores who are currently authorized but have changed names.

INCIDENT REPORT

When a local agency receives a Vendor Complaint or Incident Report from a participant, the local agency will immediately send the report to the State agency.

CHECKOUT PROCEDURE

A local agency shall discuss checkout procedures with the participant at the first visit, at subsequent visits as needed and when they first receive their eWIC card. Checkout procedures should include, but are not limited to:

- checking your eWIC account balance
- identifying authorized WIC vendors
- using coupons or discount cards is allowed
- using your eWIC card at the register
- choosing the correct foods from the Idaho WIC Authorized Food List
- reading your eWIC receipt

PREAUTHORIZATION VISIT

All new authorized vendors are required to have an initial authorization visit conducted by a State agency or local agency employee. Refer to “Conducting a Preauthorization Visit.”

Foods Not Available

POLICY

Credit slips or rain checks are not allowed. If food is not in stock the participant may come back another day or shop at another Idaho WIC authorized vendor. Substitutions are not allowed.

NOTE: Participants should be encouraged to use their WIC benefits before midnight of the last day of the month to avoid the possibility of forfeiting the food items in their WIC account.

REFERENCE

State policy

Conducting a Preauthorization Visit for New Vendors

POLICY

This visit is conducted by either State agency or local agency staff. The State vendor team will work with the local agency Coordinator if this responsibility will fall to local staff. The State vendor team will provide all necessary forms and documentation prior to the visit.

INSTRUCTIONS

1. Staff person must identify herself or himself to the store or manager prior to conducting the preauthorization visit. The staff person may have the store director or manager escort them around the store to answer any questions they may have.
2. Staff person must verify all food prices against a copy of the current not to exceed (NTE) prices for that peer group to ensure prices meet the competitive price selection criteria.
3. Staff person must complete all the appropriate questions on the New Vendor Authorization Visit form.
4. Staff person must verify that the store's point of sale system is ready to accept eWIC transactions.

5. After all verifications are complete, the staff person can recommend this store for WIC approval.
6. Staff will provide interactive training prior to authorization.

VISIT RESULT - APPROVED

If the vendor is approved, the store manager will receive a signed copy of the contract. All documentation should be returned to the State agency.

VISIT RESULT - DISAPPROVE

If the vendor is not approved, the person who conducted the visit must document the reasons for disapproval and return all documentation to the State agency.

REFERENCE

State policy

SECTION B: STATE AGENCY RESPONSIBILITIES

OVERVIEW

This section describes the vendor-related activities which are the responsibility of the State agency.

IN THIS SECTION

Vendor Selection and Authorization
Above 50 Percent Vendor Determination
SNAP Authorization
Vendor Closure or Owner Change
Vendor Price Update
Vendor Training
Vendor Monitoring
Vendor Hearing

Vendor Selection and Authorization

POLICY

A prospective vendor must complete and submit an Idaho WIC Program Vendor Agreement to the State vendor team for consideration of possible authorization. See “Idaho WIC Program Vendor Agreement” for details.

All new authorized vendors are required to complete the pre-authorization verification process. This includes verifying the vendor meets competitive pricing criteria, their point-of-sale system is ready to accept eWIC transactions and that staff have received WIC training.

All Idaho WIC Program Vendor Agreements are for a three-year period unless the vendor is found to be out of compliance, has committed fraud, or has otherwise violated program rules or regulations.

REFERENCE

State policy

Above 50 Percent Vendor Determination

POLICY

All WIC authorized vendors should be assessed for above 50 percent at initial application, within 6 months, and annually.

REFERENCE

State policy

SNAP (Supplemental Nutrition Assistance Program) Authorization

POLICY

Each vendor's SNAP identification number, SNAP authorization status, and history of SNAP sanctions should be verified in STARS at initial authorization, annually and at reauthorization.

REFERENCE

State policy

Vendor Closure or Owner Change

POLICY

When vendor ownership changes, the existing Vendor Agreement is immediately terminated. Vendor Agreements are non-transferable. New owners are required to submit a new Vendor Agreement to be considered for authorization.

All vendor owner changes and closures must be reported to the State vendor team by the owner.

REFERENCE

State policy

Vendor Price Update

POLICY

Vendor prices will be tracked by the eWIC processor and will be based on actual redemption data. Shelf prices will be verified during compliance buys to ensure they match redemption prices.

REFERENCE

State policy

Vendor Training

POLICY

Vendors are required to receive training annually, with an interactive training every third year. Interactive training must provide an opportunity for store staff to ask questions and receive answers in real time. Vendors are notified of the training requirements.

The content of materials and proof of vendor participation in annual vendor training should be documented to prove compliance with federal WIC training regulations. Documentation should be kept for four years.

TRAINING TOPICS

During the training, the State vendor team provides updated information such as:

- The purpose of the WIC Program
- Authorized supplemental food
- Vendor minimum stocking requirements
- Obtaining infant formula from the list provided by Idaho WIC Program
- Procedures for completing WIC transactions
- Incentive items
- The vendor sanction system
- The vendor complaint process
- Claims procedure
- Changes to the WIC Program

Vendors are required to provide training to their employees who handle WIC transactions. If a vendor experiences problems with WIC transactions, training is provided by the State vendor team.

Vendor bulletins are provided as needed. Bulletins are prepared when program changes occur (e.g., new sole source infant formula rebate contractor selected).

The WIC Vendor Operations Guide is updated as necessary and distributed during new vendor training or when significant changes occur.

INCIDENT REPORTS

Vendors are informed when a Complaint or Incident Report form has been filed against the store for various reasons (e.g., not allowing coupons, out of stock of authorized WIC foods). Complaint or Incident Report forms are available online and provided upon request.

REFERENCE

State policy

Vendor Monitoring

POLICY

On-site monitoring visits are conducted on a minimum of five (5) percent of all authorized vendors. Follow-up on-site monitoring may be conducted with a new vendor.

- All on-site monitoring visits will be documented and a copy left with the vendor at the time of the visit or mailed soon after.
- On-site monitoring visits may be unannounced.

COMPLIANCE INVESTIGATION

All compliance investigations are unannounced and may be conducted by State or local agency staff. Compliance investigations are documented immediately upon exiting the store.

Criteria have been established by the State vendor team to determine if a store warrants a compliance investigation. Compliance investigations are conducted to monitor for program violations as well as to determine if a vendor requires additional training.

Redemption information is obtained from the bank by the State agency to compare with the sales receipt received at the time of the transaction. Vendors are notified in writing by the State agency.

Vendors are instructed on proper checkout procedures and are provided with materials to retrain all personnel who handle WIC transactions.

If a vendor has a repeat compliance investigation with negative results, follow-up action will be taken as stated in the Idaho WIC Program Vendor Agreement, Appendix A: Vendor Sanctions Schedule.

REFERENCE

State policy

Vendor Hearing

POLICY

All administrative proceedings shall be governed by the provisions of IDAPA 16.05.03.

A vendor may request an administrative hearing under the following circumstances:

- Application for participation is denied
- Vendor is disqualified
- Any other adverse action is taken which affects participation in the WIC Program

When a vendor is notified of the decision by the State agency denying participation, a 15-day advance written notice is given. The vendor is advised at that time that a written request for a hearing must be made within 35 days.

SNAP DISQUALIFICATION

The State agency will disqualify a vendor who has been disqualified from the SNAP Program. The disqualification will be for the same length of time as the SNAP Program disqualification. The disqualification may begin at a later date than the SNAP Program disqualification, and shall not be subject to administrative or judicial review under the WIC Program. Additionally, disqualification of a vendor from the WIC Program may result in a disqualification from the SNAP Program. The disqualification shall not be subject to administrative or judicial review under the SNAP Program.

PROCEDURE

A hearing will be provided at the State level. Any vendor asking for information about hearings should be referred to the State WIC Vendor Manager.

REFERENCE

7 CFR 246.18(a)(1) Vendor Appeals

IDAPA 16.05.03 Rules Governing Contested Case Proceedings and Declaratory Ruling