

Impact of WIC EBT Implementation on Vendor Compliance

Carrie Coenen

Wisconsin Department of Health Services

Office of the Inspector General

WIC Vendor and Integrity Unit Supervisor

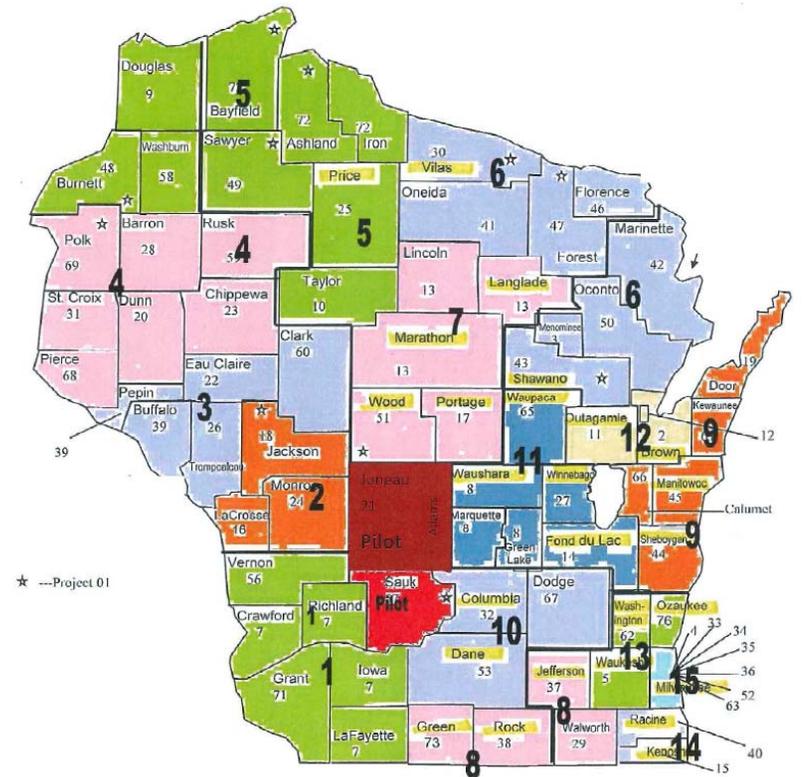
July 19, 2016



Wisconsin
Department of Health Services

eWIC Background Information

- Wisconsin finished statewide implementation September 23, 2015
- About 1,200 vendors statewide
- Southeast Wisconsin contains 49% of all vendors
- Milwaukee County– about 33% of all vendors statewide





eWIC Background Information

- High risk retailer identification
- Investigations - inventory audit, compliance buys or combination
- Administrative hearings or criminal charges
- Participant charges possible when linked to vendor charges

High Risk Indicator Reports

(Current) <u># Trans</u>	(Previous) <u># Trans</u>	<u>% change</u>	(Current) <u>Avg \$</u>	(Previous) <u>Avg \$</u>	<u>% change</u>	(Current) <u>Total \$</u>
9	2	77.8%	\$25.60	\$52.97	-106.9%	\$230.41
48	49	-2.1%	\$47.29	\$50.65	-7.1%	\$2,270.26
91	94	-3.3%	\$32.89	\$38.39	-16.7%	\$2,993.35
214	192	10.3%	\$119.79	\$119.79	0.0%	\$25,635.09
52	42	19.2%	\$71.58	\$41.22	42.4%	\$3,722.67
58	49	15.5%	\$20.07	\$20.43	-1.8%	\$1,164.19
16	7	56.3%	\$20.41	\$11.22	45.0%	\$326.59
67	10	85.1%	\$19.80	\$13.84	30.1%	\$1,326.97
54	59	-9.3%	\$19.94	\$25.08	-25.8%	\$1,077.04
36	3	91.7%	\$17.49	\$16.97	3.0%	\$629.75
10	0	0.0%	\$14.87	\$0.00	0.0%	\$148.75
143	80	44.1%	\$56.37	\$66.22	-17.5%	\$8,062.27
41	44	-7.3%	\$18.19	\$32.46	-78.5%	\$746.14
73	87	-19.2%	\$27.10	\$32.24	-19.0%	\$1,978.50
91	73	19.8%	\$22.58	\$21.32	5.6%	\$2,055.65
197	190	3.6%	\$11.94	\$12.92	-8.2%	\$2,353.09
104	116	-11.5%	\$32.33	\$28.22	12.7%	\$3,362.49
48	43	10.4%	\$21.16	\$20.13	4.9%	\$1,015.71
40	44	-10.0%	\$24.52	\$30.13	-22.9%	\$981.07
13	22	-69.2%	\$33.88	\$37.64	-11.1%	\$440.51
56	48	14.3%	\$29.58	\$31.47	-6.4%	\$1,656.96



Inventory Audits

- WIC Auditor from the state vendor unit conducts inventory audits
- Paper voucher audits 1 year time period, eWIC audits request 3 month time period
- Redemption data stored in MIS
- New requirements for invoices to be acceptable for an eWIC audit



Inventory Audits

All purchase records or invoices shall reflect the following:

- Name and address of the supplier or wholesaler
- Name and address of the purchaser
- Date of purchase, including month, day and year
- List of the items purchased
- Method of payment
- Sales receipts for WIC foods purchased at retail grocer



Compliance Investigators

- Directly contract with individuals to conduct compliance buys
- Job postings at local public and private colleges/universities
- Interview
- Contract for time and expenses (mileage) at \$18 – \$20/hour
- Investigators use undercover audio/video recording device to capture some transactions

Undercover Investigator Qualifications

SKILLS

- High School education with some college, and military training.
- Outstanding communication, and interpersonal skills.
- Computer proficient with MS and PowerPoint
- Well organized and prioritized

Objective : Investigator, Police Officer

Education

2012-Present B.A Psychology, Alverno College (Junior Standing)

Minors: Spanish and Sociology

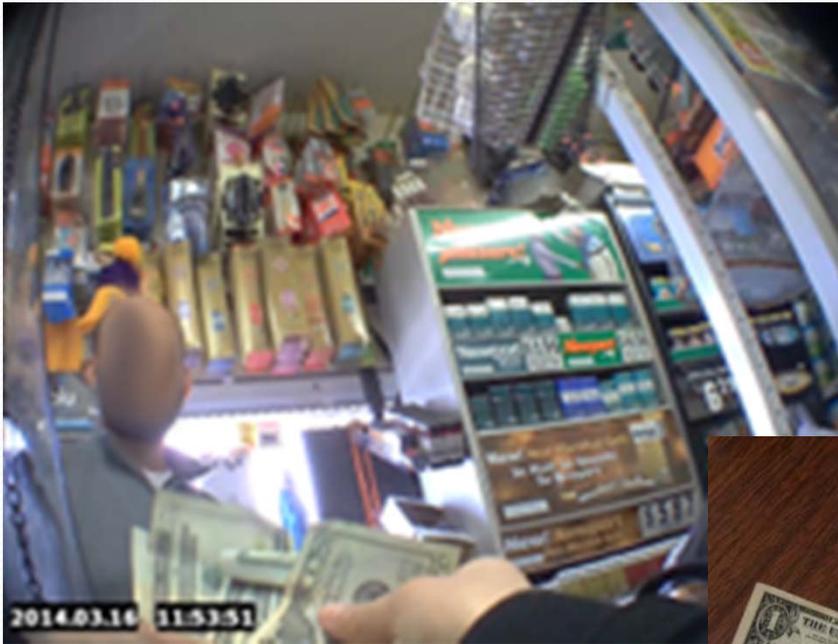
Assigning eWIC Compliance Cards

1077022	6291422	Madison Parker	Vicki Harkins	1st card issued
1076992	6291410	Marie Lopez	Vicki Harkins	2nd card issued
1076991	6291409	Jazmine Meyer	Vicki Harkins	2nd card issued
1076979	6291401	Maia Jones	Vicki Harkins	2nd card issued
1079447	6372829	Vita Cha	Vicki Harkins	1st card issued
1079450	6372830	Vida Chu	Vicki Harkins	2nd card issued
1080159	6291407	Madisyn Parker	Vicki Harkins	2nd card (16337 inactive)
1080486	6433471	Maddison Parker	Vicki Harkins	3rd card issued
1080491	6433476	Mary Lopez	Vicki Harkins	3rd card issued
1080502	6433484	Jazzmin Meier	Vicki Harkins	3rd card issued
1080535	6433501	Maiya Jones	Vicki Harkins	3rd card issued
1080572	6433518	Allie Capone	Vicki Harkins	2nd card

Compliance Buys

- Similarities
 - Start with familiarization buy(s)
 - Escalate to substitution
 - Attempt trafficking, alcohol and/or tobacco
- Differences
 - Stand-beside device behind the counter
 - All household benefits print on balance inquiry
 - Retailer proposes deal for benefits

Results of Compliance Buys



Results of Compliance Buys



Results of Compliance Buys

SECTION 7: ITEMS PURCHASED (List items and attach photographic evidence)

3 boxes of cereal

2 cans of ravioli

1 bag of chips

\$ 70.00

1 coca cola

2 cans of fruits and veggies



TOTAL PURCHASE AMOUNT: \$ 305.80

Results of Compliance Buys

05/03/2016 12:39:45 PM	05/03/2016 12:39:45 PM	1041521 Compliance	05/03/2016 \$336.79	Purchase Request	000 - Approved.
05/03/2016 12:37:13 PM	05/03/2016 12:37:13 PM	1041521 Compliance		Balance Inquiry	000 - Approved.
05/03/2016 12:29:43 PM	05/03/2016 12:29:42 PM	1041521 Compliance		Balance Inquiry	000 - Approved.
05/03/2016 12:26:26 PM	05/03/2016 12:26:25 PM	1041521 Compliance		Balance Inquiry	000 - Approved.

Results of Compliance Buys

<u>Product</u>	<u>Units Deducted</u>	<u>Action</u>
091945100207 - Medium Eggs 03 - 001 - Dozen Eggs	2.00 (DOZ)	Approved
038000016110 - Special K 05 - 000 - WIC Cereal - Non-Whole Grain	144.00 (OZ)	Approved
071524018130 - Pinto Beans 06 - 000 - Mature Canned or Dried Beans	2.00 (CTR)	Approved
076057004278 - 100% whole wheat bread 16 - 000 - Bread - 100% Whole Wheat	32.00 (OZ)	Approved
050000216673 - Good Start Gentle powder 21 - 515 - 12.7 oz Good Start Gentle - Powder	9.00 (CTR)	Approved
041900076795 - 1% Milk 52 - 000 - Milk, 1%, Gallon	4.00 (GAL)	Approved
889497008245 - Apple 54 - 002 - Juice, 64 oz container	2.00 (CTR)	Approved
889497885013 - Kiwi Strawberry 53 - 000 - Juice, 48 oz container	2.00 (CTR)	Approved
4469 - Fruit & Vegetable 19 - 000 - Fruits and Vegetables	28.00 (\$\$\$)	Approved
Settled Price is \$336.79		

Results of Compliance Buys

TRANSACTION REMAINING BALANCE (EARLIEST EXPIRATION 5/31/2016)	
Subcategory	Quantity
000 - Cheese	2.00 LB
001 - Dozen Eggs	0.00 DOZ
000 - WIC Cereal	0.00 OZ
000 - Mature Beans or Peanut Butter	0.00 CTR
000 - Whole Wheat Bread or Whole Grains	0.00 OZ
000 - Fruits and Vegetables	0.00 \$\$\$
515 - 12.7 oz Good Start Gentle - Powder	0.00 CTR
000 - Milk, 1% or Skim, Gallon	0.00 GAL
000 - Juice, 11.5-12 oz frozen or 48 oz container	0.00 CTR
002 - Juice, 64 oz container	0.00 CTR

Results of Compliance Buys

Investigator:	WIC Compliance Investigator:	
Investigator Card #: 58599200	Alan Sheil	
Vendor Name:	Vendor #:	
Vendor Address:	Vendor Phone:	
	Report Date:	Date Received:
	5/3/2016	5/3/2016
Items – list individually		
\$110.00 Cash		





Summary

Fraud/abuse still happens with eWIC

Extensive data available supports risk indicators

Substitutions are intentional violations

Wait to see the impact of upcoming charges
(administrative and criminal) based on eWIC
transactions

Contact Information

Carrie Coenen
1 W. Wilson Street
PO Box 2659
Madison, WI 53701-2659
carrie.coenen@wi.gov
(608) 267-9744