

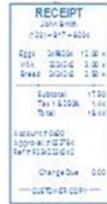
eWIC and Retailer Readiness Keys to Collaboration

July 2016

Retailers commit substantial resources to support WIC

Operations/Store Mgt

Licensing
Compliance
Customer Service
Front End Operations
Store Signage



Systems/IT

Point of Sale (POS) Registers
Debit Readers
Store Systems
Inventory
Pricing
Payment Authorization
Settlement



Merchandising/Buyers

Buyers and Planners
Item file/Inventory
Store Resets
Modular/planograms
Endcaps
Fresh/Local Produce
Logistics
Transportation



Finance/Treasury

Payments
Accounting
Innovations
Mobile applications
Shopping lists
Product/Price look up
Mobile Payments



eWIC provides benefits throughout the distribution chain

Benefits to Participants

- No stigma, APL on POS reduces discrepancies, swipe and go like everyone else
- Real time balance access and updates
- Utilization flexibility, get what you need when you need it, reduces spoilage
- Safer and more convenient, easy to store in wallet, less risk of benefits being lost or stolen

Benefits to Retailers

- Improved efficiency at checkout
- Eliminates handling of paper vouchers
- Automated validation
 - Participant eligibility
 - Prescription date
 - Item, quantity and price
- Expedited settlement

Benefits to Agencies

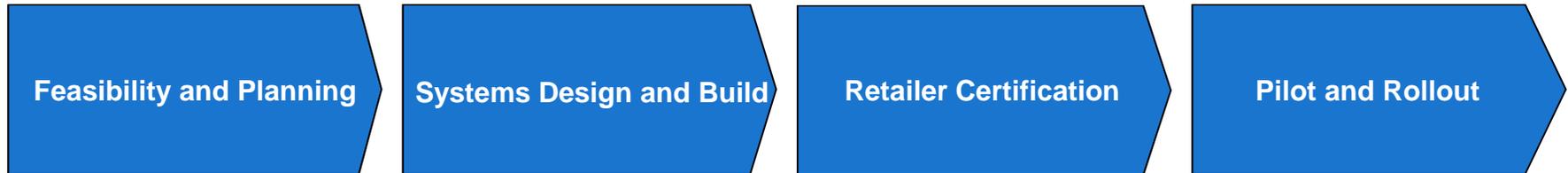
- Lower program costs:
 - No printing and distribution
 - No staff audits of vouchers
 - Modify prescriptions in real time
- Reduces food costs
 - Real time data
 - Benefit utilization tracking
 - Pricing controls
- Faster and more accurate settlement with retailers

eWIC Transaction and Settlement Processes

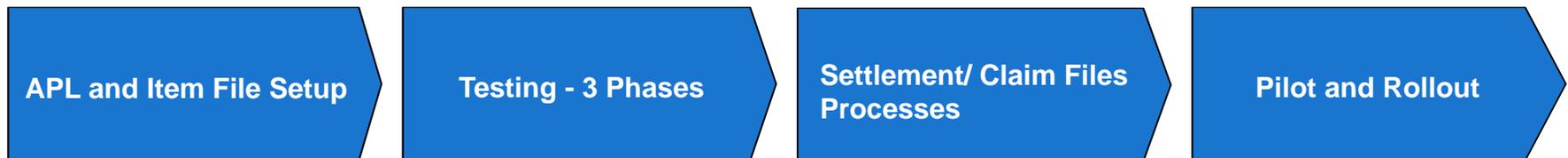
1. WIC Agency approves WIC participants for benefits and issues an eWIC card and PIN
2. Once the food package benefit is issued, the cardholder has immediate access to items at all WIC certified retail locations
3. At a WIC certified retailer's POS, items are scanned for WIC eligibility (APL) and eligible items are then validated against the prescription benefit issued (validated by Smartcard if offline, validated by processor's database if online)
Validations at POS :
 - Prescription timeframe
 - Item quantity
 - Item price (ensures maximum price is not exceeded)
4. Upon authorization, the food items are deducted from the available prescription balance, and a receipt is printed with purchase details and the remaining benefit balance
5. WIC food vendors receive settlement via bank account deposit

All stakeholders have a lot to do to get ready for eWIC

Agencies - Four step process to convert to eWIC



Retailers and Processors - Four step process to convert to eWIC



Relationships are Key!

- eWIC Processor to Retailer
- eWIC Processor to Third Party Processor (TPP)
- eWIC Processor to POS Resellers
- eWIC Processor with WIC Agency



Establishing Key Project Dates

- Acquire the eWIC BIN from the WIC Agency ASAP
- Work to get the pilot date set
- Knowing your retailers and avoiding key holiday blackout dates
- Communicate BIN and Pilot date to the TPP's (ASAP)

Testing Platforms and Collateral

- Establish retailer testing environments
- Produce test cards and test APL file
- Work with Retailers on initial testing

Establish Production Vendor X9 #'s

- Communicate retailer X9 numbers early as possible
- TPP's need time to get the production links and ID numbers setup
- Exercise caution when communicating these ID's as the payment depends on them!

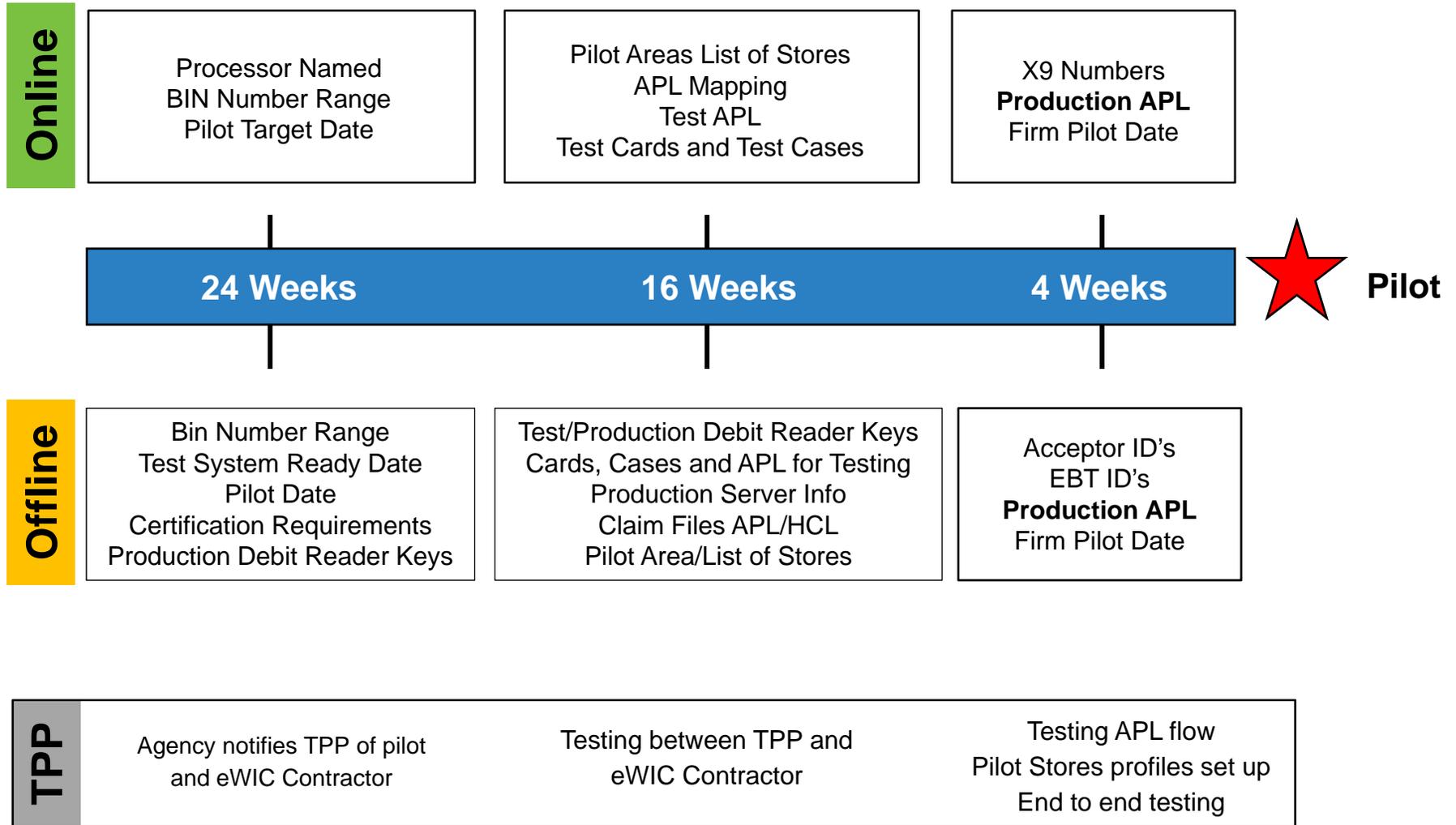
Production APL File

- The production APL file must be in place in time to meet the retailers schedule.
- Share production APL file with retailers as it is being developed in excel readable formats.
- More than 80% of all pre-pilot issues have been related to the production APL

Level 3 in store testing schedules

- Conduct pre-testing to verify setups
- Establish clear level 3 testing dates and times
- Goal – have everyone ready prior to Pilot launch!

eWIC Timelines – Collaborating for Better Conversions



More than 80% of all pre-pilot issues have been related to the production APL

Retailer Needs

- **Elements that help retailer/processor readiness**

- As soon as the State selects a contractor, include retailers, retailer associations and third party processors in project meetings
- Provide APL in excel format so retailers and agencies can validate the items
- Communicate if there are any unique programs and the impacted merchants
- Provide FTP Server information as soon as possible for Offline claim file submissions
- Commit resources (agency and processor) for testing
- Schedule Level 3 testing for days/times where in-store traffic is minimal
- Schedule Level 3 testing and Pilot for non-peak season (merchants and processors have freezes during holidays – especially November, December & early-January)

- **Things that are working well**

- Engaging WIC processors/contractors in the retailer meetings as soon as possible, they typically understand retailer systems, processes and timelines
- FNS' Monthly Workgroup calls are a great source of information
- FNS has been an advocate for consistency which is beneficial for merchants with operations in multiple States
- When concerns/issues have been escalated to WIC agencies, support has been very responsive and collaborative

Other ideas to make things more efficient

- If a WIC mom could use her cell phone to check product eligibility for the program, or look for substitutions if items are out of stock
 - If there was a national APL for better simplicity, clarity and compliance
 - If the programs would move from LEB (Least Expensive Brand) to NTE (Not to Exceed) approach, it would be easier for cashiers and operations
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For discussion

- Invoice requirements are inconsistent and can be very burdensome on stores, can we get this requirement standardized?
- For issues related to acceptance in stores, what is the right information that the agencies should try to provide to the retailers and their processors, to be able to trouble shoot?
 - As much specific information as possible
 - Transaction examples: store location or number, date/time, amount

What can retailers and their processors do better?

Taking aim and hitting our target



eWIC Nationwide by 2020