

<p style="text-align: center;">Texas WIC Program Department of State Health Services</p>
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Effective October 1, 2010

Policy No. WV:02.0

Least Expensive Brands Declaration

Purpose

To promote cost-efficiency, to reduce vendor/participant confusion when identifying the least expensive brands of WIC foods, and to reduce the time required to conduct WIC transactions.

Authority

Vendor Agreement

Policy

At the time of authorization, all vendors shall declare the traditionally least expensive brand (LEB) for each type and size of WIC authorized milk, fluid and frozen juice, dried peas/beans/lentils, cheese, whole wheat bread, whole grain bread, wheat tortillas, corn tortillas, and brown rice the vendor's outlet(s) shall sell when prescribed on a WIC EBT food instrument. The State recognizes an outlet may periodically experience out-of-stock situations and therefore not have 100% compliance with this requirement. However, at least 85% of an outlet's WIC monthly redemptions within these food types (category/subcategories) must be the vendor's declared traditionally least expensive brands (LEB). Vendor outlets that do not have at least 85% WIC LEB redemptions in each of these food types redeemed are subject to termination of their agreements according to Section VII of this policy.

Procedures

- I. At the time of authorization, each vendor shall complete the "Least Expensive Brand Declaration" form, listing the product brand name as well as the Universal Product Code (UPC) for each product declared as the traditionally least expensive brand. Only one declaration form is necessary if the traditionally least expensive brands are exactly the

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same for all outlets within one account. If the traditionally least expensive brand varies from outlet to outlet, then a declaration form shall be submitted for each individual outlet within an account. Declaration form(s) shall be submitted with each agreement. It is the Vendor's responsibility to notify the State of changes to its LEB declaration immediately as they occur. Failure to update an LEB declaration is a violation of the Vendor Agreement and can result in monitor findings and termination for selling non-LEB brands.

- II. Stores are required to tag their declared traditionally least expensive brands of milk, dried peas/beans/lentils, fluid and frozen juices, cheese, whole wheat bread, whole grain bread, wheat tortillas, corn tortillas, and brown rice with the uniform State issued "WIC Approved Item" shelf tag/label. The State shall supply uniform "WIC Approved Item" shelf tags/labels to stores.

Under certain conditions, the State may approve store-supplied "WIC Approved Item" labels and/or signage. Stores must send a written request and justification to the State if the stores want to supply their own labels and/or signage. Approval to use store-supplies signage must be renewed yearly.

- A. Stores must submit an actual sample to the State WIC Office in the same pink color used for state-produced labels, and must receive approval in writing prior to the use of any store-supplied label. All costs associated with developing, printing, storing, supplying and using store-supplied labels must be paid by the store.
- B. Stores must submit a picture to the State WIC Office for "WIC Approved Item" signage and must receive approval in writing prior to the use of the signage. All cost associated with developing, printing, storing, supplying and using store-designed signage must be paid by the store.
- III. It is the store's responsibility to assure "WIC Approved Item" shelf tags/labels/signage are clearly placed designating the appropriate food items.

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- IV. If the store chooses to tag other allowable WIC food types, all of the allowable foods the store carries within the food group shall be tagged (i.e. if one cereal is tagged, then all allowable cereals - national brands as well as house brands shall be tagged). The only exception to this is the labeling of infant formula. Only the two standard contract milk-base and soy-base brands of formula in powder and concentrate should be labeled.

 - V. In the event a store needs to change a traditionally least expensive brand, it shall submit to the SA a written change request stating the new declared traditionally least expensive brand and UPC, provide a copy of the label/nutrition content and barcode, and what product the new item is replacing.

 - VI. In the event a store runs out of the traditionally least expensive brand, the store shall sell the least expensive brand product available on the shelf at that time.

 - VII. A vendor's failure to have its declared traditionally least expensive brands be at least 85% of its WIC redemptions in each of the applicable WIC food categories is cause for termination of the vendor agreement.
 - A. The State agency may perform a preliminary review of the vendor's compliance with selling its declared least expensive brands at any time during the term of the vendor agreement. The State agency shall provide a noncompliant vendor with written notification of noncompliance determined from the preliminary review.

 - B. If on a subsequent assessment within a 12-month period the noncompliant vendor fails to comply with selling the declared least expensive brands, the State shall disqualify the vendor for one month. The State will accept a CMP in the amount of \$1,000.00 in lieu of disqualification.

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- C. If the vendor's UPC redemptions are again found to be non-compliant within the 12-month period with the least expensive brands declared, the state shall terminate the Vendor Agreement and will not consider an application from that vendor site for a full six-month period. The state will not accept a CMP in lieu of termination of the Vendor Agreement unless it determines inadequate participant access to other authorized vendors in the area will result from such termination.

Guidelines

It is strongly recommended that a store employee be assigned to verify the accuracy of tag/label placement each day.