



Georgia Department of Public Health

Best Practices for Avoiding Sanctions

Presentation to: Vendor Advisory Forum

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Learning Objectives

1.

Provide an overview of the Georgia WIC sanction system.

2.

Review the categories associated with sanctions.

3.

Provide the best practices to avoid the most commonly state assessed sanctions.

Sanction System Overview

7 Sanction Categories

Federal

- 4 Categories.
- Mandatory sanctions carry 3 to 6 year disqualifications.
- A second sanction doubles the disqualification period.

State

- 3 categories.
- Established by Georgia WIC and approved by the USDA.
- Includes disqualification and/or Civil Money penalties.
- Vendor will receive a written notification in event of a violation that warrants a sanction.

State Sanction System Overview

Classified within three (3) categories.

Category I

- First offense= Warning letter.
- If the same violation occurs within a **12 month period from the date of the first offense notification**, a second warning is issued.
- 3rd offense within a 12 month period=**6 month disqualification.**



State Sanction System Overview

Classified within three (3) categories.

Category II



- First offense= Warning letter.
- If the same violation occurs within in a **12 month period from the date of the first offense notification**, a second warning is issued.
- 3rd offense within a 12 month period=**8 month disqualification**.

State Sanction System Overview

Classified within three (3) categories.

Category III

- First offense= Warning letter.
- If the same violation occurs within a **12 month period from the date of the first offense notification,**



10 month disqualification.



Commonly Assessed Sanctions

Period from January 2016 to March 2016

<u>Common Vendors Sanctions</u>		
Sanction	Sanction Description	Totals
C1-1	Stale dated foods	39
C1-2	Failure to allow in-store or manufacturers' promotional or free item with a WIC purchase.	0
C1-4	Failure to stock the required inventory of contract formula.	46
C2-4	Prices <u>not marked</u> on or near WIC foods with the exception of Infant Formula or Fruits or Vegetables.	8
C1-5	Failure to stock the required inventory of any WIC food items <u>other than</u> contract formula.	9
C3-02	Failure to enter price on voucher before signature	4
C3-10	Price not marked clearly on WIC food items	2
Total Sanctions	*Data collected from Pre-approval Authorization visits.	108

Best Practices to Avoid Sanctions

Category 1, Violation 1

Stocking or selling out of date WIC foods.



Best Practices to Avoid Sanctions

Category 1, Violation 1

Stocking or selling out of date WIC foods.

Stocking Shelves

- Organize your food using a **"First In, First Out" (FIFO)** method of distribution.
- This simply means to rotate your stock to assure that the items that have been on the shelves the longest are the first to be distributed. Add new items to the back.



At the same time, you could check the expiration dates on the WIC products!

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Best Practices to Avoid Sanctions

Category 1, Violation 1

Stocking or selling out of date WIC foods.



**At the same time,
utilize the
minimum
inventory checklist
to verify WIC Food
Minimum
Inventory counts!**

Use the Dot System To Reduce Expired Products

- Every time your spot-checkers find a SKU with product close to expiring (you can set the actual timeframe), place a small dot sticker next to the price tag.
- Train your stockers that items with a dot sticker means the product needs to be rotated/removed.
- Target items on the WIC Approved Food List.

Best Practices to Avoid Sanctions

Category 1, Violation 2

Failure to allow in-store or manufacturers' promotional or free item with a WIC purchase.

Vendor Store Incentives

Buy One, Get One (BOGO)

Example-

Vendor offers a free box of cereal with each box of cereal that is purchased. A WIC participant gets an additional quantity of **the same WIC item at no cost.**



Source: WIC Policy Memorandum #2014-3-Vendor Management, Incentive Items, Vendor Discounts and Coupons. http://www.fns.usda.gov/sites/default/files/WPM_2014-3_IncentivesDiscounts2013rev13-1.pdf

Best Practices to Avoid Sanctions

Category 1, Violation 2

Failure to allow in-store or manufacturers' promotional or free item with a WIC purchase.

Vendor Store Incentives

Coupons

Example-

A coupon offers a price discount of \$1.00 off of a box of cereal on the WIC approved list. The value of the coupon would be applied to the WIC transaction.



Source: WIC Policy Memorandum #2014-3-Vendor Management, Incentive Items, Vendor Discounts and Coupons. http://www.fns.usda.gov/sites/default/files/WPM_2014-3_IncentivesDiscounts2013rev13-1.pdf

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Best Practices to Avoid Sanctions

Category 1, Violation 4

Failure to stock the required inventory of contract formula.

Utilize the Minimum Inventory Requirements chart on Page 25-26 in the Vendor Handbook.

INFANT FORMULA	Milk Based – Gerber Good Start Gentle Soy Based – Gerber Good Start Soy	12.1 oz Concentrate*	Milk Based - 19 Soy Based - 0	<input type="checkbox"/>
	Milk Based – Gerber Good Start Gentle Soy Based – Gerber Good Start Soy	12.7 oz Powder 12.9 oz Powder	Milk Based - 50 Soy Based - 20	<input type="checkbox"/>



Vendors are **REQUIRED** to maintain in stock a minimum variety and quantity of the WIC foods contained on the minimum inventory chart.

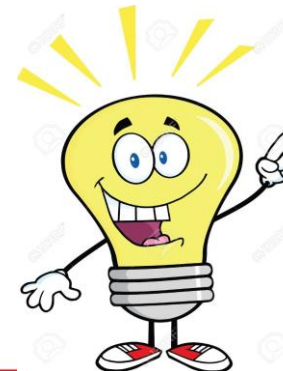
Best Practices to Avoid Sanctions

Category 1, Violation 5

Failure to stock the required inventory of any WIC food items **other than** contract formula.

Georgia WIC Program Minimum Inventory Requirements Effective April, 2015				
Food Item	Types/Brands	Size	Minimum Inventory	☑
MILK Least Expensive Brand of type selected/allowed	Whole Milk	Gallon	8 Gallons	<input type="checkbox"/>
	Fat Free/Skim, Low-Fat (1%), Reduced Fat (2%) Milk	Gallon	12 Gallons (Can be Combined)	<input type="checkbox"/>
	Dry Powdered Milk OR	Makes 3 Quarts	3 Boxes	<input type="checkbox"/>
	Evaporated Milk	12 oz	12 Cans	<input type="checkbox"/>
CHEESE Least Expensive Brand of type selected/allowed	One Pound Package	16 oz (1 Pound)	8 - 1 lb Packages 2 Types	<input type="checkbox"/>
EGGS Least Expensive Brand	Grade A Large	1 Dozen Carton	8 - 1 Dozen	<input type="checkbox"/>
PEANUT BUTTER	Any Brand Creamy, Crunchy, or Extra Crunchy (Regular or Low-salt)	16-18 oz	6 Containers 2 Brands	<input type="checkbox"/>
BEANS / PEAS / LENTILS	Dried Beans/Peas/ Lentils	1 Pound Packages	5 Packages - 2 Types	<input type="checkbox"/>
	Canned Beans/ Peas/ Lentils	15 - 16 oz Cans	18 Cans - 2 Types	<input type="checkbox"/>
JUICE	Ready to Serve Container	48 oz	12 Containers - 2 Flavors	<input type="checkbox"/>
	Non-Frozen Concentrate	11.5 oz	Any Combination	<input type="checkbox"/>
	Frozen Concentrate	11.5 - 12 oz		<input type="checkbox"/>
	Ready to Serve Container	64 oz	12 Containers - 2 Flavors	<input type="checkbox"/>
WHOLE GRAIN BREAD	Whole Grain Bread	16 oz Loaf	6 Loaves	<input type="checkbox"/>
CEREAL	WIC Approved Cereal		24 Boxes - 4 Types	<input type="checkbox"/>
Whole Grain	Brands and Types (see WIC Approved Foods List)	11- 36 oz	2 Types must be Whole Grain	<input type="checkbox"/>
FISH Least Expensive of type selected	Tuna Pink Salmon	5 oz, 6 oz, 7.5 oz or 14.75 oz	18 Cans Combined	<input type="checkbox"/>
INFANT FORMULA	Milk Based - Gerber Good Start Gentle	12.1 oz Concentrate*	Milk Based - 19	<input type="checkbox"/>
	Soy Based - Gerber Good Start Soy		Soy Based - 0	<input type="checkbox"/>
	Milk Based - Gerber Good Start Gentle	12.7 oz Powder	Milk Based - 50	<input type="checkbox"/>
	Soy Based - Gerber Good Start Soy	12.9 oz Powder	Soy Based - 20	<input type="checkbox"/>
INFANT CEREAL	Dry Cereal	8 oz Box	12 Boxes - 2 Types, 1 must be Rice	<input type="checkbox"/>
INFANT FRUIT & VEGETABLES	Fruit and / or Vegetable	4 oz Jars or 8 oz Twin Packs	96 Jars Combined or 48 - 8 oz Twin Packs	<input type="checkbox"/>
INFANT MEATS	Meats in Gravy or Broth	2.5 oz Jars	31 Meats	<input type="checkbox"/>
FRUITS & VEGETABLES	Fruits	Fresh, Frozen, Canned	Fresh: 20 Types (Combined Fruits and Vegetables)	<input type="checkbox"/>
	Vegetables	Fresh, Frozen, Canned		<input type="checkbox"/>

- Utilize the Minimum Inventory Requirements on page 25-26 in the Vendor Handbook.
- Periodically spot check the items and perform an inventory audit using the checklist.



**At the same time,
you could check
the expiration
dates and prices on
the same products!**

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Best Practices to Avoid Sanctions

Category 2, Violation 4

Prices **not marked** on or near WIC foods with the exception of Infant Formula or Fruits or Vegetables.

- When doing inventory audits or stock rotations of WIC items, check to ensure the prices are marked on the shelves.
- Institute weekly or daily audits/review of WIC Approved Foods to ensure prices on shelves are clearly marked.



Best Practices to Avoid Sanctions

Category 3, Violation 2

Failure to write the price on the Food Instrument before the participant signs it.

- Instruct cashiers write the price **prior** to obtaining the participants signature.
- **Missing signatures will not be paid.**
- **Forging a participants signature will result in termination.**
- **Vendors cannot contact the participant after the transaction has been completed.**

Write in black ink
the amount of the
WIC purchase here.

After the amount is written
in, obtain the signature from
the participant, match the
signature to WIC ID card.

DO NOT CASH UNLESS THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND AND A FOIL LOGO.

DIST/UNIT/CLINIC	WIC ID NO.	C	P	PARTICIPANT	VOUCHER NO.	ISSUED BY
United Community Bank 0611196842072112382	GEORGIA WIC PROGRAM					
PAY TO THE ORDER OF ANY AUTHORIZED GEORGIA WIC VENDOR FOR THESE ITEMS/QUANTITIES ONLY - WIC APPROVED FOODS ONLY - NO SUBSTITUTIONS				NOT NEGOTIABLE WITHOUT WIC VENDOR STAMP HERE	FIRST DAY TO USE 05/10/2014	
					LAST DAY TO USE 06/09/2014	
					VENDOR MUST DEPOSIT WITHIN 60 DAYS OF FIRST DAY TO USE	
					PAY EXACTLY	
					DOLLARS	CENTS
					14	82
					Julie S. Hungry	
					PARTICIPANT/GUARDIAN/PROXY SIGNATURE	

BUYING, SELLING, OR OTHERWISE MISUSING WIC BENEFITS IS A CRIME. TO REPORT
SUSPECTED ABUSE, CALL 800-424-9121 OR VISIT WWW.USDA.GOV/OIG/HOTLINE.HTM.

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Questions?



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