



MODERNIZING AND STREAMLINING WIC: ELECTRONIC BENEFIT TRANSFER (EBT/EWIC) BY 2020

More than 7 million women, infants, and children per month benefit from the individually tailored healthy food packages provided through the Special Supplemental Program for Women, Infants and Children (WIC).¹ WIC has an over 40-year history of implementing innovative changes to ensure that the program effectively and efficiently meets the needs of WIC participants. Indeed, the WIC community, through the National WIC Association (NWA), advocated the transformation from paper vouchers/ food instruments – since WIC’s inception, the primary vehicles for WIC participants to purchase healthy foods through WIC – to EBT/eWIC.

NWA advocated for legislative provisions to be included in the Healthy, Hunger-Free Kids Act of 2010 directly states to move towards issuing food benefits through EBT/eWIC by October 2020.²

PROGRESS TOWARD EBT/EWIC IN ALL 90 STATE WIC AGENCIES

As of January 2018, all 90 WIC state agencies either have transitioned to, or are in the process of transitioning to, EBT/eWIC:

- 35 WIC state agencies have implemented WIC EBT/eWIC statewide.
- 25 state agencies are in the process of planning EBT/eWIC implementation statewide.
- 30 states are in the process of implementing EBT/eWIC.³

THE GOALS OF EBT/EWIC:

The United States Department of Agriculture (USDA) Food and Nutrition Service (FNS) put forth an EBT/eWIC expansion plan in 2003 reflective of the WIC community’s goals for EBT/eWIC. It defined five specific goals:⁴

- Include WIC as an integral part of the national strategy towards modernizing and streamlining business practices through electronic solutions.
- Deliver WIC benefits and reconcile payments through an EBT/eWIC system that is affordable at the statewide operational level.
- Enhance client services by improving access to prescribed WIC foods and simplifying the retail point-of-sale transaction to reduce stigma and improve shopping convenience.
- Increase accountability and streamline program monitoring for WIC state agencies.
- Make WIC benefit redemption and payments more efficient for retailers.

Although the current mandate to transition to EBT/eWIC was issued in 2010, innovative state WIC EBT/eWIC projects began as early as 1995. Wyoming was the first state to implement a statewide smart card for WIC participants.

WHY CHANGE FROM PAPER VOUCHERS TO EBT/EWIC?

In addition to the goals outlined in the 2003 USDA/FNS EBT/eWIC plan, there are a number of reasons why WIC is shifting from paper vouchers to EBT/eWIC.

A key reason is to improve the participant experience in the grocery store. The WIC retail shopping experience, with few exceptions, is a significant “pain point” for the WIC consumer.

Paper vouchers present a number of challenges to the WIC participant shopping experience. For example, when checking-out at a WIC approved grocery store with a paper voucher, WIC participants have to separate WIC items from non-WIC items and, if purchasing more than just WIC items, make two separate transactions. The cashier then determines if the WIC items are allowable by checking the items against the list on the paper voucher and marking the redeemed items. If the cashier is not, or improperly trained, the process takes additional time and other shoppers have to wait longer to checkout. Additionally, if a participant mistakenly attempts to purchase a non-WIC approved item with a paper voucher, it can lead to participants being embarrassed, fuel feelings of stigma and lead to a negative WIC experience for the participant, cashier and other shoppers. As WIC is currently experiencing caseload declines, improving the experience of participants is important. When checking-out with EBT/eWIC, the cashier scans the items’ Universal Product Codes (UPC) and if they match the codes of approved items in the state’s UPC code database, the item will be accepted when the participant swipes their EBT/eWIC card, making it a simpler, more discreet, and painless transaction.

State and local WIC agencies that participated in a recent study⁵ that considered current and future WIC data needs identified five opportunities that the transition to EBT/eWIC will support:

1. Programming decisions: Using EBT/eWIC data to inform program decisions such as nutrition education priorities, and to guide the selection of allowable foods.
2. Program Integrity: EBT/eWIC data can be used to more easily identify potential vendor fraud or abnormal vendor behaviors.
3. Vendor Management: EBT/eWIC will allow states to respond to vendors more quickly.
4. Improving relationships: Real time information will allow states to be more responsive to WIC stakeholder needs.
5. Better research and analytics: Participant food purchasing patterns and redemption data can be explored to better understand the behavior of WIC participants.

IMPLEMENTING EBT/EWIC

The process of implementing statewide EBT/eWIC is a major administrative undertaking that requires state WIC agencies to work closely with all WIC stakeholders. WIC EBT/eWIC stakeholders include: WIC participants, WIC vendors, EBT/eWIC card issuers, acquirers (processing entities that electronically obtain transaction information and/or files from the WIC Vendor and send them to the Card Issuer, the EBT/eWIC Card Issuer Processor or a third party), EBT/eWIC card issuer processors and, in some instances, third party processors.

To support the proper implementation of EBT/eWIC, USDA FNS developed Operating Rules⁶ and a Technical Implementation Guide.⁷ In addition, states have received support by learning from the experiences of early adopters and sharing best practices in forums such as the Biennial National WIC Association (NWA) Technology and Program Integrity Conference.

THE IMPACT OF EBT/EWIC—IMPROVING RETAILER AND CONSUMER SATISFACTION

The shift to EBT/eWIC is proving to have benefits for multiple WIC stakeholders. Evidence indicates that the original goals are being met. One study⁸ that considered the impact of EBT/eWIC in three early adopter states found positive effects. Vendors reported the benefits of EBT/eWIC being: having less responsibility in policing WIC purchases, faster transactions during checkout, knowing that authorized foods will be paid for, and quicker receipt of payments for WIC purchases. An important aspect of EBT/eWIC for the WIC participant is the discreet transaction at checkout.

EBT/EWIC DATA – OPPORTUNITIES FOR FORMATIVE EVALUATION

The transition to EBT/eWIC is giving momentum to nationwide efforts to improve WIC data, reporting, and analysis.

The recent *Review of the WIC Food Package*⁹ by a National Academies of Sciences, Engineering, and Medicine (NASEM) committee highlights the potential value of WIC EBT/eWIC data for assessing food purchasing patterns. The adoption of EBT/eWIC offers new opportunities to study nationwide food redemption patterns of WIC families. NWA supports the NASEM recommendations, including research that explores the influence of EBT/eWIC on redemption rates of WIC foods and the participant experience of accessing and purchasing WIC eligible foods.

For many state WIC agencies, the transition to EBT/eWIC has involved implementing new Management Information Systems (MIS) that have the capacity to interface with EBT/eWIC technology. New MIS systems are being built with data retrieval and analysis in mind. The interface between EBT/eWIC data and MIS data will enable state and local agencies to use data not only to evaluate and monitor the outcomes of WIC participation, but also to inform program management decisions. For example, EBT/eWIC data will enable local and state agencies to see which WIC foods are not being redeemed in specific areas, and program management decisions such as nutrition education can then be tailored to help improve the redemption of specific WIC foods.

CONCLUSION

WIC EBT/eWIC has the potential to modernize and streamline the WIC experience for all stakeholders, while improving program effectiveness and efficiency.

WIC: EMPOWERING FAMILIES, STRENGTHENING COMMUNITIES

Please direct all questions to NWA at 202-232-5492.

¹ U.S. Department of Agriculture, Food and Nutrition Service (2018) WIC program Data. Accessed online: <https://www.fns.usda.gov/pd/wic-program>.

² Healthy Hunger Free Kids Act of 2010 (2010) Available online: <https://www.gpo.gov/fdsys/pkg/PLAW-111publ296/html/PLAW-111publ296.htm>.

³ U.S. Department of Agriculture, Food and Nutrition Service (2018) WIC EBT Detail Status Report. Accessed online: <http://www.fns.usda.gov/sites/default/files/wic/WIC-detailstatusreport.pdf>.

⁴ U.S. Department of Agriculture, Food and Nutrition Service (2006) WIC Electronic Benefit Transfer System (EBT) System Development, Implementation and Expansion – 5 Year Plan (2003 – 2008). Accessed online: <http://www.fns.usda.gov/sites/default/files/WICEBT5-yearPlan-FINAL3-1-06.pdf>.

⁵ Geller D, Eng S (2016). Planning Future Data Collection Needs within the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). Prepared by Manhattan Strategy Group. Alexandria, VA: USDA, Food and Nutrition Service. Project Officer: Jinee Burd. Accessed online: <https://fnsprod.azureedge.net/sites/default/files/ops/WICDataCollection.pdf>.

⁶ U.S. Department of Agriculture, Food and Nutrition Service (2014) Operating Rules Women, Infants and Children (WIC) Electronic Benefits Transfer (EBT). Accessed online: <https://fns-prod.azureedge.net/sites/default/files/wic/WIC-EBT-Operating-Rules-September-2014.pdf>.

⁷ U.S. Department of Agriculture, Food and Nutrition Service (2012) WIC EBT Technical Implementation Guide 2012 Version. Accessed online: <https://www.fns.usda.gov/wic/wic-ebt-operating-rules-technical-implementation-guide>.

⁸ Phillips D, Bell L, Morgan R, Pooler J. (2014) Transition to EBT in WIC: Review of Impact and Examination of Participant Redemption Patterns. This study was conducted by Altarum Institute under Cooperative Agreement # 59-5000-1-0032 with the USDA's Economic Research Service (ERS). Washington, D.C. Accessed online: https://altarum.org/sites/default/files/uploaded-publication-files/Altarum_Transition%20to%20WIC%20EBT_Final%20Report_071614.pdf.

⁹ National Academies of Sciences, Engineering, and Medicine. 2017. Review of WIC food packages: Improving balance and choice: Final report. Washington, DC: The National Academies Press.