



California
Department of
Health Services
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Director

State of California—Health and Human Services Agency
Department of Health Services



GRAY DAVIS
Governor

October 04, 2002

GROCER ALERT 2002-04

TO: ALL WIC GROCERS
SUBJECT: NEW STATE REGULATIONS

Purpose

I am writing to inform you that new State regulations concerning vendor sanctions, for the California Women, Infants, and Children (WIC) Supplemental Nutrition Program, became effective October 3, 2002. I have enclosed a copy of the new State regulations for your review. The regulations may also be reviewed through the following web-site address: www.oal.ca.gov.

I have also enclosed an Acknowledgement of Receipt of the grocer alert, which must be completed by a representative at **each** store location and returned to the WIC Program.

Background

The U. S. Department of Agriculture (USDA) amended and adopted Sections 246.2 through 246.18 of Title 7 Code of Federal Regulations. These new provisions were published in the Federal Register, dated March 18, 1999 and became effective May 17, 2000. (For a review of the changes to federal regulations, please refer to Grocer Alert 2000-05). The WIC Program has now adopted new State regulations to align and comply with the federal regulations.

The purpose of the new State regulations, as well as the federal regulations, is to curb grocer-related fraud and abuse in the WIC Program and to promote WIC and Food Stamp Program coordination in the disqualification of grocers who violate program rules.

Change Highlights

Section 40633: Food Instrument:

- Adds electronic benefits transfer (EBT) card to the definition of food instrument.

Section 40740: Federally Required Sanctions Against Food Vendors:

- Explains the coordination of the WIC Program and Food Stamp Programs in the disqualification of grocers who violate program rules.



Do your part to help California save energy. To learn more about saving energy, visit the following web site:
www.consumerenergycenter.org/flex/index.html

WOMEN, INFANTS, AND CHILDREN (WIC) SUPPLEMENTAL NUTRITION BRANCH
3901 Lennane Drive, P.O. Box 942732, Sacramento, CA 94234-7320
(916) 928-8500 Internet Address: www.dhs.ca.gov

- Identifies violations that qualify for federally required one, three, six year, and permanent disqualification sanctions.
- Defines violation patterns.
- Addresses civil money penalties in lieu of disqualification due to inadequate participant access.
- Defines inadequate participant access.

Section 40741: Sanctions Against Food Vendors:

- Identifies violations for which the State has designated a one year disqualification sanction.

Section 40751, Administrative Appeals for Food Vendors of Departmental Decisions:

- Explains when a grocer disqualification will take effect .

Grocer Implications

The new State regulations do not change grocer responsibilities. All the violations addressed in the State regulations violate the vendor agreement and policies. Please remember that it is the responsibility of each grocer to comply with all federal and state statutes, regulations, policies, procedures governing the WIC Program and the vendor agreement.

Action Needed

Please complete and return the enclosed Acknowledgement of Receipt by **November 8, 2002**. Please note that the return of the Acknowledgment of Receipt is required for **each** store location.

Questions

If you have questions or comments, please contact your WIC Grocer Liaison at (916) 928-8705.

David Markell, Chief
Food Management and Integrity Section
WIC Supplemental Nutrition Branch

**ACKNOWLEDGEMENT OF RECEIPT
of Grocer Alert 2002-04
New State Regulations**

Name of Store _____ WIC Vendor Number _____

Street Address _____

City and ZIP _____

Phone () _____ FAX () _____

I certify that I have received a copy of Grocer Alert 2002-04, New State Regulations. I certify that I am either the owner or manager, responsible for this store location and for training and informing store personnel of WIC Program requirements. I understand that vendors assume legal responsibility for the actions of employees who violate WIC Program rules, and if I have questions about the content it is my responsibility to contact my WIC Grocer Liaison.

Print Name _____

Signed by _____

Title _____

Date _____

Please return by **November 8, 2002** to:

Women, Infants, Children Supplemental
Nutrition Program
3901 Lennane Drive
Sacramento, CA 95834

Attention: RMSU

or

FAX (916) 928-0608

NOTE: An Acknowledgement of Receipt must be submitted for each store location.