



Georgia Department of Public Health

EBT OVERVIEW

Vendor Advisory Forum

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Objectives

- Explain the advantages of WIC EBT to vendors advisory forum
- Provide information on different available WIC EBT technologies;
- Describe how the implementation of WIC EBT will impact state and clinic processes; and
- Explore some of the challenges when implementing a WIC EBT program.

Why WIC EBT?



Participants

- With WIC EBT, participants gain a greater sense of dignity and more flexibility in how they use their WIC benefits. The experience in the checkout lane is not only expedited, but becomes virtually indistinguishable from all other shoppers. Further, the WIC participant gains new freedoms of store and product selection.
- Participants can buy as much or as little of their authorized food prescription at any time during the authorized benefit period or at any authorized store. Shopping becomes more a choice of convenience and product selection.
- Available authorized food prescriptions are managed automatically. The entire family's benefits are stored together on one card. EBT uses oldest benefits first; participants do not have to manage first and last date to use. The EBT system also automatically manages expiration of any previous month's unused benefits.

LOCAL AGENCIES / CLINICS

- EBT provides all of the convenience of the paper issuance system, assuring that participants may leave the clinic with benefits in-hand, ready to go shopping, and allowing multiple months of benefits to be issued during one visit.
- Local agencies and clinics receive advantages from reduced paper management and increased efficiency in moving participants through the clinic.
- Participants can be moved faster through the clinic because they will not have to wait for food instruments to print or to sign food instruments and receipts for the entire family.
- In the event of lost benefits, replacement can be an easier and less expensive process.



VENDORS

- Second only to participant dignity, the WIC vendor community is the biggest winner from an EBT implementation. For vendors, WIC EBT has a significant positive impact on operations. While vendors may incur initial set-up costs, WIC EBT has proven to be a better value.
- Less time is required in the checkout lane.
- Improved transaction accuracy because only authorized food items are allowed.
- Reduced clerk training effort in WIC authorized foods and transaction processing.

STATE WIC OFFICE



- WIC EBT converts all participant prescriptions and their redemption transactions into electronic notation at the front end of the business process, thus removing the need for the mounds of paper that currently support benefit distribution.
- Implementing WIC EBT can help the state WIC office improve program integrity.
- Elimination of paper food instruments, associated labor intensive processes, and error prone food instruments handling and encoding.
- More detailed redemption data.
- Provides potential for significant reduction in overall cost of WIC benefits.

EBT SUCCESS

- The success of WIC EBT depends upon its acceptance within the vendor community, a condition that is largely dependent on a set of transaction processing standards that provide assurance of a positive return on the vendor's investment in implementing the technology.



THERE ARE COSTS INVOLVED IN MIGRATING TO EBT...

Moving to WIC EBT requires new technology at both the clinic and the vendor locations.

Clinics need to integrate or interface their existing information system (IS) to the EBT system and be able to issue participant EBT cards onsite.

Modifications may be needed to the IS to convert individual food items into a standardized code compatible with EBT's automated processes.



IS WIC EBT THE SAME AS FOOD STAMP EBT?

- WIC EBT and Food Stamp EBT are the same in that both use a card to enable transactions in a retail location and both use electronic storage of a participant's available benefits. However specific WIC programmatic requirements, when compared to a Food Stamp program, necessitate different technology and procedural considerations. WIC EBT is a much more complicated transaction to process than is the simple payment transaction required for a Food Stamp purchase.



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CAN THE SAME CARD BE USED FOR BOTH WIC AND FOOD STAMPS?



- The same card can be used to support both Food Stamp EBT and WIC EBT.
- The degree of integration of the participating programs' management and administration has a direct impact on card sharing issues.
- In Georgia, administration of the WIC and Food Stamp programs falls under two different areas.
- **Georgia will not use the same card for WIC and SNAP**

HOW DOES A WIC EBT CARD WORK?

- After being certified as eligible for benefits at the WIC clinic, the participant is issued a secure WIC EBT card.
- The participant's food prescription information is converted to an electronic notation and stored in the participant's electronic WIC prescription/benefit account.
- Each family/household member's food benefits are aggregated onto a single card and multiple months of benefits may be issued during one clinic visit.
- The shopper's food items are scanned in the checkout lane.
- A record of the purchased items, quantities, and price is processed electronically and Not-to-Exceed amount algorithms are applied.
- The vendor generally receives electronic reimbursement for the transaction on the next business day.

WIC EBT: OFFLINE AND ONLINE

- **Offline EBT**

- In the offline EBT model, participants' WIC prescriptions are stored directly on the EBT card in the memory of an integrated silicon chip, or smart card.
- All transaction processing occurs at the vendor location. The participant's WIC prescription is obtained directly from the client's card during transaction processing, and information regarding the transaction is stored onsite on a server within the vendor location.
- On a daily basis, a batch file containing the details of the WIC transactions performed at the vendor for the day is transmitted to the EBT host system for payment processing.

ONLINE EBT



- With the online EBT model, the WIC prescription is stored in a household account in a central database (the EBT host system). A magnetic stripe card, similar to a debit card, is issued to the participant to access their account balance on the EBT host system online, real-time in the checkout lane.
- To complete a purchase transaction, UPCs, quantities, and prices of food items being purchased are transmitted to the EBT host system, where the processing occurs.
- Online WIC EBT transactions require a telecommunications connection between the store and the host system at the time of the transaction.

WHAT IS THE VENDOR IMPACT?

- The majority of effort (and benefit) resulting from EBT falls to the vendor. Significant investment is required to upgrade the in-lane technology to accommodate WIC EBT transactions. Back office processes may need to be updated to accommodate the automated settlement and reconciliation activities.
- Regardless of offline or online, WIC EBT in the checkout lane requires a minimum set of integrated components. There are two general approaches to filling this requirement :
 - Stand beside
 - Integrated



VENDOR MANAGEMENT



- The process for maintaining vendor authorizations remains unchanged with the implementation of WIC EBT.
- In an online EBT environment, the EBT host maintains a current list of authorized merchants. Each incoming transaction, which contains the vendor identification information, is validated at the time of the transaction.
- In an offline system, vendors are validated when the settlement files are uploaded to the central system.
- Not-to-Exceed amounts and peer group pricing, subject to the current business processes, are generally unaffected by implementing WIC EBT.

FOOD ITEMS



- WIC agencies will continue to determine which food items are to be accepted by their WIC program.
- Vendors will submit descriptions of food items along with their UPCs for approval by the Agency.
- Once an item is approved, it will be added to the approved food item list along with a mapping of the food item into the food category/ sub category structure.
- During transaction processing, a scanned UPC code is compared to the list of WIC approved UPC codes.

SETTLEMENT



- Vendors are reimbursed based on their approved electronic WIC purchase transactions. Because, with EBT, everything is already in an electronic format, no extensive paper handling and encoding is required. Consequently, the settlement process can happen more quickly. With an EBT system, transactions approved up until a settlement cut-off time, such as 6:00 PM, can be settled to the vendors the following business day using an overnight, automated clearinghouse (ACH) payment system.

TRAINING



Moving from a paper-based system to EBT will require training for the clinic staff, the participants, and vendors. However, the work processes under EBT are simpler because technology replaces what are currently manual functions. For example, the complex task of having the retail checkout clerk validating that an item is eligible for WIC is no longer necessary. Consequently, training effort can be reduced and in the long run will be much less.

NEXT STEPS



- Moving to WIC EBT is a big step. But like any big step, it starts with a commitment to move forward and then proceeding one small step at a time.
- Keys to planning a successful EBT initiative are to actively and frequently engage stakeholders in every facet of the design process. Executive management, local agencies/ clinics, and vendors are the partners that have the biggest stake in the process. Working closely with these groups, it is possible to develop the most feasible technology and business approach that works best for the agency's specific needs, policies, and existing infrastructure.

QUESTIONS



Merci beaucoup

Thank You

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Danke

Gracias

Grazie

谢谢你

Thanks

Dank u

Obrigado