

The WIC EBT Final Rule: Provisions and Next Steps

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I ♥ 2020

July 19, 2016

Agenda

- Background
- EBT Mandate
- Key Changes
- Review of Changes
 - Definitions
 - State Plan
 - EBT Food Delivery
 - EBT Management & Reporting
 - Vendor Cost Provisions
 - Other Vendor Requirements
 - Technical Standards
 - Card Replacement
 - Customer Service
 - NUPC Database
- Effective Dates
- Next Steps

Background

- FNS published the notice of proposed rulemaking on February 28, 2013. It addressed:
 - Non-discretionary provisions from the Healthy, Hunger-Free Kids Act (HHFKA) of 2010
 - Discretionary provisions

- FNS published the final rulemaking on March 1, 2016.

- Purpose of the Rule: to promote consistency, save resources, and streamline EBT implementation.

EBT Mandate

- State agency must implement EBT by **October 1, 2020**

7 C.F.R. § 246.12(a)

- Exemption criteria
 - Unusual barriers to implementation
 - Not affordable within NSA grant
 - In the best interest of the program

- Only 3 years at a time; exemption is **NOT permanent.**

7 C.F.R. § 246.12(w)(2)

Key Changes

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- A vertical graphic of a magnifying glass with a blue outline and a white lens, positioned on the left side of the list. The handle of the magnifying glass is at the top, and the lens is at the bottom, with a vertical line connecting them.
- Definitions
 - Single-Function Equipment Costs
 - NUPC Database
 - Customer Service Standards
 - Card Replacement

Definitions – EBT

“Electronic Benefit Transfer (EBT) means a *method that permits electronic access to WIC food benefits* using a card or other access device approved by the Secretary.”

7 C.F.R. § 246.2

Definitions – Participant Violation

“*Participant violation* means any *deliberate* action... selling or offering to sell cash-value vouchers, food instruments, EBT cards, or supplemental foods in person, in print, or online...”

7 C.F.R. § 246.2

Definitions – Statewide EBT

EBT operating in all clinics and all authorized vendors

7 C.F.R. § 246.2

Definitions – EBT Capable

Vendor system supports accurate
WIC EBT purchases and necessary
file transfers

7 C.F.R. § 246.2

Definitions – Single-Function Equipment

Point-of-Sale equipment used solely
for WIC EBT purchases
(aka stand-beside)

7 C.F.R. § 246.2

Definitions – Multi-Function Equipment

Point-of-Sale equipment supporting
WIC EBT and other payment types

7 C.F.R. § 246.2

State Plan

- Emphasized
 - EBT implementation outline of goals and objectives

7 C.F.R. § 246.4(a)(1)

- Added
 - A description of how the State agency will replace lost, stolen, or damaged cards
 - A description of how the State agency will meet the minimum customer service standards during non-business hours

7 C.F.R. § 246.4(a)(14)(xix)

7 C.F.R. § 246.4(a)(14)(xx)

EBT Food Delivery

Last date of benefit period must be a minimum of 30 days (except in February, when it may be reduced to 28 or 29 days)

7 C.F.R. § 246.12(x)(2)(iii)

EBT Mgmt & Reporting

A conforming amendment added Handbook 901 to the required guidance a State agency must follow

7 C.F.R. § 246.12(y)

EBT Mgmt & Reporting

- Revised date of **August 1, 2016**
 - PAPD must be submitted within 90 days of the regulation effective date (May 2, 2016)

7 C.F.R. § 246.12(y)(3)

- Clarified – if there is an active EBT project (current PAPD or IAPD), then the State Plan may cross-reference the APD

Supplementary Information:
IV.4.

Vendor Cost Provisions

Clarified cost sharing must be consistent with 2 CFR 200 part 225

Supplementary Information:
IV.5. Criteria for Cost
Sharing

Vendor Cost Provisions

After statewide implementation

- Single-function equipment costs are paid by the State agency

7 C.F.R. § 246.12(aa)(1)

- Multi-function equipment costs and ongoing fees are paid by WIC vendors

7 C.F.R. § 246.12(aa)(4)(i)

- If a vendor is **necessary** for participant access, the State agency may pay for multi-function equipment

7 C.F.R. § 246.12(aa)(4)(i)

Other Vendor Requirements

EBT Capable means the applicant vendor can *accurately* and *securely*

- obtain benefit balances associated with an EBT card
- maintain necessary files such as the authorized product list (APL), hot card file, and claim file
- successfully complete WIC EBT purchases

7 C.F.R. § 246.2

Other Vendor Requirements

- Supermarkets
 - Minimum of one POS device for every \$11,000 (maximum of four if single-function supported by SA)
 - State agency may use alternate formula
- Non-Supermarkets
 - Minimum of one POS device for every \$8,000 (maximum of four if single-function supported by SA)
 - State agency may use alternative formula
- Farmers & Farmers' Markets
 - State agency shall determine

7 C.F.R. § 246.12(z)(2)

Technical Standards

Each State agency, processor, and vendor shall comply with

- The Operating Rules (OR), Technical Implementation Guide (TIG), and other technical requirements
- Other industry standards identified by the Secretary

7 C.F.R. § 246.12(bb)(1)(i)

7 C.F.R. § 246.12(bb)(1)(ii)

Card Replacement

- A State agency shall establish policy permitting the *replacement of EBT cards and transfer of benefits* within *seven* business days of notice from a participant

7 C.F.R. § 246.12(bb)(2)

- A State agency shall respond to a report of a lost, stolen, or damaged card within one business day

7 C.F.R. § 246.12(bb)(3)

Customer Service

A State agency shall establish procedures to provide customer service during non-business hours. The minimum information to be made available includes

- Reporting a lost, stolen, or damaged card
- Reporting other card or benefit issues
- Receiving information on the EBT food balance
- Receiving the current benefit end date

7 C.F.R. § 246.12(bb)(3)

NUPC Database

- At minimum, each State agency shall submit a copy of its current APL
- No need to submit prior to the effective date or before distributing to its vendors

7 C.F.R. § 246.12(cc)

Supplementary Information:
IV.8.

When is the rule effective?

May 2, 2016



Additional implementation dates

- *Minimum lane coverage* no later than March 1, 2017
- *Vendor cost provisions* no later than March 1, 2018 or as approved by FNS
- *Operating Rules and Technical Standards* no later than March 1, 2018 or as approved by FNS

What Now?



Re-read the final rule

Implement by 2020

Questions?

- A Q&A document is posted at <http://www.fns.usda.gov/sites/default/files/wic/FinalRuleQA.pdf> via <http://www.fns.usda.gov/wic/special-supplemental-nutrition-program-women-infants-and-children-wic-implementation-electronic> (find this document at the “Q&A” link)
- Send questions to WICEBTMIS@fns.usda.gov