eWIC and Program Integrity – Managing Information for Effectiveness in Inventory Audits

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eWIC – What is it?

• Card used by participant for WIC EBT (Electronic Benefits Transfer)
• Replaces paper WIC checks
• Works like a debit system
Benefit for participants

- Added security & protection
- Ease of use/management
eWIC

- Same rules apply – no substitutions
- Non-approved items will not scan
- Vendors required to scan actual item
Wait, won’t eWIC stop fraud?

- Yes and no
  - It’s a tool, not its own solution
- Provides additional barriers
  - But people will ALWAYS find new ways to exploit things
- Inventory audits now more important than ever
Why Audits?

- Wisconsin WIC
  - Concentrated areas with potential high amounts of WIC fraud
- Hired two auditors, one compliance manager
  - Audits have been more effective than compliance buys
  - Issues with compliance buys
What information does it provide for agencies?

• Just about everything!
  o Vendor
  o Transaction Date & Time
  o Family & Account
  o Product UPC & description (brand, size, name)
  o Selling price
  o Amount/Quantity Sold
How is that useful for inventory audits? Before:

• Data analysis
  o Effectively identify risk indicators
    ▪ High risk vendors, federal requirement
    ▪ Better to focus audits
    ▪ Identify trends & flags
      • Participant traffic
      • Unusual characteristics
      • Patterns
  o Pair with store visit
Before (cont.)

- Expand scope and range
- Expand outside typical areas
  - WI – Other than larger urban areas
  - Don’t need to solely go after “low hanging fruit”
How is that useful for inventory audits? During:

• Extract and organize/categorize redemptions
• Effectively determine scope and range
  o Manage and audit greater amounts and time periods
• Execute audit in a timely fashion
How is that useful for inventory audits? After:

• Compare information quickly
• Identify patterns in redemption and invoice data
• Appeal process – barriers to explanations
  o Simply showing shortage often not good enough – administrative hearings will demand more
• You really are an investigator now
  o Get that information to tell a story
Seems like a lot to handle...

• It is a lot, but it makes things easier, not tougher – I promise!
Right, but how?

• Software already available can make it very easy
  o MS Access
    ▪ Reports
    ▪ Queries
  o MS Excel
    ▪ *Pivot Tables*(!)
Examples/Exercise
Results

• Effective deterrent
  o Overall intent is to provide nutrition
  o As we develop new techniques, so will the bad actors
  o Stay ahead, make barriers – ensure that goals are met
    ▪ “Breaking up” scanning

• Make audits into an effective *management* tool, not a “crime fighting” one
Next Steps

• Learn and develop new ways to use and manage
• Use what you have
  o Your audit results give you new information to use; continue to refine and develop
  o Constraints
  o Can be simple and done without “fancy” tools
• Make it your own
  o Each program is different and has its own set of challenges
  o You know your program, you can make it work for you
Questions?

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