

# WIC Program Store Handbook

## New Hampshire



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## **New Hampshire WIC Program**

### **Store Handbook**

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Nutrition & Health Promotion Section  
Division of Public Health Services  
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## **THE WIC PROGRAM IN NEW HAMPSHIRE**

WIC, the Special Supplemental Nutrition Program for Women, Infants and Children, is a nutrition program funded by the U.S. Department of Agriculture for the purpose of improving the health of pregnant women, new mothers, infants, and children under the age of five. In New Hampshire, the Department of Health & Human Services, Nutrition & Health Promotion Section administers WIC. About 270 New Hampshire retail stores presently are authorized to accept WIC vouchers, which are used to purchase milk, cheese, dried beans or peanut butter, eggs, vitamin C-enriched juices, canned tuna, carrots, iron-fortified cereals, and infant foods.

When a WIC participant presents a voucher at your store, she or her child has been determined eligible for WIC Program benefits on the basis of income and nutritional need. A nutritionist has prescribed the foods on the WIC voucher in order to improve the nutritional status of the participant.

After the vouchers are redeemed, retail stores forward them to the State WIC Agency in Concord for payment. Payments to vendors usually are made within four weeks, although this may be delayed by changes in state operational procedures.

### **GROWING HEALTHY WITH WIC**

The purpose of the WIC Program is to provide nutritious foods to eligible women and young children during critical times of growth and development, and to provide access to health care services through coordination with other health and human service agencies. Local WIC Agencies work closely with health care providers to assure that New Hampshire children have a healthy start in life. Local WIC Agencies also provide individualized nutrition education so that participants can maximize the nutritional benefits derived from WIC foods. Breastfeeding promotion and support help to encourage breastfeeding as the healthiest way to feed new babies.

### **FOODS ALLOWED BY THE NEW HAMPSHIRE WIC PROGRAM**

The WIC voucher is a food prescription prepared by a nutritionist to help meet the nutritional needs of the WIC participant. It is necessary that only the name brands specified on the New Hampshire WIC Approved Foods List be provided because there are great variations in nutritional content among different products. For example, all WIC cereals are fortified with iron, as iron deficiency is a common health problem among the WIC population. In addition, WIC cereals were selected because they have low sugar content. WIC juices are similarly selected due to the high vitamin C and low sugar content.

All "WIC-Approved Foods" are listed by food category with specified brand and container size restrictions noted on the WIC Approved Food List. Copies of the WIC Approved Food List are provided to all vendors and participants. Only those foods specified may be purchased by participants and reimbursed by the WIC Program. Please refer to page 6 for further information on brand restrictions.

## MAJOR CONDITIONS FOR VENDOR PARTICIPATION

Vendors participating in the New Hampshire WIC Program shall:

1. not discriminate between WIC Program participants, parents, or caretakers of infant or child participants, or proxies and the general public in any way when redeeming vouchers;
2. cooperate in reviews or audits of WIC Program operations conducted by the State WIC Agency, the State WIC Agency, the U.S. Department of Agriculture (the federal agency responsible for administering the WIC Program) or authorized agents of these agencies;
3. acknowledge that ongoing compliance reviews may result in monitoring of the vendor's procedures with WIC Program participants and vouchers, verification of purchases made by participants, and the use of vouchers in covert compliance purchases;
4. repay funds improperly received from the WIC Program and change store WIC procedures when required by audit or review findings; and
5. not seek restitution from participants, parents or caretakers of infant or child participants, or proxies for costs rejected or partially rejected by the State Agency for improper or rejected vouchers.

The above is only a partial list of conditions for vendor participation. (See Appendix V).

### *IT IS IMPORTANT THAT . . .*

Cashiers are familiar with the WIC Approved Food List & the handling of WIC transactions.

Only WIC-approved foods in authorized quantities are purchased.

No change is given to the WIC participant, parent or caretaker of an infant or child participant, or proxy.

Vouchers are not accepted for payment on credit or charge accounts.

No rainchecks or merchandise credits are provided.

WIC participants, parents or caretakers of infant and child participants, or proxies are charged the same price for WIC foods as other customers, including use of manufacturers' coupons or promotional specials.

Retailers do not discriminate against any WIC participant, parent or caretaker of an infant or child participant, or proxy due to race, color, sex, age, national origin, religion, or disability.

"WIC only" cash register lines are not allowed.

WIC participants, parents or caretakers of infant and child participants, or proxies are never to be contacted or asked to pay for all or part of foods that are issued on the voucher or for costs rejected by the State Agency.

Altered vouchers or vouchers that are presented before the valid date or after the expiration date must not be accepted.

All vouchers are billed within 30 days of redemption.

## **CRITERIA FOR VENDOR SELECTION**

Criteria to be used in accepting or denying a vendor's application shall include the following:

1. physical location within New Hampshire;
2. ability of an applicant vendor to meet Program requirements;
3. business integrity as defined in Federal Regulation 7 CFR 246.12(g)(3)(iii);
4. number, relative qualifications, and proximity of other authorized vendors in the geographical area;
5. inventory and price ranges of approved foods in relation to currently authorized vendors in the geographical area;
6. impact of an acceptance or rejection decision on the vendor, particularly if a small business;
7. days and hours of operation;
8. absence of any conflict of interest with the State or Local WIC Agency;
9. current authorization by the Food Stamp Program, including absence of any adverse actions pending or under appeal;
10. comments and recommendation of the Local WIC Agency, including participant complaints;
11. demonstrated ability to meet Program requirements, as evidenced by performance during the current or previous agreement periods including: sanction points, Category I violations, failure to attend face-to-face training as scheduled by the State Agency without good cause, and monitoring reports in accordance with the New Hampshire Administrative Rules, Section He-P 3206;
12. patterns of participant use of a currently authorized vendor, including number of participants and monthly volume of business.

The above is only a partial list of conditions for vendor selection. (See New Hampshire Administrative Rule He-P 3205.01).

Prior acceptance or rejection shall not constitute sole grounds for approval or denial of authorization. Any pending or current disqualification from or sanction by other U.S. Department of Agriculture, Food and Nutrition Service programs shall constitute sole grounds for denial of authorization.

## **VENDOR INFORMATION AND TRAINING**

Retail vendors are important partners in the delivery of supplemental foods to participants, parents and caretakers of infant and child participants, and proxies. Without the retail vendor, the WIC Program could not operate. The vendor plays an important role in monitoring WIC purchases to assure that the appropriate foods are provided in proper quantities. To assist vendors in this role, the State WIC Agency has established vendor training. At the time of enrollment, vendors are provided training on WIC operations by the State WIC Agency. In addition, at least once every three years, all vendors must participate in face-to-face training in accordance with federal regulations. Every effort will be made to accommodate all vendors when dates and locations are selected. These trainings will be conveniently scheduled throughout the state.

The Store Handbook is provided at initial enrollment and upon request thereafter, and is an important resource for vendors. The State WIC Agency visits a number of stores annually, publishes a quarterly vendor newsletter, and undertakes general mailings to all stores when major changes are taking place.

Vendors are encouraged to call the State WIC Agency with any questions or requests for additional training; telephone numbers are found in Appendix I of the Handbook.

## **STOCKING WIC FOODS**

It is very important to maintain an adequate supply of WIC-approved foods in order to be able to completely "fill" a voucher. Stores are required to carry approved varieties of cheese, juice, legumes (including peanut butter), whole, low-fat or skim milk in various approved container sizes, cold cereals, infant cereals in approved sizes, eggs, tuna and carrots. Refer to your Vendor Agreement for specific minimum quantities and the WIC Approved Foods List for specific brands. Additionally, iron-fortified infant formula in the contract brand specified on the majority of WIC vouchers should be kept in adequate supply, as a month's allotment is frequently purchased at the same time. Small stores may request a waiver of the formula requirement.

In order to reduce costs of WIC foods, two types of agreements are used in addition to the General Retail Vendor Agreement. Pharmacies may only provide special ordered formulas. Grocery stores whose prices for infant formula exceed a statewide price ceiling and stores that do not maintain an adequate inventory of formula will not be authorized to provide infant formula, and infant cereal. Vendors should check their agreements to determine which foods they are required to stock. The WIC Program will not reimburse for unauthorized foods.

Failure to maintain an adequate inventory of WIC-approved foods may lead to denial of authorization or disqualification from the WIC Program, since this may cause inconvenience to participants or lead to the full amounts of food not being obtained. The Local WIC Agency can provide assistance in estimating necessary inventory by providing their schedule for voucher issuance and offering other advice concerning potential WIC participant demand. A list of the Local WIC Agencies is provided in Appendix I.

## VOUCHER REDEMPTION PROCEDURES

The following procedures must be followed to assure full payment for each voucher. (A sample copy of a WIC voucher can be found in Appendix III):

1. Check that WIC purchases are separate from personal purchases, so that only WIC foods are charged to the voucher.
2. If two or more vouchers are presented, separate the WIC foods for each voucher and ring them up separately. Do not total the entire purchase and enter on only one voucher, as this will cause the voucher to be rejected for high costs.
3. Check that the voucher is valid. Do not accept *before* the "**DO NOT USE BEFORE**" or *after* the "**DO NOT USE AFTER**" dates printed on the voucher. These vouchers will not be paid.
4. Check for alterations. These vouchers will not be paid.
5. Check that the foods are approved by brand, size, and quantities. The approved brands and sizes are listed on the New Hampshire WIC Approved Food List. Do not substitute brands, other foods, or non-approved sizes. Be sure that a current copy of the WIC Approved Food List is located at each cash register/checkout lane.
6. Manufacturer or store coupons, store rewards cards and in store promotions must be accepted for WIC foods and their value deducted from the final purchase price.
7. Complete the redemption date and price information on the voucher, writing clearly in pen. *This must be done before the participant, parent or caretaker of an infant or child participant, or proxy signs the voucher.*
8. Have the participant, parent or caretaker of an infant or child participant, or proxy sign the voucher. If the signature does not match the authorized signature(s) on the voucher folder, request a proxy card. Any additional questions regarding signatures should be referred to the store manager or State WIC Agency immediately.
9. It is not required that a participant purchase all the foods listed on the voucher.
10. Do not give change or exchange WIC foods for cash or credit.
11. Do not give rainchecks. A participant must select all desired foods at one time, including infant formula. If the store does not have all of the items, which are listed on the voucher, the participant must go to another store, wait until all items are available at the store or may chose not to purchase them.
12. Record the Vendor Number on each redeemed voucher The Vendor Number is recorded on the signed Vendor Agreement. The State WIC Program does not provide rubber stamps with the vendor number.
13. Staple the register tape to the voucher stub. This may be used to verify information if voucher costs are denied or adjusted. Vendors are urged to retain voucher stubs and register tapes until payment is received.

## PRICE SURVEYS

The New Hampshire WIC computer system is programmed to verify all vouchers against an individual store's price and inventory information. In order to keep price information current in the computer system, price and inventory surveys are periodically sent to each store. Vendors are required to record price

ranges for all WIC-approved foods that are carried by the store. If these surveys are not returned, the voucher costs are checked against outdated price information, which may result in valid costs being rejected, and the vendor may be sanctioned accordingly. It is very important that vendors complete the surveys accurately (according to the instructions accompanying the surveys) and return them as quickly as possible. If the price for a specific WIC food increases significantly, vendors should notify the State WIC Agency of this change immediately.

### **BRAND RESTRICTIONS**

The New Hampshire WIC Program has several cost-reduction initiatives in place. For milk, eggs, tuna, and carrots, the State Agency limits purchases to store or least expensive brands. For instance, a national brand of gallon skim milk may not be selected if there is a store brand of gallon skim milk available. In addition, a local dairy brand of milk that is less expensive may be provided rather than the store brand. Please note that if a WIC participant utilizes a manufacturer's or store coupon on a national or more expensive brand of milk, eggs, tuna, or carrots, the national or more expensive brand may be purchased if the retail price (with coupon) is less than the store or least expensive brand. Most WIC infants will be receiving Nestle Good Start Supreme DHA & ARA or Nestle Good Start Supreme Soy DHA & ARA infant formula due to a rebate contract with Nestle on these products. Infant formula rebates allow WIC to serve more participants. Participants who request or attempt to purchase formula that is not specified on the voucher should be referred back to the Local WIC Agency that issued the voucher.

## THE STATE PAYMENT PROCESS

Invoices come to the State WIC Agency and claims processing staff data-enter all redemption information and check for alterations and appropriate signatures. The computer edits for expired vouchers, appropriate prices, and food items/quantities. The invoice is then processed through the Department of Health & Human Services fiscal office and the New Hampshire Division of Accounts. The New Hampshire State Treasury issues and mails the checks directly to vendors.

Invoices are processed on a "first-in, first-out" basis. Vendors may submit invoices to the State WIC Agency as frequently as is convenient or practical, depending on the volume of vouchers redeemed. However, invoices should not exceed \$4000 due to the difficulties in processing larger bills. Stores should allow a minimum of four weeks to receive payment.

## BILLING PROCEDURES

The WIC Program provides a four-part invoice form as a courtesy to WIC authorized vendors. Three copies of this invoice must be forwarded to the State WIC Agency by the vendor, along with the main body of each voucher and a calculator tape with a running total of all vouchers being submitted. The calculator tape is used to reconcile any discrepancies. The store should retain the goldenrod copy of the invoice and the voucher stubs with the register tapes stapled to them. **Please be certain that the information on the invoice is complete, including: (1) Store name and address; (2) Store name and address to which payments are to be mailed, if different; (3) Vendor number; (4) Invoice date; and (5) Total amount due.** Supplies of invoices are available upon request by phone or by including a request with a billed invoice.

The WIC Program will only process for payment those bills which are accompanied by properly, completed and appropriately signed vouchers. Errors or problems detected by the WIC Program will be adjusted or denied prior to submitting the invoice to the State Treasury. The vendor will be notified of any such adjustment and provided instructions for resubmitting if the costs are legitimate. The stub on each vendor payment check records the invoice number and date for vendors to reconcile final payments with their invoice records. Overcharges of more than \$50.00 will be reviewed and sanctions issued if required.

## LATE BILLINGS

Invoiced vouchers must be received at the State WIC Agency within 30 days of the redemption date. This is required due to the federally mandated financial reporting time frames. On the side of all vouchers, it states: **“VOUCHERS MUST REACH THE NH WIC PROGRAM WITHIN 30 DAYS OF THE PURCHASE DATE”**. Late billed vouchers will not be paid. To avoid nonpayment of vouchers, stores should submit bills at least every 30 days.

## RESUBMISSIONS

Vendors are notified of all invoice deductions. The Store Adjustment Letter that is mailed to the vendor states that the vendor has committed an error that affects payment of the invoice. The State WIC Agency denies payment, in the full amount, for vouchers redeemed outside of the valid dates. Vouchers that are rejected for high costs will be paid at an amount based on the vendor's individual cost and redemption data. The voucher is adjusted to reflect the change in payment. The Store Letter explains the (original) amount that the voucher was submitted for payment by the store, the adjusted amount being paid by the WIC Program, and the difference. Attached to this notice will be a copy of the voucher(s). If a vendor reviews the register receipt for the rejected or adjusted voucher(s) and is not in agreement with the WIC Program's decision, the vendor should contact the State WIC Agency. Vendors have the option of resubmitting these vouchers for reconsideration.

**Under no circumstances can the WIC Program authorize payment for food quantities which exceed the amounts prescribed on the voucher, for foods that the vendor is not authorized to provide based on their current WIC Vendor Agreement, for foods that were not purchased by the WIC participant, or for an invoice total that exceeds the total cost of authorized and correctly completed vouchers.**

## **STORE NAME AND ID NUMBER**

Under the State of New Hampshire's Integrated Financial System (IFS), a vendor-specific accounting and payment system is used. This means that all billing and payment processes occur under each vendor's unique vendor ID number, which is issued with the Vendor Agreement. The vendor's name and address are programmed in the system.

For this reason, it is essential that vendors consistently use the same name and address on each billing, and notify the State WIC Agency of any changes in the store or billing name or address. Similarly, if the proper vendor name is not consistently used, State Agency staff may not be sure whether a change is intended. Providing the correct name and address on invoices and notifying the State Agency of changes will assist in ensuring that payments are made to the proper store at the correct address.

## **CHAIN STORES/CENTRALIZED BILLINGS**

Many chain store outlets bill from a central office. Invoicing central billings requires special handling in order to meet state accounting procedures as well as USDA regulations. Federal WIC regulations require that each voucher be traceable to the outlet where redeemed, so that each outlet's participation (volume, redemption patterns, problems) can be reviewed individually. This federal requirement is met through assigning an outlet suffix number to the central office vendor number.

Chain store billing can be accomplished in one of two ways: 1) Each outlet submits invoices separately, with payment going to the outlet. Or 2) Each outlet submits vouchers to a store central billing office, with payment going to the central billing office. All invoices received in one mailing will be paid as one check.

Whichever billing course is selected by a chain, the outlet number must be used on the invoice and the vouchers. The billing information used by the State WIC Agency is preprogrammed and cannot be changed each time an invoice is submitted. Questions should be brought to the State Agency's attention before any changes are made so that the chain's needs in this area can be accommodated.

## **CHANGE OF OWNERSHIP**

Ownership changes terminate the Vendor Agreement. A new owner should be encouraged to contact the State WIC Agency as early as possible so that a review visit may be scheduled and WIC business is not interrupted. Vouchers accepted prior to approval of a new owner will not be paid. The seller is responsible for notifying the State WIC Agency of final billing address changes, and must write on the invoice that this is a final payment. The seller should write a letter of explanation (with store letterhead paper, if possible) stating that this is the last invoice, and include official documentation of the change of ownership. Highlight the new address where the check is to be sent for final payment and attach the letter of explanation.

## **STORE VISITS AND AUTHORIZATIONS**

On-site visits are completed by the State WIC Agency. This includes monitoring, investigations, and training. Site visits are more than a review of programmatic discrepancies; they are also an opportunity for enhancing vendor relations and evaluating the Program from the vendors' point of view.

The State WIC Agency is required to visit every store prior to initial authorization. In addition, vendors must be visited thereafter at least once before agreement expiration and at other times as needed. These contacts are intended to provide the vendor and the State WIC Agency with an opportunity to acquaint each other with the problems or concerns that may arise over time. Further, on-site visits provide the vendor and/or store employees with an opportunity to receive training and assistance regarding the proper use of WIC Program vouchers.

As part of monitoring procedures, the State WIC Agency is required to review vendors for authorization using uniform criteria such as inventory, prices, location, participant usage, WIC volume, and previous problems. A complete list of selection criteria can be found in the New Hampshire Code of Administrative Rules. An authorization decision is made by the State WIC Agency and a new Agreement issued if the vendor's participation is to continue.

The State Agency is responsible for representative and high risk monitoring. High-risk vendors will be monitored and visited as needed until problems are resolved. A high-risk vendor is one having recurring difficulties with Program rules or whose redemption practices are questionable. Representative monitoring is reserved for vendors not deemed high-risk and these visits are frequently performed at random. All State Agency visits are executed without prior notice.

Representative vendor monitoring may include review of State WIC Agency billing and payment records, observation of voucher redemption procedures, interviews with store staff, review of inventory and prices of WIC foods, review of redeemed vouchers not yet forwarded to the State WIC Agency for payment, and educational compliance purchases. A summary of the visit will be forwarded to the vendor if other than informational discussions occur. The summary will constructively comment on the vendors' procedures, clarify any questions, and confirm resolutions to problems.

Another method of vendor monitoring is continuously reviewing voucher redemption data obtained through the reconciliation and payment process. Since frequent errors are costly to stores and the Program, it is important that the cashier enter redemption information correctly.

## **PARTICIPANT REDEMPTION ERRORS**

Participants are instructed in the use of WIC vouchers by the Local WIC Agency. There are instances, however, when participant's select incorrect foods because they do not fully understand Program procedures, would prefer a non-approved food, or proxies do their shopping and are unfamiliar with the Program. It is important that these situations be treated with courtesy, while not allowing the incorrect foods to be purchased. Participants can be referred back to the Local WIC Agency if necessary, or call the State WIC Agency at the telephone number on the cover of this Handbook.

## **FRAUD AND ABUSE OF THE PROGRAM**

Every precaution is taken to prevent fraud and abuse of the WIC Program, both by participants and vendors. When instances of abuse are verified, disqualification from the Program of either the participant or the vendor may result and other penalties may be imposed according to federal/state statutes and rules.

Store personnel are frequently in a position to detect abuse or fraud on the part of WIC participants. If you know of any such instances, we ask that you notify the State WIC Agency so that an investigation may be conducted. Participant abuse includes misrepresenting facts to obtain benefits, exchanging WIC foods for cash, altering a voucher in order to receive more food than was authorized, or altering valid dates on a voucher.

In addition, the store is considered responsible for the actions of its staff. Staff who allow unauthorized or abusive transactions to occur make the vendor liable for sanctions whether or not the owner or manager was aware of these actions. For this reason, it is important that store staff be kept up-to-date with changes in WIC Program rules and procedures to prevent errors from occurring. Additionally, managers need to monitor WIC redemption and handling to assure that store staff is following these rules.

Vendors occasionally question the need for this concern with fraud and abuse control. There are several reasons for this. If participants are permitted to select foods outside the Approved Food List, they are not receiving the full nutritional benefits that are intended. Similarly, if vouchers are redeemed outside the valid dates, participants are receiving foods for a period of time during which they may not be eligible or during which other vouchers have been issued. Finally, failure to control vendor errors means that limited tax dollars are being diverted from legitimate purchases that may result in some eligible families being denied participation in this important preventive health program.

## INVESTIGATIONS

Periodically, it may be necessary to carry the monitoring process further due to a suspected instance of Program abuse by a vendor. Such actions are more properly considered investigations and are the responsibility of the State Agency. Investigations may be initiated when:

A participant informs the State or Local Agency of possible or actual discrimination against WIC participants, incorrect reporting of food items or voucher costs to the State Agency, or provision of non-approved foods;

A Local Agency informs the State Agency that a vendor may be abusing the Program, practicing discrimination, or engaging in questionable or fraudulent voucher redemption or billing practices;

A possible abuse by a vendor is discovered by the State Agency during the voucher payment process or in computer analysis of payment records; or

A vendor's payment history suggests a pattern of recurring errors.

Upon notification or suspicion of possible abuse or receipt of a specific complaint, the State WIC Agency will initiate an immediate investigation to determine whether the vendor is deliberately violating Program standards. Investigations of suspected violations may include, but not be limited to:

- on-site reviews;
- covert compliance purchases in which WIC staff transact vouchers;
- audits of vendor inventory records;
- interview of Local Agency staff and participants;
- documentation of participant and Local Agency complaints; and/or
- referral to USDA for follow-up.

The State WIC Agency may also, depending upon the nature of the complaint, contact the vendor by mail to explain the concern and provide warning that a recurrence will result in further investigation and/or disqualification.

If it appears that the vendor is simply not careful in redeeming or billing vouchers, every effort will be made to provide training and technical assistance before further action is taken. If the questionable practices continue after the State WIC Agency is satisfied that the vendor knows the proper methods to be employed, the vendor may be disqualified with the Agreement revoked.

These steps do not preclude further investigation by other agencies, which may result in legal actions and/or the recovery of funds paid to the vendor due to inaccurate or fraudulent charges. In addition, a retail vendor's disqualification from participation in the Food Stamp Program will result in disqualification from the WIC Program for the same length of time and will not be subject to administrative or judicial review under the WIC Program. Likewise, a vendor's disqualification from the WIC Program due to program abuse may result in the withdrawal of Food Stamp authorization from the vendor and will not be subject to administrative or judicial review under the Food Stamp Program. If the Food Stamp Program assesses a civil money penalty in lieu of disqualification, the vendor will be subject to WIC Program disqualification for a length of time equal to the period, for which the vendor would otherwise have been disqualified in the Food Stamp Program. WIC Program authorization will also be withdrawn if a vendor is disqualified from participation in another program administered by the U.S. Department of Agriculture/FNS, or any program administered by the State of New Hampshire, for an equal number of months as the other program disqualification.

## VENDOR SANCTIONS

Except for violations that have federally mandated sanctions, Federal regulations require the State WIC Agency to establish policies that determine the type and level of sanctions to be applied against vendors. The State Agency's decisions are based on the nature and severity of the program violations and such other factors as the state determines appropriate.

Offenses which are subject to federal or state sanctions following investigations include but are not limited to:

1. providing cash, unauthorized foods, or other non-food items to participants, parents or caretakers of infant or child participants, or proxies in lieu of WIC-approved foods;
2. altering issuance or redemption information on vouchers after the WIC transaction is complete;
3. charging the New Hampshire WIC Program for foods not received by the participant, parent or caretaker of an infant or child participant, or proxy;
4. charging the New Hampshire WIC Program more for food items than the shelf price or than other customers are charged for the same foods; and
5. repeated incidence of other offenses despite the State Agency education activities or letters of warning.

Depending upon the nature and severity of the offenses that do not have federally mandated sanctions, the State Agency may impose the following sanctions:

1. Disqualification, including revocation of the Agreement for up to one year. Upon completion of the period of disqualification, the vendor owner must reapply if he/she desires authorization. Payment shall not be made for any vouchers accepted by a vendor during a period of disqualification. Application will not lead to automatic reauthorization.
2. Financial sanctions. Federal regulations provide that retail vendors may be subject to sanctions in addition to disqualification, such as claims for improper or overcharged vouchers. State statutes provide for recovery of funds determined to have been fraudulently obtained and further provide that payment of these funds shall not relieve or discharge any person of criminal or civil liability.

In addition to the above, vendors may not be reimbursed for vouchers determined to be improperly redeemed or billed.

The State employs a point schedule for tracking State Agency-established violations. Points are assessed and retained in accordance with the severity of the violation. If a vendor accrues 6 or more points, the store is disqualified for a specific length of time determined by the number of points accumulated.

A complete list of violations and a copy of the Vendor Violations & Sanction Points schedule is included under Appendix II.

## **REMEDIES FOR GRIEVANCES**

Federal regulations provide the vendor with opportunities for requesting and receiving remedies for grievances arising during participation in the New Hampshire WIC Program under a Fair Hearing procedure.

The State WIC Agency responsibilities are: to provide vendors with guidance concerning the authorized food items and applicable Food and Nutrition Service guidelines and instructions; and to provide vendors who have been denied participation in the WIC Program, for whatever reason, or, who have been suspended from participation, with a hearing procedure which provides at a minimum:

- a. an opportunity for the aggrieved vendor or its representative to present its case;
- b. an opportunity for the vendor to confront and cross-examine witnesses;
- c. an opportunity for the vendor to be represented by counsel, if desired, at the vendor's expense;
- d. an impartial decision maker whose conclusion as to the vendor's eligibility shall rest solely on the evidence presented at the hearing and the statutory and regulatory provisions governing the Program. The basis for the conclusion shall be stated in writing, though it need not amount to a full opinion or contain formal finding of fact and conclusions of law; and
- e. the retail vendor will be notified in writing of the decision concerning the appeal within 90 days from the date of request for a hearing.

Please note that a request for a fair hearing must be submitted in writing within 15 days after the grievance or adverse action decision is received by the vendor.

## **IN CONCLUSION**

WIC has been proven to improve the health of young children and to enable parents to properly feed their children during critical periods of growth and development. You, the vendor, play an integral role in the success of the WIC Program. By accepting WIC vouchers and helping assure that participants receive the proper nutritious foods at the proper time, you are providing an important service to your community. Thank you for your assistance in helping families to Grow Healthy with WIC.

## APPENDIX I

### STATE WIC AGENCY

New Hampshire Department of Health & Human Services  
Division of Public Health Services  
Nutrition and Health Promotion Section  
29 Hazen Drive  
Concord, NH 03301-6504  
1-800-852-3310, Ext. 4546  
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### LOCAL AGENCIES OFFERING WIC SERVICES

Ammonoosuc Community Health Services Northern Grafton County	444-6192 OR 1-800-530-5987
Avis Goodwin Community Health Center Strafford County	749-2346 OR 332-4358
Community Action Program of Belknap and Merrimack Counties Belknap & Merrimack Counties	225-2050 OR 1-800-578-2050
Coos County Family Health Services Coos County	752-4678 OR 1-888-266-7942
Lebanon WIC Program Southern Grafton County 1-800-296-7750	448-2907 OR
Ossipee Concerned Citizens Carroll County	539-6821 OR 1-800-411-1106
Rockingham Community Action Rockingham County	778-1834 OR 1-800-256-9880
Southern New Hampshire Services Hillsborough County	668-8010 OR 1-800-322-1073
Southwestern Community Services Cheshire and Sullivan Counties	352-7512 OR 1-800-529-0005

## APPENDIX II

### VENDOR VIOLATIONS & SANCTION POINTS

(a) Vendor sanctions shall include the following:

(1) Violations alleged and sanction points issued by the department shall be subject to appeal by the vendor in accordance with He-P 3208, He-C 200 and 7 CFR 246.18;

(2) The department shall provide written notice of warning of initial violation for violations requiring a pattern of occurrences in order to impose a sanction prior to documenting another violation unless the department determines that notifying the vendor will compromise an investigation as described in (8) below;

(3) Except for those violations committed in accordance with (8) below, the department shall:

- a. Issue sanction points in accordance with violations listed in He-P 3207.03(b)-(j); and
- b. Notify the vendor in writing of the imposition of sanctions or the assignment of sanction points and the specific violation(s) for which they were assigned;

(4) Except for violations as listed in He-P 3207.03(k), (l) and (m), the department shall apply the period of vendor disqualification in accordance with (5) below using violation category description in He-P 3207.03(b)-(j) to apply sanction points and retention of these points;

(5) When a vendor has been assigned sanction points, the following shall apply:

- a. When a vendor has accumulated less than 6 sanction points, the department shall not disqualify that vendor from participation as a WIC vendor;
- b. Except as allowed by a. above, the department shall disqualify a vendor from participation as a WIC vendor for a period of one calendar month for each sanction point; and
- c. The sanction points shall be retained on the vendor's record in accordance with He-P 3207.03(b)-(j);

(6) Except for violations listed in He-P 3207.03(j) through (m), the department shall:

- a. Waive sanction points based on evidence of one-time error and the absence of current sanction points for a specific violation; and
- b. Notify the vendor in writing of waived sanction points;

(7) Notwithstanding (6) above, a second occurrence subsequent to vendor receipt of the warning within a 12-month period shall result in restoration of waived sanction points as originally accrued;

(8) In accordance with 7 CFR 246.12(l)(1)(xii), if the department is investigating an allegation that a vendor has committed at least one violation as described in He-P 3207.03(k), and if during that investigation the department verifies that the vendor has committed a less serious violation or violations set forth in He-P 3207.03(b)-(j), the department shall:

- a. Not provide the vendor with warning or impose sanction points for the less serious violation or violations listed in He-P 3207.03(b)-(j) prior to the completion of the single investigation;
- b. Include in the notice of proposed disqualification all violations found in the course of the single investigation and the vendor's opportunity to request an administrative hearing; and
- c. Include in the notice of proposed disqualification that the vendor shall be disqualified for the most serious federally mandated violation if at the conclusion of the single investigation the department determines that the vendor has committed a violation set forth in He-P 3207.03(k);

(9) Vendors may appeal or request an administrative hearing in accordance with He-P 3208, He-C 200 and 7 CFR 246.18;

(10) In accordance with 7 CFR 246.12(l)(1)(viii), the department shall not accept voluntary withdrawal or use non-renewal of the vendor agreement instead of disqualification, but shall enter the disqualification on the record;

(11) Disqualification shall include rendering any current vendor agreement inactive;

(12) Vendors who are disqualified for any reason shall be required to reapply in writing;

(13) A previously disqualified vendor who is reauthorized within one year of the end of the period of disqualification shall be assigned 3 sanction points to be retained for a period of 12 months following the date of reauthorization;

(14) Prior to imposing a disqualification, the department shall determine whether the disqualification would result in inadequate participant access;

(15) With the exception of (16) below, when the department determines, in accordance with (14) above, that a disqualification of a vendor would result in inadequate participant access, the department shall impose a civil money penalty in lieu of disqualification as allowed by 7 CFR 246.12(l)(1)-(2);

(16) A civil money penalty shall not be imposed by the department in lieu of disqualification when the vendor has violated He-P 3207.03(k)(1), or violated He-P 3207.03(k)(2)-(k)(4) 3 or more times;

(17) In accordance with 7 CFR 246.12(l)(1)(x), the amount of a civil money penalty shall equal 10% of the average monthly WIC redemptions for the most recent 6 month period multiplied by the number of months for which the vendor would have been disqualified;

(18) The civil money penalty issued in accordance with (17) above shall not exceed \$10,000 for each violation;

(19) In accordance with 7 CFR 246.12(l)(1)(x)(C), if multiple violations are revealed by a single investigation, the department shall impose a civil money penalty, not to exceed \$40,000, if disqualification would result in inadequate participant access;

(20) If a vendor does not fully pay a civil money penalty within 30 days of the notice of sanction, the vendor shall be disqualified;

- a. For the length of the disqualification corresponding to the violation for which the civil money penalty was assessed; or
- b. For a period corresponding to the most serious violation in cases where a mandatory sanction included the imposition of multiple civil money penalties as a result of a single investigation;

(21) When a vendor, who had previously been assessed a sanction based on a violation as listed in He-P 3207.03(k)(2)-(k)(4), receives another sanction based on having committed the same or other violation as listed in the same section, the department shall double the sanction for the second violation;

(22) Civil money penalties shall only be doubled up to \$10,000 and \$40,000 as limited by (17) through (20) above;

(23) When a vendor, who had previously been assessed 2 sanctions based on violations as listed in He-P 3207.03(k)(2)-(k)(4), receives another sanction based on having committed the same or other violations as listed in He-P 3207.03(k)(2)-(k)(4), the department shall double the sanction for the third violation;

(24) In accordance with 7 CFR 246.12(l)(1)(vi), the department shall not impose a civil money penalty in lieu of disqualification for committing a third violation even if inadequate participant access would result;

(25) The department shall treat a fourth or subsequent violation in the same manner as the third except that the sanction shall be doubled; and

(26) Money received by the department as a result of civil money penalties assessed against a vendor shall be considered program income in accordance with 7 CFR 246.15(b).

(b) Category I violations shall be considered vendor errors when uncovered by the department during the payment reconciliation processing of food instruments and shall be considered in the authorization process as stated in He-P 3205.01(b)(2).

(c) Category I violations shall accrue no sanction points but shall result in non-payment of the food instrument for which the violation occurred.

(d) Category I violations shall consist of the following:

(1) Failure to attach the corresponding register receipt to the food instrument when the vendor determines, before billing the department, that the incorrect redemption date or price was entered on the food instrument;

(2) Failure to obtain the participant's signature on a redeemed food instrument;

(3) Acceptance of a food instrument prior to the valid date or after the expiration date printed on the food instrument;

(4) Submitting a food instrument for payment more than 30 days after the food instrument redemption date; and

(5) Acceptance of food instrument with alterations, which could be detected by the store.

(e) Category II violations shall accrue 2 points per violation to be retained for 12 months.

(f) Category II violations shall consist of the following:

- (1) Failure to submit inventory and price information requested by the department within 30 days;
- (2) Requiring participants to purchase a specific brand of an authorized food when more than one authorized brand is available;
- (3) Failure to provide promotional specials or accept manufacturer or store coupons for WIC purchases, except that cash-only promotions may be denied to participants if denied to other customers using personal checks for payment;
- (4) Failure to make staff available for training in program rules and procedures; and
- (5) Failure to clearly indicate the retail price of all WIC approved items, either individually on each item or at the shelf or point of display.

(g) Category III violations shall accrue 3 points per violation to be retained for 18 months.

(h) Category III violations shall consist of the following:

- (1) Contacting participants in an attempt to have them return to the store to fix a vendor error or to seek reimbursement for food costs not paid by the department;
- (2) Requiring or allowing participants to sign a food instrument on which the purchase amount or redemption date has not been entered;
- (3) Issuing rain checks for the specific WIC-approved food types, brands, or quantities listed on the food instrument not available or not received by the participant at the time a food instrument is redeemed;
- (4) Accepting the return of items purchased with a WIC food instrument for cash or credit towards other purchases;
- (5) Requiring cash purchases to redeem food instruments;
- (6) Requiring participants to use special checkout lanes, except that participants may be limited from cash-only, maximum item, or self checkout lanes if other customers using personal checks for payment are also so limited; and
- (7) For current vendors that meet or are likely to meet 50 % or more as defined in He-P 3201.01, providing incentive items to WIC participants or selling incentive items to WIC participants for less than cost;

(i) Category IV violations shall accrue 12 points per violation and result in a 1 year disqualification.

(j) Category IV violations shall consist of the following:

- (1) Altering issuance or redemption information on food instruments after the WIC transaction is complete or entering a participant's signature or representation of a signature to intentionally deceive the department in an effort to receive payment;
- (2) Failure to allow department or local agency representatives to complete on-site monitoring;

- (3) Failure to provide access to redeemed food instruments or to provide store inventory records upon request;
- (4) Failure to pay claims for unauthorized costs assessed by the department;
- (5) Failure to purchase infant formula from the departments approved list of manufacturers, distributors, and retailers;
- (6) Providing false information on the WIC vendor application or agreement;
- (7) Providing false food price information to the department; and
- (8) Providing false information regarding ownership or eligibility under the selection criteria.

(k) Federally mandated sanctions shall include:

(1) A vendor convicted in court for the crime of trafficking in food instruments or for selling firearms, ammunition, explosives, or controlled substances, as defined in section 102 of the Controlled Substances Act, 21 U.S.C. 802, in exchange for food instruments shall be permanently disqualified from program participation, effective on the date of receipt of the notice of disqualification;

(2) A vendor shall be disqualified from program participation for 6 years for a single incidence of buying or selling food instruments for cash trafficking or a single incidence of selling firearms, ammunition, explosives, or controlled substances as defined in section 102 of the Controlled Substances Act, 21 U.S.C 802, in exchange for food instruments;

(3) A vendor shall be disqualified for 3 years for:

a. A single incidence of the sale of alcohol or alcoholic beverages or tobacco products in exchange for food instruments; or

b. A pattern of 3 or more incidences within a 12-month period of:

1. Claiming reimbursement for the sale of an amount of a specific supplemental food item, which exceeds the vendor's documented inventory;

2. Charging the department more for an authorized supplemental food than non-WIC customers or charging the department more than the current shelf price permitted under the vendor agreement;

3. Receiving, transacting or redeeming food instruments outside authorized channels, including the use of an unauthorized vendor or an unauthorized person;

4. Charging the department for supplemental food not received by the participant; or

5. Providing credit or non-food items, other than those listed in He-P 3207.03(k)(1), (k)(2) and (k)(3)(a), in exchange for food instruments;

(4) A vendor shall be disqualified for one year for a pattern of 3 or more incidences within a 12 month period of providing unauthorized food items in exchange for food instruments, including charging for supplemental food provided in excess of those listed on the food instrument;

(5) In accordance with 7 CFR 276.12(1)(1)(vii) a vendor who has been disqualified from the food stamp program shall:

- a. Be disqualified from WIC program participation for the same length of time as the food stamp program disqualification; and
- b. Not appeal the WIC program disqualification to federal administrative or judicial tribunals;

(6) A vendor who has been assessed a food stamp program civil money penalty for hardship in lieu of disqualification from the food stamp program shall be disqualified from WIC program participation, the length of which shall correspond to the period for which the vendor would otherwise have been disqualified in the food stamp program; and

(7) In accordance with 7 CFR 246.12(1)(2)(ii)B., if the department determines that disqualification of the vendor for (6) above would result in inadequate participant access, the vendor shall not be disqualified and a civil money penalty shall not be imposed.

Failure to meet rules or standards of another state agency or local health agency which results in suspension of license shall result in a disqualification period not to exceed the federal limit as cited in 7 CFR 246.12(1)(2)(i) of one year in length and remain in effect until such rules or standards are met and license reinstated.

A vendor who is disqualified from participation in another program administered by the state shall be disqualified for a period not exceeding one year from program participation for an equal number of months as the other program disqualification.

## **APPENDIX III**

### **NOTICES AND APPEAL**

(a) Fair hearing procedures shall comply with the administrative review process as described in 7 CFR 246.18 and the administrative appeals process as described in He-C 200.

(b) In accordance with 7 CFR 246.18(a)(2), except for disqualifications based on violations described in He-P 3207.03(k)(1) which shall become effective on the date of receipt of the notice of adverse action, the vendor shall be provided 15 days to request an administrative hearing after the notice has been received by the vendor.

(c) Except for violations described in He-P 3207.03(k)(1), sanctions shall not be imposed pending an administrative hearing decision.

(d) Disqualification of a vendor from the food stamp program shall result in disqualification from the WIC program.

(e) Disqualification from the WIC program, in accordance with (d) above, shall not be subject to federal administrative or judicial appeal under WIC program rules in accordance with 7 CFR 246.12(l)(1)(vii).

(f) Disqualification from the WIC program shall result in disqualification from the food stamp program in accordance with 7 CFR 278.6(e)(8).

(g) In accordance with 7 CFR 246.18(b)(4), vendors shall have at least one opportunity to reschedule a previously scheduled hearing.

(h) Within 90 days of receiving the vendor request for an administrative review, the department shall provide the vendor with a written notification of the review decision.

(i) In accordance with 7 CFR 246.18(a)(2) and (e), the sanctions shall be effective on the date the vendor receives written notification of the review decision if the adverse action has not previously taken effect.

(j) The department shall not be responsible for losses incurred by the vendor as a result of adverse action taken by the department.

(k) A full administrative review shall be provided for:

(1) Denial of authorization or reauthorization based on failure to meet federal or department established vendor selection criteria as described in He-P 3205.01;

(2) Termination of an agreement for cause;

(3) Termination of an agreement because of ownership or location change or store closing;

(4) Any disqualification of a vendor by the department, including:

a. Disqualification based on the imposition of a food stamp program civil money penalty for hardship;

b. Disqualification based on a mandatory sanction imposed by another WIC state agency; and

c. Disqualification based on He-P 3207.03(k)(1);

(5) Imposition of a civil money penalty in lieu of disqualification by the department;

(l) In accordance with 7 CFR 246.18(a)(1)(iii), the following shall not be subject to administrative reviews:

(1) The department's determination of whether a vendor had an effective policy and program in effect to prevent trafficking and that the ownership of the vendor was not aware, did not approve of, and was not involved in the violation;

(2) The validity or appropriateness of the department's vendor selection criteria listed in He-P 3205.01;

(3) The validity or appropriateness of the department's criteria for determining whether an applicant vendor or current vendor meets or is expected to meet 50 % or more as defined in He-P 3201.01;

(4) The validity or appropriateness of the department's participant access criteria and the department's participant access determinations as defined in He-P 3201.20 and He-P 3205.01(b)(19);

(5) WIC disqualification based on a food stamp disqualification;

(6) Expiration of the vendor agreement; and

(7) Disputes regarding food instrument payments and claims.

APPENDIX IV

STATE OF NEW HAMPSHIRE  
 DEPARTMENT OF HEALTH AND HUMAN SERVICES  
 DIVISION OF PUBLIC HEALTH SERVICES  
 NEW HAMPSHIRE WIC PROGRAM

Refer to the current WIC Approved Foods List to verify brands and types.  
**Substitutions are not allowed.**

Verify the quantity and units of WIC-approved foods. **Check for alterations.**

Do not accept vouchers before the "DO NOT USE BEFORE" date or after the "DO NOT USE AFTER" date.  
**Check for alterations.**

1029000011

NH WIC Program, 29 Hazen Drive, Concord NH 03301 Ph: 1-800-942-4321

Participant #	Participant Name	Food Package	Agency #
253122840	Doe, John	C 1P1-2-3-2	00

1029000011

Make sure voucher is not used before "DO NOT USE BEFORE" or after "DO NOT USE AFTER" date.

Compare signature with signature on voucher folder or proxy card.

Staple receipt here. Retain stub and receipt until payment is received.

Vouchers must reach State WIC Office within 30 days of purchase date.

Valid only for food in the quantities and sizes below. See WIC Approved Food List

Quantity	Description
002	can Juice, 46-oz can or 11.5/12 oz froz or liquid conc.
001	dozen Eggs, large or medium only*
002	gallon Milk, whole only *

\* Store brand or least expensive brand only

DO NOT USE BEFORE 10/31/06

PURCHASE DATE

DO NOT USE AFTER 11/30/06

Actual Purchase Amount \$

X Doe, Jane (Sign only after purchase date and amount are filled in.)

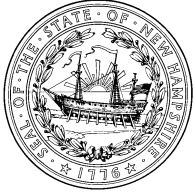
Vendor Number

Have the participant sign the voucher. Request a proxy card if the signature does not match the signature on the voucher folder.

Write, legibly and in ink, the total amount of the WIC purchase after deducting coupons and before the voucher is signed by the participant.

Write, legibly and in ink, the voucher redemption date before the voucher is signed by the participant.

Appendix V



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC HEALTH SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6504
603-271-4546 1-800-852-3310, Ext. 4546
Fax: 603-271-4779 TDD Access: 1-800-735-2964

John A. Stephen
Commissioner

Mary Ann Cooney
Director

NEW HAMPSHIRE WIC PROGRAM

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR
WOMEN, INFANTS AND CHILDREN (WIC)

GENERAL RETAIL WIC VENDOR AGREEMENT

This agreement is made by and between \_\_\_\_\_ D/B/A \_\_\_\_\_
(hereinafter referred to as "Vendor") and the New Hampshire WIC Program (hereinafter referred to as
"State Agency") that administers the Special Supplemental Nutrition Program for Women, Infants and
Children (WIC) of the United States Department of Agriculture, Food and Nutrition Service. By
signature below, the Vendor and the State Agency agree to the general conditions and terms contained in
this Agreement in accordance with the following which govern the WIC Program: Federal regulations
(hereinafter referred to as "7 CFR Part 246"), New Hampshire RSA 132:12-a and RSA 638:15
(hereinafter referred to as "State statutes"), and the New Hampshire WIC Program Rules (hereinafter
referred to as "He-P 3200"). The WIC Program Sanction Policy described in Appendix A lists all
violations and sanctions and contains the policies for notices and appeals. The WIC Program Selection
Policy described in Appendix B lists vendor selection criteria. Vendors must adhere to all provisions
throughout their agreement period. This agreement is in effect for the period stated below only, and an
application must be submitted for consideration upon expiration.

Signature of Owner or Manager

Authorized State Agency Representative

Print Name of Owner or Manager

Nutrition & Health Promotion Section
N.H. Dept. of Health and Human Services
Division of Public Health Services

Street Address

29 Hazen Drive
Concord, NH 03301-6504

Mailing Address (if different than above)

(603) 271-4546 or
1-800-852-3310, ext. 4546
Fax: 603-271-4779

Town/City, State, Zip Code

Agreement period is \_\_\_\_\_ to \_\_\_\_\_

New Hampshire WIC Vendor Number \_\_\_\_\_

Food Stamp Authorization Number \_\_\_\_\_

The Vendor and the State Agency mutually agree to the following provisions:

GENERAL CONDITIONS:

- (1) Neither the Vendor nor the State Agency has an obligation to renew the Vendor Agreement.
- (2) Either the Vendor or the State Agency may terminate the Vendor Agreement for cause after providing a 15-day written notice.
- (3) This Agreement is non-transferable.
- (4) This Agreement does not constitute a license or a property interest.
- (5) Both parties shall adhere to all applicable Federal, State, and local requirements, including those that may be imposed subsequent to this Agreement.
- (6) At least one representative of the Vendor must participate in WIC Program training annually. Annual vendor training may be provided by the State Agency in a variety of formats, including newsletters, videos, and face-to-face training. At least one alternative date on which to attend face-to-face training will be provided to vendors.
- (7) The Vendor is liable to prosecution under applicable Federal, State, and local laws, if fraud or abuse is committed against the WIC Program. Those who have willfully misapplied, stolen, or fraudulently obtained program funds will be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one year or both.
- (8) The Vendor is accountable for its owners, officers, managers, agents, and employees in the utilization of food instruments, in the provision of supplemental foods, and for those who commit vendor violations.
- (9) The State Agency will terminate the Vendor Agreement if the State Agency determines a conflict of interest between the Vendor and the State Agency or its local agencies, or if upon State Agency assessment, the Vendor fails to meet current vendor selection criteria as defined in 7 CFR Part 246 and He-P 3200.
- (10) The Vendor shall be disqualified from participation in the WIC Program if the Vendor is disqualified from the Food Stamp Program. The WIC Program disqualification shall be for the same length of time as the Food Stamp Program disqualification and shall not be subject to administrative or judicial review under the WIC Program.
- (11) The Vendor shall be disqualified from participation in the WIC Program if the Vendor has been assessed a civil money penalty in lieu of disqualification from the Food Stamp Program for a length of time equal to the period which the Vendor would otherwise have been disqualified from the Food Stamp Program unless inadequate participant access exists as defined in He-P3200.
- (12) The Vendor shall be disqualified from participation in the WIC Program if disqualified from participation in another program administered by the U.S. Department of Agriculture Food and Nutrition Service or the State of New Hampshire, for the same length of time as the other program disqualification.
- (13) The Vendor may be disqualified from participation in the Food Stamp Program if disqualified from the WIC Program for specific program violations as cited in Federal regulations governing the Food Stamp Program (7CFR Part 278). The length of Food Stamp Program disqualification will be for the same length of time as the WIC Program disqualification and will not be subject to administrative or judicial review under the Food Stamp Program.
- (14) The State retains the right to deny or adjust payment to the Vendor for improperly redeemed food instruments or to demand refunds for payments already made on improperly redeemed food instruments or charges.
- (15) If a claim is assessed against the Vendor for previously paid food instruments, the State Agency retains the right to deduct this amount from subsequent payment.
- (16) The State Agency retains the right to disqualify a Vendor for WIC Program abuse, or terminate the agreement if the State Agency determines that the Vendor provided false information in connection with the Vendor application or authorization agreement.
- (17) The Vendor has the right to appeal a State Agency decision pertaining to denial of application to participate, vendor disqualification, or any other adverse action that affects participation during the Agreement performance period. Expiration of a Vendor Agreement is not subject to appeal.

The Vendor agrees to:

- (1) Stock sufficient quantities of all categories of approved foods to meet participant, parent or caretaker of an infant or child participant, or proxy demand, thereby ensuring that all foods specified on a food instrument can be provided and that participants, parents or caretakers of infant and child participants, or proxies may choose among products in each category. Included at minimum shall be:
  1. 10 cans of WIC-approved adult juice in at least 2 varieties;
  2. 10 boxes of WIC-approved adult cereal in at least 2 cold varieties with a minimum weight of 12 ounces per box;
  3. 3 gallons of WIC-approved whole fluid milk and 5 gallons of WIC-approved reduced fat or skim fluid milk;
  4. 10 packages of WIC-approved cheese in at least 2 varieties with a minimum weight of 8 ounces per package;
  5. 5 dozen WIC-approved eggs;
  6. 5 packages/jars of WIC-approved legumes in at least 2 varieties, including peanut butter if currently WIC-approved;
  7. 4 cans of WIC-approved tuna;
  8. 2 cans/packages of WIC-approved carrots;
  9. 10 cans of contract powder milk-based or soy-based iron-fortified infant formula ; and
  10. 4 boxes of 8-ounce WIC-approved infant cereal.
- (2) Provide only the supplemental foods by type, quantity, and volume specified on a food instrument;
- (3) Accept food instruments only from participants, parents or caretakers of infant and child participants, or proxies;
- (4) Purchase all infant formula from the approved list of manufactures, distributors, and retailers updated and maintained by the department;
- (5) Provide contract infant formula at a price not to exceed 120% of the manufacturer's 2,000-9,999 wholesale price per case and which shall not exceed the current cash price charged to other customers;
- (6) Provide supplemental foods, excluding (4) above, at the current cash price or at less than the current price charged to other customers;
- (7) Provide WIC-approved food items at prices that are comparable to or lower than currently authorized vendors of similar size and type within 2 miles if applicable;
- (8) Deduct the value of manufacturer or store coupons presented by participants, parents or caretakers of infant and child participants, or proxies, from the purchase amount charged to the WIC Program;
- (9) Clearly indicate the retail price of all WIC-authorized food items, either individually on each item or at the shelf or point of display;
- (10) Upon request, provide the State Agency with information on inventory records used for Federal tax reporting purposes and other records the State Agency may require for approved foods and gross food sales for three years from the expiration of the current agreement;
- (11) Enter the purchase price on the food instrument, including only those authorized supplemental food items actually purchased, before the participant, parent or caretaker of an infant or child participant, or proxy signs the food instrument in the presence of the cashier;
- (12) Not charge participants, parents or caretakers of infant and child participants, or proxies, for authorized supplemental foods obtained with food instruments;
- (13) Not seek restitution from participants, parents or caretakers of infant and child participants, or proxies for charges not paid or partially paid by the State Agency;
- (14) Not provide refunds or exchanges for authorized supplemental foods obtained with food instruments, except for exchanges of an identical authorized food item (defined as the exact same brand and size supplemental food item originally obtained and returned by the participant) when the original authorized food item is defective, spoiled, or exceeded its sell/use date;
- (15) Not issue participants, parents or caretakers of infant and child participants, or proxies, a "rain check" or merchandise credit in lieu of particular foods which the Vendor does not have in stock or which are not selected by the participant, parent or caretaker of an infant or child participant, or proxy, at the time a food instrument is redeemed;
- (16) Not accept food instruments from participants, parents or caretakers of infant and child participants, or proxies prior to the valid date or after the expiration date recorded on a food instrument or accept food instruments that have been altered;
- (17) Not collect sales tax on authorized supplemental foods obtained with food instruments;

- (18) Not discriminate against program participants, parents or caretakers of infant or child participants, and proxies, based on race, color, national origin, age, sex, handicap, and to provide WIC customers the same courtesies provided to non-WIC customers;
- (19) Not breach WIC Program participation confidentiality;
- (20) Submit food instruments for payment to be received at the State Agency within thirty days of the redemption date;
- (21) Accept training on WIC Program procedures as scheduled by the State Agency and train cashiers and other staff on WIC Program requirements as needed;
- (22) Be monitored for compliance with WIC Program rules;
- (23) Provide ready access to all food instruments in the Vendor's possession and all program-related records the day of a monitoring review or at the request of the State Agency;
- (24) Not require a participant, parent or caretaker of an infant or child participant, or proxy to purchase all items listed on a WIC food instrument if he/she chooses not to;
- (25) Not charge the State Agency for foods not received by participants, parents or caretakers of infant and child participants, or proxies;
- (26) Not provide cash, change, unauthorized foods, non-food items, or other items in lieu of foods specified on the food instrument;
- (27) Notify the State Agency in writing at least 3 weeks in advance of ceasing operations or changes ownership, name of store, or location, thereby permitting the State Agency to terminate the Vendor Agreement;
- (28) Notify the State Agency when the Vendor determines that the redemption date or purchase price on the food instrument is incorrect before submitting for payment;
- (29) Maintain a copy of the current NH WIC Approved Foods List at each cash register or checkout lane;
- (30) Submit a WIC Vendor Price Survey quarterly or upon request by the State Agency;
- (31) Not use shelf tags or other promotional material with the WIC acronym or logo without prior written approval of the State Agency except for those supplied by the State Agency;
- (32) Not charge the State Agency for WIC-approved foods provided in excess of those on the food instrument.
- (33) Comply with all selection criteria throughout the agreement period, including any changes to the criteria.

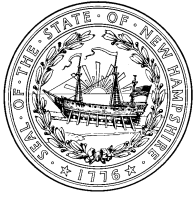
The State Agency agrees to:

- (1) Provide the Vendor with notice of changes to federal, state statutes, regulations, and policies and procedures governing the WIC Program at the time they are implemented by the State Agency;
- (2) Use current selection criteria to determine authorization of Vendors and to determine the type of Vendor Agreement to be issued for the next agreement period;
- (3) Provide the Vendor with an opportunity to justify or correct a redemption error;
- (4) Disqualify a Vendor for violations in accordance with federal, state statutes, regulations, and policies and procedures governing the WIC Program;
- (5) Provide the applicable administrative review procedures along with an adverse action subject to administrative review;
- (6) Provide, upon a Vendor's request, federal, state statutes, regulations, and policies and procedures governing the WIC Program, and the State Agency's administrative review procedures;
- (7) Provide, upon a Vendor's request, the contract infant formula prices which shall not exceed 120% of the manufacturer's 2,000-9,999 wholesale price per case;
- (8) Provide, upon a Vendor's request and at least once every three years, face-to-face WIC Program training;
- (9) Process billing invoices and reimburse the Vendor as expeditiously as possible.

See Appendix A for the WIC Program Sanction Policy that lists all violations and sanctions and contains the policies for notices and appeals.

See Appendix B for the WIC Program Selection Policy that lists vendor selection criteria. Vendors must adhere to all selection criteria throughout their agreement period.

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**STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**DIVISION OF PUBLIC HEALTH SERVICES**

29 HAZEN DRIVE, CONCORD, NH 03301-6504  
 603-271-4546 1-800-852-3310, Ext. 4546  
 Fax: 603-271-4779 TDD Access: 1-800-735-2964

John A. Stephen  
 Commissioner

Mary Ann Cooney  
 Director

**NEW HAMPSHIRE WIC PROGRAM**

**SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR  
 WOMEN, INFANTS AND CHILDREN (WIC)**

**RESTRICTED RETAIL WIC VENDOR AGREEMENT**

This agreement is made by and between \_\_\_\_\_ D/B/A \_\_\_\_\_  
 (hereinafter referred to as "Vendor") and the New Hampshire WIC Program (hereinafter referred to as  
 "State Agency") that administers the Special Supplemental Nutrition Program for Women, Infants and  
 Children (WIC) of the United States Department of Agriculture, Food and Nutrition Service. By  
 signature below, the Vendor and the State Agency agree to the general conditions and terms contained in  
 this Agreement in accordance with the following which govern the WIC Program: Federal regulations  
 (hereinafter referred to as "7 CFR Part 246"), New Hampshire RSA 132:12-a and RSA 638:15  
 (hereinafter referred to as "State statutes"), and the New Hampshire WIC Program Rules (hereinafter  
 referred to as "He-P 3200"). The WIC Program Sanction Policy described in Appendix A lists all  
 violations and sanctions and contains the policies for notices and appeals. The WIC Program Selection  
 Policy described in Appendix B lists vendor selection criteria. Vendors must adhere to all provisions  
 throughout their agreement period. This agreement is in effect for the period stated below only, and an  
 application must be submitted for consideration upon expiration.

\_\_\_\_\_  
 Signature of Owner or Manager

\_\_\_\_\_  
 Authorized State Agency Representative

\_\_\_\_\_  
 Print Name of Owner or Manager

Nutrition & Health Promotion Section  
 N.H. Dept. of Health and Human Services  
 Division of Public Health Services  
 29 Hazen Drive  
 Concord, NH 03301-6504  
 (603) 271-4546 or  
 1-800-852-3310, ext. 4546  
 Fax: 603-271-4779

\_\_\_\_\_  
 Street Address

\_\_\_\_\_  
 Mailing Address (if different than above)

\_\_\_\_\_  
 Town/City, State, Zip Code

**Agreement period is \_\_\_\_\_ to \_\_\_\_\_**

**New Hampshire WIC Vendor Number \_\_\_\_\_**

**Food Stamp Authorization Number \_\_\_\_\_**

The Vendor and the State Agency mutually agree to the following provisions:

GENERAL CONDITIONS:

- (1) Neither the Vendor nor the State Agency has an obligation to renew the Vendor Agreement.
- (2) Either the Vendor or the State Agency may terminate the Vendor Agreement for cause after providing a 15-day written notice.
- (3) This Agreement is non-transferable.
- (4) This Agreement does not constitute a license or a property interest.
- (5) Both parties shall adhere to all applicable Federal, State, and local requirements, including those that may be imposed subsequent to this Agreement.
- (6) At least one representative of the Vendor must participate in WIC Program training annually. Annual vendor training may be provided by the State Agency in a variety of formats, including newsletters, videos, and face-to-face training. At least one alternative date on which to attend face-to-face training will be provided to vendors.
- (7) The Vendor is liable to prosecution under applicable Federal, State, and local laws, if fraud or abuse is committed against the WIC Program. Those who have willfully misapplied, stolen, or fraudulently obtained program funds will be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one year or both.
- (8) The Vendor is accountable for its owners, officers, managers, agents, and employees in the utilization of food instruments, in the provision of supplemental foods, and for those who commit vendor violations.
- (9) The State Agency will terminate the Vendor Agreement if the State Agency determines a conflict of interest between the Vendor and the State Agency or its local agencies, or if upon State Agency assessment, the Vendor fails to meet current vendor selection criteria as defined in 7 CFR Part 246 and He-P 3200.
- (10) The Vendor shall be disqualified from participation in the WIC Program if the Vendor is disqualified from the Food Stamp Program. The WIC Program disqualification shall be for the same length of time as the Food Stamp Program disqualification and shall not be subject to administrative or judicial review under the WIC Program.
- (11) The Vendor shall be disqualified from participation in the WIC Program if the Vendor has been assessed a civil money penalty in lieu of disqualification from the Food Stamp Program for a length of time equal to the period which the Vendor would otherwise have been disqualified from the Food Stamp Program unless inadequate participant access exists as defined in He-P3200.
- (12) The Vendor shall be disqualified from participation in the WIC Program if disqualified from participation in another program administered by the U.S. Department of Agriculture Food and Nutrition Service or the State of New Hampshire, for the same length of time as the other program disqualification.
- (13) The Vendor may be disqualified from participation in the Food Stamp Program if disqualified from the WIC Program for specific program violations as cited in Federal regulations governing the Food Stamp Program (7CFR Part 278). The length of Food Stamp Program disqualification will be for the same length of time as the WIC Program disqualification and will not be subject to administrative or judicial review under the Food Stamp Program.
- (14) The State retains the right to deny or adjust payment to the Vendor for improperly redeemed food instruments or to demand refunds for payments already made on improperly redeemed food instruments or charges.
- (15) If a claim is assessed against the Vendor for previously paid food instruments, the State Agency retains the right to deduct this amount from subsequent payment.
- (16) The State Agency retains the right to disqualify a Vendor for WIC Program abuse, or terminate the agreement if the State Agency determines that the Vendor provided false information in connection with the Vendor application or authorization agreement.
- (17) The Vendor has the right to appeal a State Agency decision pertaining to denial of application to participate, vendor disqualification, or any other adverse action that affects participation during the Agreement performance period. Expiration of a Vendor Agreement is not subject to appeal.

The Vendor agrees to:

- (1) Stock sufficient quantities of all categories of approved foods to meet participant, parent or caretaker of an infant or child participant, or proxy demand, thereby ensuring that all foods specified on a food instrument can be provided and that participants, parents or caretakers of infant and child participants, or proxies may choose among products in each category. Included at minimum shall be:
  1. 10 cans of WIC-approved adult juice in at least 2 varieties;
  2. 10 boxes of WIC-approved adult cereal in at least 2 cold varieties with a minimum weight of 12 ounces per box;
  3. 3 gallons of WIC-approved whole fluid milk and 5 gallons of WIC-approved reduced fat or skim fluid milk;
  4. 10 packages of WIC-approved cheese in at least 2 varieties with a minimum weight of 8 ounces per package;
  5. 5 dozen WIC-approved eggs;
  6. 5 packages/jars of WIC-approved legumes in at least 2 varieties, including peanut butter if currently WIC-approved;
  7. 4 cans of WIC-approved tuna;
  8. 2 cans/packages of WIC-approved carrots;
  9. **NOTE:** Vendor is not authorized to accept food instruments containing infant formula or infant foods and will not be reimbursed for the sale of these foods;
- (2) Provide only the supplemental foods by type, quantity, and volume specified on a food instrument;
- (3) Accept food instruments only from participants, parents or caretakers of infant and child participants, or proxies;
- (4) Provide supplemental foods at the current cash price or at less than the current price charged to other customers;
- (5) Provide WIC-approved food items at prices that are comparable to or lower than currently authorized vendors of similar size and type within 2 miles if applicable;
- (6) Deduct the value of manufacturer or store coupons presented by participants, parents or caretakers of infant and child participants, or proxies, from the purchase amount charged to the WIC Program;
- (7) Clearly indicate the retail price of all WIC-authorized food items, either individually on each item or at the shelf or point of display;
- (8) Upon request, provide the State Agency with information on inventory records used for Federal tax reporting purposes and other records the State Agency may require for approved foods and gross food sales for three years from the expiration of the current agreement;
- (9) Enter the purchase price on the food instrument, including only those authorized supplemental food items actually purchased, before the participant, parent or caretaker of an infant or child participant, or proxy signs the food instrument in the presence of the cashier;
- (10) Not charge participants, parents or caretakers of infant and child participants, or proxies, for authorized supplemental foods obtained with food instruments;
- (11) Not seek restitution from participants, parents or caretakers of infant and child participants, or proxies for charges not paid or partially paid by the State Agency;
- (12) Not provide refunds or exchanges for authorized supplemental foods obtained with food instruments, except for exchanges of an identical authorized food item (defined as the exact same brand and size supplemental food item originally obtained and returned by the participant) when the original authorized food item is defective, spoiled, or exceeded its sell/use date;
- (13) Not issue participants, parents or caretakers of infant and child participants, or proxies, a “rain check” or merchandise credit in lieu of particular foods which the Vendor does not have in stock or which are not selected by the participant, parent or caretaker of an infant or child participant, or proxy, at the time a food instrument is redeemed;
- (14) Not accept food instruments from participants, parents or caretakers of infant and child participants, or proxies prior to the valid date or after the expiration date recorded on a food instrument or accept food instruments that have been altered;
- (15) Not collect sales tax on authorized supplemental foods obtained with food instruments;
- (16) Not discriminate against program participants, parents or caretakers of infant or child participants, and proxies, based on race, color, national origin, age, sex, handicap, and to provide WIC customers the same courtesies provided to non-WIC customers;

- (17) Not breach WIC Program participation confidentiality;
- (18) Submit food instruments for payment to be received at the State Agency within thirty days of the redemption date;
- (19) Accept training on WIC Program procedures as scheduled by the State Agency and train cashiers and other staff on WIC Program requirements as needed;
- (20) Be monitored for compliance with WIC Program rules;
- (21) Provide ready access to all food instruments in the Vendor's possession and all program-related records the day of a monitoring review or at the request of the State Agency;
- (22) Not require a participant, parent or caretaker of an infant or child participant, or proxy to purchase all items listed on a WIC food instrument if he/she chooses not to;
- (23) Not charge the State Agency for foods not received by participants, parents or caretakers of infant and child participants, or proxies;
- (24) Not provide cash, change, unauthorized foods, non-food items, or other items in lieu of foods specified on the food instrument;
- (25) Notify the State Agency in writing at least 3 weeks in advance of ceasing operations or changes ownership, name of store, or location, thereby permitting the State Agency to terminate the Vendor Agreement;
- (26) Notify the State Agency when the Vendor determines that the redemption date or purchase price on the food instrument is incorrect before submitting for payment;
- (27) Maintain a copy of the current NH WIC Approved Foods List at each cash register or checkout lane;
- (28) Submit a WIC Vendor Price Survey quarterly or upon request by the State Agency;
- (29) Not use shelf tags or other promotional material with the WIC acronym or logo without prior written approval of the State Agency except for those supplied by the State Agency;
- (30) Not charge the State Agency for WIC-approved foods provided in excess of those on the food instrument.
- (31) Comply with all selection criteria throughout the agreement period, including any changes to the criteria.

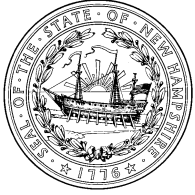
The State Agency agrees to:

- (1) Provide the Vendor with notice of changes to federal, state statutes, regulations, and policies and procedures governing the WIC Program at the time they are implemented by the State Agency;
- (2) Use current selection criteria to determine authorization of Vendors and to determine the type of Vendor Agreement to be issued for the next agreement period;
- (3) Provide the Vendor with an opportunity to justify or correct a redemption error;
- (4) Disqualify a Vendor for violations in accordance with federal, state statutes, regulations, and policies and procedures governing the WIC Program;
- (5) Provide the applicable administrative review procedures along with an adverse action subject to administrative review;
- (6) Provide, upon a Vendor's request, federal, state statutes, regulations, and policies and procedures governing the WIC Program, and the State Agency's administrative review procedures;
- (7) Provide, upon a Vendor's request and at least once every three years, face-to-face WIC Program training;
- (8) Process billing invoices and reimburse the Vendor as expeditiously as possible.

See Appendix A for the WIC Program Sanction Policy that lists all violations and sanctions and contains the policies for notices and appeals.

See Appendix B for the WIC Program Selection Policy that lists vendor selection criteria. Vendors must adhere to all selection criteria throughout their agreement period.

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**STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**DIVISION OF PUBLIC HEALTH SERVICES**

29 HAZEN DRIVE, CONCORD, NH 03301-6504  
 603-271-4546 1-800-852-3310, Ext. 4546  
 Fax: 603-271-4779 TDD Access: 1-800-735-2964

John A. Stephen  
 Commissioner

Mary Ann Cooney  
 Director

**NEW HAMPSHIRE WIC PROGRAM**

**SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR  
 WOMEN, INFANTS AND CHILDREN (WIC)**

**PHARMACY RETAIL WIC VENDOR AGREEMENT**

This agreement is made by and between \_\_\_\_\_ D/B/A \_\_\_\_\_  
 (hereinafter referred to as "Vendor") and the New Hampshire WIC Program (hereinafter referred to as  
 "State Agency") that administers the Special Supplemental Nutrition Program for Women, Infants and  
 Children (WIC) of the United States Department of Agriculture, Food and Nutrition Service. By  
 signature below, the Vendor and the State Agency agree to the general conditions and terms contained in  
 this Agreement in accordance with the following which govern the WIC Program: Federal regulations  
 (hereinafter referred to as "7 CFR Part 246"), New Hampshire RSA 132:12-a and RSA 638:15  
 (hereinafter referred to as "State statutes"), and the New Hampshire WIC Program Rules (hereinafter  
 referred to as "He-P 3200"). The WIC Program Sanction Policy described in Appendix A lists all  
 violations and sanctions and contains the policies for notices and appeals. The WIC Program Selection  
 Policy described in Appendix B lists vendor selection criteria. Vendors must adhere to all provisions  
 throughout their agreement period. This agreement is in effect for the period stated below only, and an  
 application must be submitted for consideration upon expiration.

\_\_\_\_\_  
 Signature of Owner or Manager

\_\_\_\_\_  
 Authorized State Agency Representative

\_\_\_\_\_  
 Print Name of Owner or Manager

Nutrition & Health Promotion Section  
 N.H. Dept. of Health and Human Services  
 Division of Public Health Services  
 29 Hazen Drive  
 Concord, NH 03301-6504  
 (603) 271-4546 or  
 1-800-852-3310, ext. 4546  
 Fax: 603-271-4779

\_\_\_\_\_  
 Street Address

\_\_\_\_\_  
 Mailing Address (if different than above)

\_\_\_\_\_  
 Town/City, State, Zip Code

**Agreement period is \_\_\_\_\_ to \_\_\_\_\_**

**New Hampshire WIC Vendor Number \_\_\_\_\_**

**Food Stamp Authorization Number \_\_\_\_\_**

The Vendor and the State Agency mutually agree to the following provisions:

GENERAL CONDITIONS:

- (1) Neither the Vendor nor the State Agency has an obligation to renew the Vendor Agreement.
- (2) Either the Vendor or the State Agency may terminate the Vendor Agreement for cause after providing a 15-day written notice.
- (2) This Agreement is non-transferable.
- (3) This Agreement does not constitute a license or a property interest.
- (4) Both parties shall adhere to all applicable Federal, State, and local requirements, including those that may be imposed subsequent to this Agreement.
- (5) At least one representative of the Vendor must participate in WIC Program training annually. Annual vendor training may be provided by the State Agency in a variety of formats, including newsletters, videos, and face-to-face training. At least one alternative date on which to attend face-to-face training will be provided to vendors.
- (6) The Vendor is liable to prosecution under applicable Federal, State, and local laws, if fraud or abuse is committed against the WIC Program. Those who have willfully misapplied, stolen, or fraudulently obtained program funds will be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one year or both.
- (7) The Vendor is accountable for its owners, officers, managers, agents, and employees in the utilization of food instruments, in the provision of supplemental foods, and for those who commit vendor violations.
- (8) The State Agency will terminate the Vendor Agreement if the State Agency determines a conflict of interest between the Vendor and the State Agency or its local agencies, or if upon State Agency assessment, the Vendor fails to meet current vendor selection criteria as defined in 7 CFR Part 246 and He-P 3200.
- (9) The Vendor shall be disqualified from participation in the WIC Program if the Vendor is disqualified from the Food Stamp Program. The WIC Program disqualification shall be for the same length of time as the Food Stamp Program disqualification and shall not be subject to administrative or judicial review under the WIC Program.
- (10) The Vendor shall be disqualified from participation in the WIC Program if the Vendor has been assessed a civil money penalty in lieu of disqualification from the Food Stamp Program for a length of time equal to the period which the Vendor would otherwise have been disqualified from the Food Stamp Program unless inadequate participant access exists as defined in He-P3200.
- (11) The Vendor shall be disqualified from participation in the WIC Program if disqualified from participation in another program administered by the U.S. Department of Agriculture Food and Nutrition Service or the State of New Hampshire, for the same length of time as the other program disqualification.
- (12) The Vendor may be disqualified from participation in the Food Stamp Program if disqualified from the WIC Program for specific program violations as cited in Federal regulations governing the Food Stamp Program (7CFR Part 278). The length of Food Stamp Program disqualification will be for the same length of time as the WIC Program disqualification and will not be subject to administrative or judicial review under the Food Stamp Program.
- (13) The State retains the right to deny or adjust payment to the Vendor for improperly redeemed food instruments or to demand refunds for payments already made on improperly redeemed food instruments or charges.
- (14) If a claim is assessed against the Vendor for previously paid food instruments, the State Agency retains the right to deduct this amount from subsequent payment.
- (15) The State Agency retains the right to disqualify a Vendor for WIC Program abuse, or terminate the agreement if the State Agency determines that the Vendor provided false information in connection with the Vendor application or authorization agreement.
- (16) The Vendor has the right to appeal a State Agency decision pertaining to denial of application to participate, vendor disqualification, or any other adverse action that affects participation during the Agreement performance period. Expiration of a Vendor Agreement is not subject to appeal.

The Vendor agrees to:

- (1) Stock or have the capability within 24 hours to immediately order and provide sufficient quantities of special infant formula to meet participant, parent or caretaker of an infant or child participant, or proxy demand.
  1. Provide only the infant formula by type, quantity, brand, and container size specified on the food instrument;
  2. Not provide infant formula when prohibited by message on front of food instrument;
  3. Not accept food instruments containing infant cereal and other non-infant formula food items and to not provide these food items in exchange for food instruments;
- (2) Accept food instruments only from participants, parents or caretakers of infant and child participants, or proxies;
- (3) Provide special infant formula at the current cash price or at less than the current price charged to other customers;
- (4) Deduct the value of manufacturer or store coupons presented by participants, parents or caretakers of infant and child participants, or proxies, from the purchase amount charged to the WIC Program;
- (5) Clearly indicate the retail price of all WIC-authorized food items, either individually on each item or at the shelf or point of display;
- (6) Upon request, provide the State Agency with information on inventory records used for Federal tax reporting purposes and other records the State Agency may require for approved foods and gross food sales for three years from the expiration of the current agreement;
- (7) Enter the purchase price on the food instrument, including only those authorized supplemental food items actually purchased, before the participant, parent or caretaker of an infant or child participant, or proxy signs the food instrument in the presence of the cashier;
- (8) Not charge participants, parents or caretakers of infant and child participants, or proxies, for authorized infant formula obtained with food instruments;
- (9) Not seek restitution from participants, parents or caretakers of infant and child participants, or proxies for charges not paid or partially paid by the State Agency;
- (10) Not provide refunds or exchanges for authorized infant formula obtained with food instruments, except for exchanges of an identical authorized food item (defined as the exact same brand and size supplemental food item originally obtained and returned by the participant) when the original authorized food item is defective, spoiled, or exceeded its sell/use date;
- (11) Not issue participants, parents or caretakers of infant and child participants, or proxies, a "rain check" or merchandise credit in lieu of particular foods which the Vendor does not have in stock or which are not selected by the participant, parent or caretaker of an infant or child participant, or proxy, at the time a food instrument is redeemed;
- (12) Not accept food instruments from participants, parents or caretakers of infant and child participants, or proxies prior to the valid date or after the expiration date recorded on a food instrument or accept food instruments that have been altered;
- (13) Not collect sales tax on authorized supplemental foods obtained with food instruments;
- (14) Not discriminate against program participants, parents or caretakers of infant or child participants, and proxies, based on race, color, national origin, age, sex, handicap, and to provide WIC customers the same courtesies provided to non-WIC customers;
- (15) Not breach WIC Program participation confidentiality;
- (16) Submit food instruments for payment to be received at the State Agency within thirty days of the redemption date;
- (17) Accept training on WIC Program procedures as scheduled by the State Agency and train cashiers and other staff on WIC Program requirements as needed;
- (18) Be monitored for compliance with WIC Program rules;
- (19) Provide ready access to all food instruments in the Vendor's possession and all program-related records the day of a monitoring review or at the request of the State Agency;
- (20) Not require a participant, parent or caretaker of an infant or child participant, or proxy to purchase all items listed on a WIC food instrument if he/she chooses not to;
- (21) Not charge the State Agency for infant formula not received by participants, parents or caretakers of infant and child participants, or proxies;

- (22) Not provide cash, change, unauthorized foods, non-food items, or other items in lieu of foods specified on the food instrument;
- (23) Notify the State Agency in writing at least 3 weeks in advance of ceasing operations or changes ownership, name of store, or location, thereby permitting the State Agency to terminate the Vendor Agreement;
- (24) Notify the State Agency when the Vendor determines that the redemption date or purchase price on the food instrument is incorrect before submitting for payment;
- (25) Submit a WIC Vendor Price Survey quarterly or upon request by the State Agency;
- (26) Not use shelf tags or other promotional material with the WIC acronym or logo without prior written approval of the State Agency except for those supplied by the State Agency;
- (27) Not charge the State Agency for WIC-approved infant formula provided in excess of those on the food Instrument.
- (28) Comply with all selection criteria throughout the agreement period, including any changes to the criteria.

The State Agency agrees to:

- (1) Provide the Vendor with notice of changes to federal, state statutes, regulations, and policies and procedures governing the WIC Program at the time they are implemented by the State Agency;
- (2) Use current selection criteria to determine authorization of Vendors and to determine the type of Vendor Agreement to be issued for the next agreement period;
- (3) Provide the Vendor with an opportunity to justify or correct a redemption error;
- (4) Disqualify a Vendor for violations in accordance with federal, state statutes, regulations, and policies and procedures governing the WIC Program;
- (5) Provide the applicable administrative review procedures along with an adverse action subject to administrative review;
- (6) Provide, upon a Vendor's request, federal, state statutes, regulations, and policies and procedures governing the WIC Program, and the State Agency's administrative review procedures;
- (7) Provide, upon a Vendor's request and at least once every three years, face-to-face WIC Program training;
- (8) Process billing invoices and reimburse the Vendor as expeditiously as possible.

See Appendix A for the WIC Program Sanction Policy that lists all violations and sanctions and contains the policies for notices and appeals.

See Appendix B for the WIC Program Selection Policy that lists vendor selection criteria. Vendors must adhere to all selection criteria throughout their agreement period.

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