

## Vendor Advisory Committee Meeting Minutes

March 13, 2019 – Freeway Medical Building Little Rock, AR at 10:00am via telephone conference.

Present: **Gayla Lanum** (Food Delivery, Vendor Management Section Chief), **Deshunda Davis** (Vendor Education and Compliance & Education Specialist), **Angelia Mack** (Vendor Financial Specialist), **Brian Musick** (EBT Vendor Specialist), **Glen Poteet** (Vendor Specialist), **Leslie Foreman** (EBT System Certification Specialist,) **Stacie Torrence** (Administrative Assistant), **David Glass** (Pruett's Food - De Queen), **Meika Gates** (Walmart), **Chelsi Drosche** (Brookshire Grocery Co.), **Helen Johnson** (ALLENS GROCERY), **Stephanie Whitener** (Bradford Hometown Food Center), **Michelle Loy** (Craven Foods, LLC), **Paul Rowton** (GES., Inc.), **Tracey Griffis** (Mac's Fresh Market #17), **Gavan Lott** (Rehkopf Enterprises Inc.), **David Hill** (CASH SAVER – CLINTON & GOODE'S CASH SAVER - Damascus), **Mumtaz Sohail** (Don's Grocery), **Cindy Brown** (Sunflower)

Next meeting: September 12, 2019

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### Welcome

**Gayla Lanum (Food Delivery, Vendor Management Section Chief), Introduced the vendor staff**

1. This is to remind you of the following information concerning how disqualification WIC can impact SNAP.
2. eWIC Transactions

This information can be found in the WIC Program Vendor Handbook & Participation Agreement July 16, 2018 to July 15, 2021

### Disqualification Impact

**Gayla spoke about the disqualification WIC can impact SNAP and eWIC transaction All of this can be found in your WIC program vendor handbook & participation agreement.**

Page 30, Number 4. Understand that disqualification from the WIC Program due to a federal sanction will result in notification to and possible reciprocal disqualification from the Supplemental Nutrition Assistance Program (SNAP). Such disqualification may not be subject to administrative or judicial review under the SNAP.

Page 32, Number 10. Understand that disqualification from SNAP will result in disqualification from the WIC Program. The disqualification will be for the same length of time as the SNAP disqualification, may begin at a later date than the SNAP disqualification, and is not subject to administrative or judicial review under the WIC Program.

## **(De'Shunda) spoke about the Sanctions Page 32-35**

We do have several state sanction whereby you could be reviewed for disqualified and those of you who have been a vendor for a while are familiar with those. The main one that you will see is minimum stock.

**Page 34, Sanction 20** - Vendor fails to maintain minimum stock or as specified in a written waiver approved by the WIC Program, during a monitoring visit or compliance buy.

**Sanction: For the first violation, a warning letter will be issued to the vendor. For the next (2<sup>nd</sup>) violation after a 30-day period from the receipt of the warning letter, vendor must participate in mandatory training. For the next (3<sup>rd</sup>) violation after a 15-day period from the 2<sup>nd</sup> violation, the vendor will be assessed a \$100 fine. The next (4<sup>th</sup>) violation after a 15-day period from the 3<sup>rd</sup> violation the vendor will be disqualified for a period of six (6) months. An unannounced monitoring visit will be made after the specified period following each violation. Vendors that have no minimum stock violations in a 12-month period after a satisfactory monitoring visit, will at that point, start the process over again with any new incident.**

This sanction has always applied could be disqualified for not having minimum stock after so many incidents. The same applied with one of our newer sanction

**New sanction Page 32, Sanction 12** Vendor alters any information written or printed by manufactures supporting documentation (such as cash register receipts) in an attempt to receive payment for the WIC Benefits/CVBs.

**Sanction: A warning letter is issued to the vendor for the first documented incident. For each documented incident after the first warning letter is received by the vendor, an Administrative fine of \$100 is accessed for each subsequent incident and a claim for the purchase amount of any WIC Benefits/CVB paid. If a pattern of three (3) or more incidents is documented, the vendor will be disqualified for a period of three (3) months.**

**Page 33 Sanction 16** Vendor fails to provide WIC representative(s) access to the store during posted business hours for vendor education or monitoring, including access to sales, invoice, or inventory records during a routine store visit.

**Sanction: A warning letter is issued to the vendor for the first documented incident. After a pattern of three (3) incidents is documented, the vendor will be disqualified for a period of six (6) months.**

**Page 33, Sanction 18** Vendor fails to maintain prices at or below the competitive price selection criteria standards or the WIC Program is unable to determine shelf prices because vendor has not posted them clearly.

**Sanction: Each violation will result in a warning letter giving the vendor the opportunity to make adjustments in prices or post prices within the timeframe specified in the letter. After a pattern or three (3) or more violations occur, the vendor will be disqualified for six (6) months after the third (3<sup>rd</sup>) incident.**

**Page 33, Sanction 19** Vendor stocks and/or sale inadequate stock, (i.e. expired, stale, spoiled or moldy WIC foods as part of minimum stock requirements).

**Sanction: A warning letter is issued to the vendor for the first documented incident. After a pattern of three (3) documented incidents, the vendor will be disqualified for a period of six (6) months.**

The primary sanction we see is number 20 the minimum stock. In order to be reviewed for disqualification it has to be reported that you did not have minimum stock up to (4) four time or more with in a (12) twelve-month period. That is a combination of item, it doesn't have to be milk or formula every time, but when we visit your store on normal monitoring visits. (Example: If we come in your store in January and you have a minimum stock violation and we follow up in March and you still have a minimum stock violation that is two violations. So often, store don't correct the problem when we come out to do the follow up. We give ample time before we go out, the letter state within 15 days, often time we wait within 30 days out or more to try and give the store time to rectify whatever the issue it is minimum stock.

### **eWIC Transactions**

#### **Duty to Notify. Vendor shall**

##### **(Gayla) spoke on the duty to notify**

She is not finding out about a store closing or changing name until its already happen or till it's happing that day. Sometime our Food Delivery Liaison will let her know and she will reach out to the store

**Page 59, Number 53.** Notify the State Agency in writing at least fifteen (15) days prior to or immediately upon knowledge of (whichever occurs first): the loss or relinquishment of Supplemental Nutrition Assistance Program (SNAP) retailer authorization; cessation of Vendor operations; a change in Vendor ownership, management, corporate officers, or majority stakeholders, merger, acquisition or change in form of business, legal standing, or authority to do business in Arkansas; a change of location; a change in store name (including d/b/a); or, a change in mailing address, e-mail address, or telephone number;

Any change she need to know in advance. She should not be getting the information after the fact.

##### **(Leslie) spoke on the eWIC transaction**

We have a few store that are not connecting to the FTP site every (48) forty-eight hours and if not only to get the APL and the HCL, but it is also to submit your claims. We need you to do all (3) three things within (48) forty-eight hours. If you are not getting a new APL or a new HCL every (48) forty-eight hours, then if a new item comes on to the APL your store will not be able to sale it even though it is a WIC allowable item. Or if something comes off and your store is still sale it, you will be sale something but when it hit the processer you're not going to get paid for those item, because it already been remove from the APL.

If you allow someone to shop with a card that is on the Hot card list and it been there for (48) forty-eight hours, then you're not going to get paid for that transaction. It is to make sure your getting paid for all your transaction and everything your sailing you need to be getting an updated list. Also we need to be getting the claim file every (48) forty-eight hours just we can make sure everything is going though

correctly on our end. You do have (60) sixty days if something goes wrong then you can still submit your claim file for (60) sixty days and we will pay them, but we don't want to be getting (2) two-week worth of claim files in one day every (2) two weeks, we need to be getting them every couple of days.

**(Gayla) spoke on the following, Claim File Submission, EBT Claims, and Vendor responsibility**  
Claim File Submission

**Page 41-42.** Vendors are required to access the WIC Program's settlement system within a continuous 48-hour period of time for the purpose of downloading the current APL, HCL, ARF and/or ACK, and error files (if applicable). Failure to do so may result in vendor financial liability if an eWIC card that is on the HCL is used for redemption of benefits or if a WIC participant is allowed to purchase a UPC/PLU that is no longer effective on the APL.

Be sure you pull your APL, HCL, ARF and/or ACK your system should be set up to do that, you can do it every (24) twenty-four hours if you want to, but the maximum is (48) hours. If you are having a problem with that, contact your VAR or IT.

Responsibility. Vendor shall –

**Page 60, Number 70.** Accept financial liability for any WIC transaction submitted for payment after 60 days from the date of the transaction;

**Page 61, Number 71.** Accept financial liability for EBT benefit redemptions resulting from Hot Card transactions if the Vendor and any of its outlets covered by this Vendor Agreement have not connected to the State Agency's WIC EBT System within a continuous 48-hour period of time and updated the Invalid PAN Hot Card List file information at each of the Vendor's retail outlets covered by this Vendor Agreement;

Specific to EBT Claims. Vendor shall-

**Page 61, Number 72.** Connect the Vendor's in-store system to the State agency's WIC EBT System at least once every 48 hours to download the Approved Product List (APL), the current Invalid Primary Account Number (PAN) Hot Card List file, Error file, and Auto-Reconciliation (settlement) file;

We have been seeing some claims coming in late due to various vendor's various reasons. Some claims are as late as 100 or 200 days.

Starting April, we need to really be following the agreement as it is written and approved. we cannot do that anymore you will get your money. If something serious happens to your system, we can talk about that up to (60) days and what happened to your POS System or the possibility of a dispute.

**(Angie)**

We see this mostly in the summer time, make sure you are still mapping your fruits and vegetable to the national UPC code. It can be costly for you and that you will have invalid UPC numbers, codes and you will not get paid for it. It's good to look at all your MRCs (those are your message error codes) Most of them I am seeing are the maximum amounts.

**(Glenn)**

You can contact him if you have some scanning issues/ need assistant.

**Vendor staff**

**Gayla Lanum**, Food Delivery, Vendor Management Section Chief

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Contact for: policy, vendor agreements, waivers, administrative reviews, new vendor applications and authorizations

**Angie Mack**, Vendor Financial Specialist

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Contact for: Vendor financial information, vendor settlement/review/questions, WSO reconciliation

**De'Shunda Davis-Brown**, Vendor Education and Compliance & Education Specialist

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Contact for: vendor education, compliance, violations /sanctions, minimum stock information, WIC approved foods, vendor monitoring issues, and vendor training materials

**Leslie Foreman**, EBT System Certification Specialist

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Contact for: POS certifications and what versions are certified, and problems with claim files.

**Brian Musick**, EBT Vendor Specialist

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Contact for: Questions about POS purchases, certifications

**Glen Poteet**, Vendor Specialist

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Contact for: EBT Vendor Help Desk Oversight, Universal Product Code (UPC) and Product Look Up (PLU) oversight, assist Vendor Financial Specialist

**Stacie Torrence**, Administrative Assistant

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Contact for: address and e-mail changes, mailings, WIC Flash distribution, vendor advisory committee, vendor supplies (food lists, shelf tags, replacement stamps/ink pads, etc.)