



Frequently Asked Questions



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Quick Glossary

Term	Definition
APL	Authorized Product List. Uploaded daily to WIC vendors.
EBT	Electronic benefits transfer. For purposes of this discussion, it's the same as WIC electronic benefits or electronic WIC. Note: Don't confuse EBT with food stamp delivery (SNAP), which is a different program using an online process.
EBT offline	Benefits are issued from the Host Computer and stored on a microchip located on the front of the card. The addition of the microchip has resulted in these cards being known as "Smart Cards." As the benefits are stored on chip in the card, EBT Offline requires no connectivity between the Grocery Store and the Host Computer to distribute benefits.
EBT online	Benefits are issued from and stored on the Host Computer. The client receives a card with a magnetic stripe that allows access to the stored benefits. As such, EBT Online requires connectivity between the Grocery Store and the Host Computer to distribute benefits.
eWIC	Electronic benefit delivery application implemented by New Mexico's WIC Program. Used interchangeably with "WIC" in this article.
HCL	Hot Card List. List of eWIC smart cards that have been invalidated so they can't be used to redeem benefits; uploaded daily to WIC vendors.
Smart card	Plastic card with an imbedded, integrated microchip capable of storing and processing data.
SNAP	Supplemental Nutrition Assistance Program
WIC	Special supplemental nutrition program for Women, Infants, and Children. Sometimes referred to as the Program in this article.

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Program Operations

Q&A – Program Operations

1. Was there any affect (real or perceived) on your staffing levels?

All areas of the program were impacted by WIC EBT implementation. However, all sections have stabilized except for the Vendor Section. The lessons learned in the Vendor section regarding reconciliations, understanding the POS systems, and document storage and retrieval – combined with increased frequency in communications – cause this to remain a high priority though it is expected to stabilize within the next year.

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2. In retrospect, were there any services you would contract out that you did yourselves, or alternatively, any services you would do yourselves that you contracted out?

With our statewide implementation nearing its third birthday, the decision to keep things in-house has been reinforced. Currently, the NM WIC program's Settlement system processes all WIC claims and we haven't considered contracting out for this service. During the planning and implementation phases of EBT, NM did not have many contracts. This decision has proven beneficial, as it has allowed the WIC Staff to acquire and maintain knowledge in-house resulting in improved service to our clients.

3. What services is your EBT contractor (CSC) providing?

CSC provides development and support of the WIC application, the Settlement system, and all reports. All but the WIC application are written in ASP.NET and VB.NET.

4. Do you currently have any disconnected sites and how did you implement EBT effectively in these sites?

There are twelve satellite locations where EBT service is provided using dedicated mobile laptop servers. Specifically, server-configured laptops running a clinic database are taken to the remote locations where they are networked with on-site workstations and/or laptops and full client services are then provided. The server laptops are thereafter returned to the base clinic where they are reconnected to the main network and synchronized with the state office database.

5. How large was your pilot?

Initially we started with a small pilot (2800 clients per month). The pilot area was fairly isolated with only a few stores. There were not a lot of client transfers in and out of the area.

6. What was your rollout plan?

NM worked with the Grocery Advisory Council to determine the rollout plan. We started with the El Paso border area to test interoperability with Texas, since many grocers in that area service clients from both states.

Other determinants included store readiness, staff readiness, number of clinics in rollout area, and the number of clients in the rollout area. In addition, the grocer's holiday schedule was taken into consideration to ensure WIC EBT was not implemented in the middle of key busy times such as Thanksgiving, Christmas, or Super Bowl weekend.

7. What training plan did you develop for your clinic staff?

Train the Trainer technique with a PowerPoint presentation to demonstrate system changes and hands-on training for staff with materials developed by the State Nutritionist Trainer. We developed a video for clients in clinic to learn how to use the new card.

8. What training plan did you develop for your participants?

EBT curriculum including a user manual, PowerPoint, and other training documents for the six-hour training held in each region. EBT training documents have been provided on CD to other states interested in the curriculum.

9. How involved were the local agencies in planning for EBT?

Local agencies were involved in introducing the EBT idea to clients several months ahead, as well as planning Nutrition Ed sessions using the video to teach clients about the smart card. They also had to plan new clinic flows to enable EBT processing to be smooth administratively. After EBT rollout, local agencies were involved with follow-up training about card problems and how to avoid them.

10. How have clinic operations and flow been impacted from EBT? Is there any analysis you can share relating to clinic flow?

When an eWIC card is issued for the first time to a client, the clinic needs time to complete general eWIC card duties:

- Client needs to view the NM Connections DVD, which takes 15 minutes.
- Clinic staff assigns eWIC card to client.
- Client needs time to pick a PIN for her eWIC card and enter it in the eWIC application.
- Clinic staff need to set family values, update eWIC card, load benefits to eWIC card, and ensure client understands eWIC card responsibilities.
- Prior to loading benefits, clinic staff need to get the eWIC card and current information from the client, such as whether there is any change with the food package.
- Clinic staff changed from check physical inventory to eWIC card electronic inventory duties.
- Clinic staff may spend time helping client solve an eWIC card issue that occurred at a WIC vendor.

11. How did you control pilot operations?

By limiting it to two small towns and then expanding to a bigger city so that the proper numbers were collected to produce a justifiable cost analysis.

12. Where did participants shop during pilot operations?

Initially at designated, locally owned grocers. After the pilot was expanded out to a larger city, three major chain locations were added.

13. Were systems run in parallel (checks/cards)?

Yes. The check and card system was all part of one system. This dual functionality was a

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transition period; areas that were on EBT did have a choice to issue checks if necessary and checks were used for special formulas. Once EBT operations were well established in clinics and an electronic solution for special formula procurement was activated, checks were completely deactivated in all clinics.

14. Did retailers accept check and EBT?

Yes. Checks and EBT were being accepted by vendors across the state during the transition period.

15. How do you collect, maintain, and work with UPC information?

We created Excel spreadsheets that included food selection criteria for New Mexico. Criteria were based on existing items in the system as well as new regulations regarding new foods. We submitted these spreadsheet Requests for Information (RFIs) from food manufacturers and distributors in New Mexico. We did this initially with the old food packages for WIC and again in 2008 for New Food Rule rollout. Responders were given several months to submit the specific information that we requested.

Correspondence with manufacturers and distributors included telephone and e-mail to get all the data we required in the correct format. Information gathering for New Food Rule took over a year and continues daily on new items.

16. Can you discuss issues with migration from the R4 card and any remaining issues with running out of card stock?

During the initial phase of the EBT project, the Program worked with the Gemplus R4 card. However, Gemplus moved to a replacement smart card, using an R5 chip. The replacement did not work with New Mexico retailer systems. Consequently, we engaged Hitachi Corp., who was able to recreate R4 functionality using a MULTOS chip, albeit at a slightly increased cost.

17. What do your cards cost and how long does it take to receive new cards after ordering them?

Each card costs \$4.50. It takes four to five weeks from placing an order to receiving the shipment.

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Retailer Management

Q&A – Retailer Management

1. Do you authorize farmers markets and if so, how do they transact cash value benefits?

At this point, WIC EBT benefits are not redeemable at New Mexico's farmers markets.

2. Why were retailers receptive to offline systems when it would seem that online magstripe is prevalent in local systems, upfront expense, and so on?

The choice of an offline system was driven by New Mexico's physical size and the remote location of many of our rural vendors. The availability of cheap, reliable data line access is limited in many of the state's regions. As such, adopting online technology was simply cost prohibitive for many of our vendors.

Choosing an offline system does increase the cost of the card for the state office. However, joint procurement agreements between states allow these costs to be actively managed downward. Conversely, choosing an online system results in a per transaction cost to the Vendor; however, the state bears a lesser cost for card procurement.

The vendors were very receptive to the offline choice, given the above explanation.

3. What obstacles did you run into during planning phases with retailers?

The major obstacle was helping the grocer become familiar with and trust in the new EBT technology. Many of our smaller grocers used a simple cash drawer in their operation. Moving to a computerized system was a huge, and in their minds, expensive leap into the future.

Cost was of paramount importance as the grocer struggled with justifying the purchase of a new system. New Mexico, in tandem with our Texas partners, strove to find companies who offered less expensive solutions. Early on, these companies were few and far between, so the State worked with a vendor to develop an in-house stand-beside system. As New Mexico and Texas identified other companies willing to take on this project, the choices were expanded offering the small grocer a WIC enabled system at a reasonable price.

4. Is there anything you would do differently with vendors during planning, pilot, or implementation of EBT?

We would set up a grocery advisory council much earlier in the process and advise this be in place no later than one year before implementation. We recommend this council initially hold monthly meetings with the frequency increasing to bi-weekly as implementation approaches. To be effective and fair, the council should be comprised of representatives from every peer group – with adequate representation from the smaller stores a must.

In addition, as the POS system providers are certified within your state, they also should be included in this council. The council, with the state's advice and support, helps the state design the implementation plan and drive the rollout into the stores. This allows the state to focus on clinic readiness.

Communications are the key to the success of this type of project. Accurate communications should be distributed to your vendors as early as possible. For chain stores, we found information was best disseminated if copies were sent to both the corporate office as well as to the individual store. We found the following tools to be useful in helping achieve productive communications:

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- Direct mail
- E-mail: NM now requires our WIC Vendors to maintain an e-mail account
- Web page: Provides access to important updates, copies of past communications, forms, and other items critical to the Vendor area

Finally, we would significantly increase the amount of training for the grocers. The makers of the POS systems will provide training when the new hardware/software is installed; however, additional training is advisable. This should include:

- Cashier's responsibilities
- Downloading the WIC Authorized Product List (APL)
- Downloading the WIC Hot Card List (HCL)
- Process and procedures for adding new items to your store's inventory and, if applicable, ensuring they are marked as "WIC"
- Mapping in-store UPCs to the National PLUs for fruits and vegetables
- Daily Reconciliation/Balancing tasks
- Dispute Policy and Procedure

5. How much education did you perform for retailers before making the decision to implement an offline system?

The decision to implement an offline EBT system was based on the physical size of the state, the remote locale of many of our rural vendors, and the lack of reliable, low cost access to high-speed data lines. This decision was in the very early days of WIC EBT, well before the grocers were aware of the plans and, indeed, before any POS systems had been developed.

6. Were your retailers willing to integrate their POS terminals for the pilot? Are they now integrated after your pilot has completed?

At the time New Mexico first piloted EBT, there were no integrated POS terminals on the market. New Mexico developed an in-house stand-beside system for the purpose of the pilot. After New Mexico and Texas identified other companies willing to develop offline WIC EBT POS systems and these systems passed the certification tests, a second pilot was initiated. At that time, several of the retailers – not all – did choose an integrated system.

7. Are there any changes or upgrades your retailers would like to see for future releases of your EBT system?

The stores have not specifically requested any changes or upgrades. However, after 2+ years supporting statewide EBT, the state office has noticed areas for improvement. Specifically, the area of back-office reconciliation needs much more attention. As such, the state is working on becoming familiar with the reconciliation reports offered by the various grocer systems and is working closely with the POS system vendors to develop training on this portion of the system.

Q&A – Retailer Management

8. Was there anything your retailers were adamant about having prior to implementation?

The concept of Electronic Benefit Transfers was new to both the State and our grocers. In New Mexico, SNAP had not yet begun to use cards to distribute benefits, so the offline world of WIC EBT was the first experience with Electronic Benefits for most of our grocers. As such, there were many questions regarding how the system would work, but there was nothing the retailers were adamant about having prior to implementation.

9. How were/are you performing retailer education on the new EBT system?

As EBT had not been introduced in the state in any form (neither SNAP nor WIC), the initial education sessions consisted of an introduction of the technology to the vendors. These sessions stressed the difference between benefit distributions by check vs. EBT. Later training focused on the mechanics required to process a transaction. These included explanations of the:

- Importance of downloading the APL and HCL
- Need for accurate banking information
- File Transfer Protocol and why it matters
- Importance of timely transmissions of claims files
- Importance of keeping receipts
- Mixed basket policy

Our current training curriculum is focusing on the store's back-office balancing functions and its importance in ensuring timely reimbursement from the WIC Program.

10. What percentage of your store lanes is integrated?

100% of the lanes are integrated in the chain stores.

A number of the lanes in the smaller stores are also integrated, although the exact percentage is not known at this time.

11. What is your disaster recovery plan for a network being down in a store?

At this point, a formal disaster recovery plan is not in place. However, there are two types of outages possible in the offline world.

- A. The network is down, meaning the store has no connectivity to the host for the purpose of processing files. In this scenario, as long as the cash register is still working, the client may continue to shop and redeem benefits. The store will not be able to send claims files or download the APL or HCL. In this scenario, the state works with the store to find alternative methods of file transmission, such as the use of CDs/DVDs or jump drives, until connectivity is restored.
- B. The store's cash register is no longer functioning. In this scenario, the client is unable to redeem benefits. The state works with the store and the maker of the POS system to help resolve the issue.

12. What cost increases did your retailers notice after implementing EBT?

Most of the cost increases experienced by our stores were the result of a lack of understanding of the new technology and the need for daily reconciliation. Some stores have voiced concerns with the additional bookkeeping time required. Others have experienced losses when lack of reconciliation procedures caused a failure in identifying lost or partially reimbursed claims files.

New Mexico is working to address these shortcomings by partnering with the makers of the POS systems to provide additional training on reconciliation, along with tips on the appropriate actions to take when problems are encountered.

The other cost increase is tied to the maintenance fees charged by the makers of the POS systems. The initial equipment purchase came with a 3-year maintenance contract. While the agreement with the grocers specifies that the equipment must be maintained, the grocers are given the option to choose how: through sustaining a maintenance agreement with the maker or through the grocer's own resources.

13. What are your plans for future integration of vendor systems?

At this point, New Mexico has no plans for future integration of vendor systems. WIC-Only systems are installed in our smallest and most remote stores and it is expected there will continue to be a need for these systems for the next several years.

14. What is the smart card failure rate?

The smart cards themselves experience a minimal failure rate. Damaged cards or cards that cannot be read are replaced. Note: Read problems might indicate a damaged card or a problem with the POS terminal itself.

Cards are tested at the clinic before being replaced. If it is found the card is OK, the clinic notifies the Vendor Section so the store where the failure occurred may be contacted and corrective action initiated.

15. How frequently does the card not work in a store and how are clients instructed to deal with a failure in the lane?

The cards are very reliable and rarely fail in the store. However, problems do occur. The most frequent problems are:

- Pick Issues – the client has selected an item not eligible for WIC.
- Balance – the client does not realize she has little or no balance remaining on her card.
- APL – the grocer has not downloaded the most recent, updated Authorized Product List.
- The card is on the Hot Card List as being reported as lost or stolen.
- The card is damaged.
- The Grocer's POS system is malfunctioning.

The first three items are the most prevalent problems. As these are all training issues, we work to resolve them by asking for copies of the store's receipts from the transaction

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where the problem occurred. The receipts allow us to identify the source of the issue and to initiate a corrective action of either counseling the client or notifying the store of an out-of-date APL.

The last three examples require the client to return to the clinic. In the case of a hot card, once the client's identity is established and if the card has not been replaced, it is removed from the hot card list. Damaged cards are replaced and POS system problems are reported back to the Vendor and IT Sections for further research and resolution.

16. How are clients instructed to deal with downtime events?

New Mexico chose to install offline systems, meaning clients may still purchase groceries even when there is no communication between the Grocer's POS system and the host. The only time the client will not be able to redeem benefits is when the Grocer's POS system is not functioning. In these rare instances, the client is instructed to proceed to the next nearest WIC Grocer.

17. Did you offer or consider retailer reimbursement for integration?

New Mexico did offer reimbursement for both WIC-Only POS systems and for fully integrated systems. For the sake of consistency and because we do have shared stores, New Mexico and Texas ensured the reimbursement rates offered by the two states were identical.

18. How did the EBT system affect Vendor Section staffing levels?

The staffing levels have essentially remained the same; however, there is a large impact to the Vendor area in terms of the tasks to be completed. A successful rollout requires a great deal of coordination, communication, and document handling/storage, which fall predominately to the Vendor area. It is important as part of the planning process to take these tasks into consideration. These tasks may require temporary staff additions, as many are executed concurrently during the rollout process. For example, reauthorization, vendor training, and 3rd level certifications will all be happening simultaneously during the rollout process.

The need for additional training is key to the Vendor Area successfully operating in the WIC EBT environment. The staff require a good understanding of how the card is used by the client, as well as a thorough knowledge of the APL, how it is created and maintained, and what is required to keep it accurate. Also, a broad understanding of how the POS system works is very beneficial in answering grocer questions. Finally, an understanding of the grocer's reconciliation process is also very helpful – particularly as the grocers learn the features and requirements of their new POS systems.

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Information Systems

Q&A – Information Systems

1. What is the State's relationship with your IT group?

The NM Department of Health's IT Services Division has sole responsibility for IT support of the WIC Program. A dedicated staff of six full-time members and two part-time technicians support the program. Offices of the six dedicated staff are located at the program's state office location; the team works closely with program managers on a daily basis. Other IT teams, such as Desktop Support, Help Desk, and Network Operations, tend to infrastructure and relevant issues as needed.

2. Was there any unforeseen strain placed on your IT group?

The conversion and implementation effort was well planned and executed. However, the task of reconfiguring existing reports and creating new ones was underestimated. EBT allows for much more data collection. The responsibility to accurately process and use them was not fully grasped. EBT was fully deployed in early 2008. It took another year and a half to redress the major reporting shortfalls.

3. Is there anything relating to IT that you would do differently?

The Program and IT, being independent organizations, would have benefited from better-defined requirements and more interaction. Being technology-driven, the conversion and implementation were IT-driven. However, changes in each area would have benefited from more clearly defined goals and that could only have been done in closer and ongoing cooperation between IT and the Program.

4. What new IT procurements and contracts were required for the EBT project specific to planning and design?

The primary acquisitions were these:

- Project Manager
- Card price agreement
- Test card terminals and printers

5. What new IT procurements and contracts were required for the EBT Implementation and Operation?

Card terminals and receipt printers were required for all clinic staff, as well as training areas and key state office personnel. Development, test and production server systems were purchased for the in-house Settlement system. Existing applications required significant modifications for EBT functionality. However, this was covered under an existing support and maintenance contract.

6. Did you integrate your EBT system with your MIS system?

Yes. The eWIC application is the means by which benefits are issued to clients. It had to

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- be modified for EBT operations and interfaced with the card readers and receipt printers.
7. How are the two systems integrated, or if not integrated, how do the systems interface?
The eWIC application interfaces with the EBT card reader through which benefits are added to, removed from or modified on the EBT card. The Settlement system pulls the authorized product list, hot (invalid) card file, and vendor file from the eWIC application. Settlement delivers daily WIC reconciliation file to eWIC for processing.
 8. How did your state procurement impact EBT implementation?
The state procurement process was and remains complicated and lengthy. Relevant procurements had to be planned and often requested 6+ months in advance. This is one key area a project manager proves herself important.
 9. Did state IT standards impact EBT implementation or planning decisions?
The impact was minor. The project had to be certified per NM Department of Information Technology requirements and system changes had to take into account standing data security and privacy requirements.

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SNAP Integration

Q&A - SNAP

1. Are you integrated with SNAP? If so, how?
No, we are not integrated with SNAP. Although the initial intent was to integrate the two programs, further analysis showed it was not feasible given the desired timeframes for the implementation of the WIC Project. Therefore, the decision was made to independently progress the WIC and SNAP EBT projects.
2. What operational issues did you find or do you have with SNAP integration?
None. NM eWIC and SNAP are two completely different programs, so this question doesn't apply to New Mexico.
3. How did integration with SNAP impact the project?
NM WIC went forward without SNAP. Regrettably, the desired timeframe for the implementation of the WIC project didn't allow enough leeway to accommodate the time required to jointly implement with SNAP.

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