

# The Vendor Register

## WIC and EBT News

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### EBT Pilot Launches in Licking and Greene Counties

On July 14, we launched a pilot for Electronic Benefits Transfer (EBT) in Licking County. This incredibly challenging transition from paper coupons to an EBT smartcard went off practically without a hitch. WIC Chief Michele Frizzell and other State staff were present as Licking County WIC staff issued the first WIC Nutrition Card (WNC).



On August 4, we expanded the WIC EBT pilot into Greene County, and are expanding into Hocking, Meigs, and Putnam Counties this month. We are considering another expansion in late January 2015. More information is forthcoming.

We are eager to begin statewide implementation of WIC EBT because of its many advantages over the coupon system, which include faster and more accurate check-outs at the cash register, faster and more accurate payments to vendors, less paper for both the vendors and clinic staff to handle, and less stigma for participants.



# Do Your Part to Get Ready for WIC EBT Implementation!

Our start date for statewide WIC EBT implementation is initially scheduled for May 2015, but we would like to begin implementation sooner in counties whose vendors are ready for WIC EBT! We've asked you before to contact your cash register system providers and confirm plans for preparing your store systems for WIC EBT; if you have not yet made contact, please do so as soon as possible! If you are a standbeside vendor in Region 3 or 4, you should begin making plans to purchase your standbeside device as soon as possible, since we are considering a late winter/early spring implementation in these regions. If you did not receive information from us about the standbeside options, contact Kelly Hetrick at [ohiowicebt@odh.ohio.gov](mailto:ohiowicebt@odh.ohio.gov) or (614) 728-6431.

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## Retailer WIC EBT-Readiness — It's More Than Just Updating your PIN Pads!!!

As we discuss WIC EBT implementation plans with various vendors, it is becoming increasingly evident that many are under the impression that all they need to be EBT-ready is updated PIN pads that can read smartcards.

While it's true that this is an important piece of the EBT-readiness picture, it's only one component. **The software running on the cash register system must also be updated to be able to transact WIC EBT.**

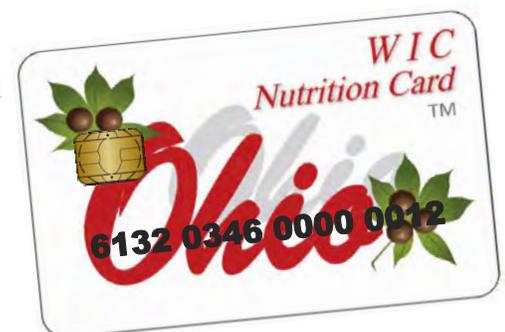
We have been in lengthy discussions with retail system developers and manufacturers for some time, but it is imperative that you contact your local cash register system provider and discuss plans for updating your PIN pads and store system software.

We published a statewide implementation schedule some time ago, but as noted above, we are wanting to implement sooner than initially planned in counties whose vendors are EBT-ready.

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## If You Are Purchasing a Standbeside POS Device for WIC EBT.....

We have provided information about the standbeside options to authorized vendors in need of such a device for transacting WIC EBT. We strongly recommend that you thoroughly evaluate each option before making your decision on which device to purchase, as there are differences in equipment costs, service fees and functionality between the devices. If you are a vendor in need of a standbeside device and have not received information from the State WIC office regarding the options, please contact Kelly Hetrick at [ohiowicebt@odh.ohio.gov](mailto:ohiowicebt@odh.ohio.gov) or (614) 728-6431.



# If You Don't Have a Contract, You're Not an Authorized Vendor



It is the responsibility of the signatory of a contract to know when that contract expires. The Ohio WIC program contracts with vendors every three years and does so by region. It is important for you as a WIC authorized vendor to read and understand the contractual agreement that you have signed. The Ohio WIC program cannot pay a vendor for food instruments (coupons) or EBT claim files that are submitted if the vendor is not an authorized WIC vendor. Therefore, if your contract expires, and you continue to submit food instruments or EBT claim files for payment, you will ***not be paid***. The Ohio WIC program is presently doing full contracting in Region 4 and pick-up contracting in Region 3. Contracting timeframes are available on the Ohio Department of Health's website. Visit [www.odh.ohio.gov](http://www.odh.ohio.gov), click the WIC link, click the Vendor Operations link, then click Contracting.

## Chip-and-PIN card replacing many traditional credit cards - The Columbus Dispatch Consumer 10 Report

Published Sunday, July 6, 2014 from: <http://www.dispatch.com/content/stories/business/2014/07/06/chip-and-pin-card-replacing-many-traditional-credit-cards.html>



These days, you don't have to be a scratch golfer to appreciate chips and PINs.

In fact, changes being rolled out by the U.S. consumer-finance industry don't have anything to do with getting you on the green; they're all about keeping you — and your creditors — out of the red.

A growing number of banks and retailers are moving from traditional credit cards — cards bearing easily copied magnetic strips — to cards embedded with microchips that are far less prone to duplication and fraud.

By the end of next year, more than 70 percent of U.S. credit cards and 41 percent of domestic debit cards will feature microchips, according to a recent industry survey by the Aite Group, an independent research firm.

In many cases, issuers of the so-called EMV cards (Europay, MasterCard and Visa, three companies instrumental in setting the chips' compatibility standard) also require users to enter personal numerical codes, or PINs, to authorize payments.

“Chip cards with PINs, or chip-and-PIN cards, are more protected if the card is lost or stolen and someone tries to use it fraudulently,” Bankrate.com notes. “That’s because it’s easier to forge a signature than to guess someone’s PIN.”

EMV technology has been widely accepted in Canada, Mexico and much of western Europe for several

# Chip-and-PIN card replacing many traditional credit cards (continued)

years. U.S. card issuers, however, have been slow to make the change, in part because the chip-and-PIN system is more expensive.

Chip-enabled cards cost about \$2 apiece, almost five times more than their traditional counterparts. And replacing the existing point-of-sale card readers will require merchants to invest as much as \$1,000 per terminal, the National Retail Federation estimates.

Aite said an unabated increase in card-related crime is the main reason for the technology's newfound popularity among U.S. card issuers. The research firm noted that the domestic credit-card fraud rate has doubled since 2007.

What's more, financial institutions and merchants will face greater liability for fraudulent charges under federal rules set to take effect in October 2015.

Secondary factors driving the expansion of EMV technology: the growing inability of American travelers to use traditional cards overseas; the decreasing cost, relatively speaking, of chips and scanning terminals; and retailers' willingness to upgrade to technology that also can accommodate smartphone-based payments.

U.S. financial institutions are expected to issue about 100 million chip-equipped cards this year — a significant number, to be sure, but a small fraction of the 1.7 billion credit and debit cards thought to be in use nationwide.

"Taking the world's largest card market from mag strip to EMV is a massive undertaking," said Julie Conroy, Aite's research director for retail banking.

Merchants, meanwhile, are on track to have 4.5 million chip-card readers installed in their stores by the end of this year, the Associated Press reports.

One of the most recent converts was Sam's Club, which announced last month that it was issuing EMV cards.

John Talamantez, a regional membership manager for the warehouse-club chain, said the massive credit-card breach that hit Target in December spurred Sam's to implement the chip technology "as quickly as possible."

While EMV cards aren't considered foolproof, they do address many of the vulnerabilities that cybercriminals have exploited in recent years.

The embedded microchips, for example, are designed to alter their encryption with every transaction. In theory, therefore, even if a hacker were able to access a merchant's customer database (as happened in the Target case), the stolen information, in and of itself, would be largely useless.

Sam's customer Angel Miranda has experienced credit-card fraud firsthand. Not long ago, he said, someone charged \$1,500 in purchases to an account that had been opened, fraudulently, in his name.

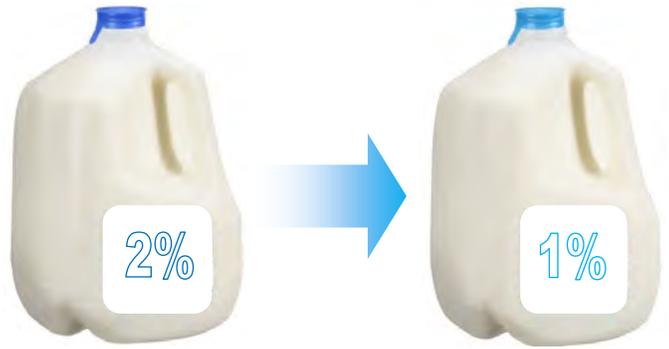
The small-business owner said he's all for any technology that can prevent similar headaches.

"It's very important," he said, "that my money is not taken — or put on hold or tied up."

# Transition from 2% to 1% Milk

The standard issuance for WIC participants is transitioning from 2% to 1% milk. Due to this change, 2% milk is being replaced by 1% milk for minimum stocking requirements, as of October 1, 2014.

Participants who received their three month supply of coupons before October 1, 2014 will have 2% milk on their coupons until they attrition out. Therefore, any coupons that have 2% milk on them should be honored.



There will also be WIC participants that are issued whole milk or 2% milk for special circumstances. Therefore, any coupons that have 2% or whole milk listed on them should be honored.

For any counties that have converted to WIC EBT, the rule of thumb is, if the item will scan, the participant can have the item. The cashier does not need to check the receipt for clarification of allowable milk.

## Oatmeal is NOT a Cereal!

Oatmeal is authorized as a WIC whole grain food item - it is **NOT** considered a cereal for minimum stock requirements.



## Minimum Stocking Requirements for Whole Grains



Only whole grains that are packaged in a 16 ounce container will be counted for minimum stocking requirements. If you carry oatmeal for minimum stock, please make sure that is a 16 ounce container. Please note that Quaker Oats does **NOT** come in a 16 ounce container. Oatmeal brands that do carry a 16 ounce container include: Crystal Wedding Oats (Quaker), Mom's Best Naturals - Quick Whole Oats or Old Fashioned Oats, Shurfine Quick Oatmeal, McCann's Irish Oatmeal - Quick Cooking, Mother's - Rolled Whole Oats, The Silver Palate - Quick & Rough Oatmeal, Best Choice, Our Family, Kroger Old Fashioned Oats, and Chex.



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