

## VI. FOOD FUNDS MANAGEMENT

(Please indicate) State Agency: Missouri for FY: 2025

Food funds management involves monitoring cost containment measures and procedures related to infant formula and other authorized food items, the monitoring and management of State agency funding sources, and the accurate reporting of participation figures.

During disasters, emergencies, public health emergencies, or a supply chain disruption, including infant formula recalls, the State agency may request to implement existing and allowable regulatory flexibilities or waivers to support the continuation of Program benefits and services. Waivers granted under Access to Baby Formula Act of 2022 (codified at 7 CFR 246.4a(30)) or temporary provision(s) authorized by Congress are not permanent amendments to the State Plan; however, State agencies should consider any historical amendments as the result of waivers granted under prior waiver authority to develop policies and procedures for current and future disasters.

A. [Cost Containment Measures - 246.4\(a\)\(14\)\(xi\), 246.4\(a\)\(14\)\(xvii\), 246.16a\(a\)](#): describe the policies and procedures used to implement cost containment measures as they relate to infant formula contracts, their approval and the processing of infant formula and/ or other rebates, and food package cost containment practices.

B. [Funds Monitoring/798 Reporting - 246.4\(a\)\(2\); \(a\)\(12\); and \(a\)\(14\)](#): describe the State agency's funding sources, how food obligations are calculated to allow for inflation, rebate cash management, and monthly closeout monitoring activities.

C. [Participation Reporting - 246.4\(a\)\(11\)](#): describe the methods used to accurately document and monitor participation at the State and local level, and methods for monitoring changes in participation by priority.

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### A. Cost Containment Measures

**1. The State agency seeks FNS approval related to infant formula cost containment measures (check one):**

- For a waiver of the requirement for a single-supplier competitive system. State agency must complete a cost comparison projecting food cost savings in the single-supplier competitive system based on the lowest monthly net price or highest monthly rebate [as required in Section [246.16a\(d\)\(2\)\(i\)](#) through [\(d\)\(2\)\(iii\)](#) and savings under an alternative cost containment system, Section [246.16a\(d\)\(2\)\(B\)](#)]
- To issue an infant formula bid solicitation that evaluates bids by highest rebate. A State agency must demonstrate to FNS' satisfaction that the weighted average retail prices for different brands of infant formula in the State vary by 5% or less [as required in Section [246.16a\(c\)\(5\)\(iii\)](#)].
- Not applicable

**Please attach in the Appendix supporting documentation for requests for FNS approval.**

**ADDITIONAL DETAIL: Food Funds Management Appendix and/or Procedure Manual (citation):** WIC Infant Formula Rebate—Abbott Award

### 2. Cost Containment Contracts for Infant Formula

**a. The State agency acquires infant formula through the following food delivery systems:**

i. Non-exempt infant formula (check all that apply):

- Home food delivery system
- Direct distribution food delivery system
- Retail food delivery system
- Other (specify): [Click or tap here to enter text.](#)

ii. Exempt infant formula (check all that apply):

- Home food delivery system
- Direct distribution (shipped to local agencies for participants to pick up)
- Retail food delivery system
- Other (specify): Direct shipment to a local agency for distribution in areas where retailers do not have the prescribed formula.

iii. WIC-eligible nutritionals (check all that apply):

- Home food delivery system

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- Direct distribution system
- Retail food delivery system
- Other (specify): Direct shipment to a local agency for distribution in areas where retailers do not have the prescribed formula.

**b. The State agency has a rebate contract/agreement for infant formula.**

- Yes
  - No
- If no, check which applies:
- Granted waiver
  - ITO with participation under 1,000 as of April (*Proceed to question A.4. Cost Containment for Other Foods*)

**c. Current fiscal year rebates and current net price per unit paid (note the price should reflect current prices rather than original contract prices and rebate amounts):**

My rebate price sheet is available and attached as Abbott Rebate per Unit Table  
(*Proceed to A. 3. Infant Formula Issuance.*)

(*Proceed to A. 3. Infant Formula Issuance.*)

Primary Contract Infant Formula				
Product/Unit Size	Manufacturer	Rebate/Unit	Net price/Unit	% WS Discount
<b>Liquid Concentrate</b>				
Milk-Based				
Soy-based*				
<b>Powder</b>				
Milk-based				
Soy-based*				
<b>Ready to Feed</b>				
Milk-Based				
Soy-based*				
<b>Exempt Formula (If applicable)</b>				

\*If separate contracts for milk- and soy-based infant formula.

**3. Infant Formula Issuance.**

- a. Does the State agency issue the Primary Contract Infant Formula as the first choice of issuance (by physical form), with all other infant formulas issued as an alternative? (Section [246.16a\(c\)\(8\)](#) & [246.10\(e\)\(1\)\(iii\)](#))

- Yes
- No

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b. The percent of total infant participants receiving each type of formula is estimated at:

**\*Contract (infant formula authorized and rebated through infant formula cost containment contract/s awarded by the State agency) 84.1%**

**\*Non-contract (infant formula that is not rebated through an infant formula cost containment contract awarded by the State agency.) 15.9%**

**Exempt infant formula (non-contract infant formula that is issued through Food Package III) 82.2%**

**Non-exempt infant formula (non-contract infant formula that is issued through Food Packages I & II) 17.8%**

\*Contract and Non-contract categories should total to 100%. Exempt and Non-Exempt subcategories should total to 100%.

**ADDITIONAL DETAIL: Food Funds Management Appendix and/or Procedure Manual (citation): [Click or tap here to enter text.](#)**

### 5. Cost Containment for Other Foods

a. Rebates are also obtained on other WIC foods.

Yes (specify foods and attach contract in Appendix): [Click or tap here to enter text.](#)

No

b. The State agency intends to pursue rebates on other authorized foods.

Yes (specify): [Click or tap here to enter text.](#)

No

c. To contain food costs, the State agency has limited authorized foods/container sizes/types, etc.

Yes (If yes, note such limitations on the following table)

No

**ADDITIONAL DETAIL: Food Funds Management Appendix and/or Procedure Manual (citation): [Click or tap here to enter text.](#)**

	<b>Specific brands are designated Disallowed</b>	<b>Only certain container sizes are allowed</b>	<b>Allowable types are limited</b>	<b>Other</b>
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Exempt formula for women, infants & children	Yes	Yes	Yes	
Infant cereal	Yes	Yes	Yes	
Infant Fruit/Veg/Meat	Yes	Yes	Yes	
Whole fresh fluid milk	No	Yes	Yes	
Lowfat fresh fluid milk	No	Yes	Yes	
Skim fresh fluid milk	No	Yes	Yes	
Fresh milks (e.g., Lactaid, cultured buttermilk, goat milk) (specify):	Yes	Yes	Yes	
Shelf-stable milk (e.g., evaporated milk, UHT, whole/low fat/nonfat dry milk)	Yes	Yes	Yes	
Cheese	Yes	Yes	Yes	
Yogurt	Yes	Yes	Yes	
Soy-based beverage	Yes	Yes	Yes	
Tofu	Yes	Yes	Yes	
Fresh eggs	No	Yes	Yes	
Dried egg mix	N/A	N/A	N/A	
Hot cereal	Yes	Yes	Yes	
Cold cereal	Yes	Yes	Yes	
Single strength fruit/vegetable juice	Yes	Yes	Yes	
Concentrated fruit/vegetable juice	Yes	Yes	Yes	
Whole wheat bread	Yes	Yes	Yes	
Other whole grains	Yes	Yes	Yes	
Peanut butter	Yes	Yes	Yes	
Dry beans/peas	Yes	Yes	Yes	
Canned Fish	No	Yes	Yes	
Canned beans/peas	Yes	Yes	Yes	

### B. Funds Monitoring/798 Reporting

1. The State agency has procedures to assure that the requirements are met regarding the nonprocurement of food in bulk lots, supplies, equipment, and other services from entities that have been debarred or suspended.

Yes       No

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**ADDITIONAL DETAIL: Food Funds Management Appendix and/or Procedure Manual (citation): [Click or tap here to enter text.](#)**

### 2. Food Cost Obligations

**a. The State agency calculates food obligations based on the following data (check one):**

- Number of expected participants and average food cost per participant
- Number of expected participants by category (e.g., pregnant woman, infant, etc.) and average food cost per participant category
- Number of expected redemptions by food instrument type and cash-value voucher type and average value per food instrument type and cash-value voucher type
- Other (specify): [Click or tap here to enter text.](#)

**b. The State agency estimates the impact of inflation on food costs through the use of the following inflation escalators:**

- Inflation factor used in Federal funding formula
- State-generated estimates of inflation based on State market basket of foods
- Best guess by food item based on economic reports or other sources
- Other (specify): Gross National Product

**c. The State agency Management Information System automatically produces a monthly obligation amount**

- Yes
- No, data are pulled from various sources and an estimated amount is calculated manually or with a PC spreadsheet
- Other (specify): [Click or tap here to enter text.](#)

**d. The State agency system (in-house or contracted) provides the following data on electronic benefit transactions at specific (daily, weekly, monthly, as needed) frequencies (check all that apply and provide frequency):**

Frequency

Data

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- As needed       Electronic benefits paid for issue month
- As needed       Electronic benefits outstanding for issue month
- As needed       Electronic benefits that have expired
- As needed       Electronic benefits that are void/unclaimed

**ADDITIONAL DETAIL: Food Funds Management Appendix and/or Procedure Manual (citation):** [Click or tap here to enter text.](#)

### 3. Rebate Cash Management

**a. The State agency has a billing system in place that ensures rebate invoices for all authorized food, including infant formula, under competitive bidding, provide a reasonable estimate, or actual count of the number of units purchased by participants during WIC transactions (Section [246.16a\(k\)](#)).**

- Actual count of units purchased
- Estimate of units purchased (attach methodology)
- Other (describe): [Click or tap here to enter text.](#)

**b. The State agency uses a food instrument that enables it to identify the type and brand of infant formula redeemed.**

- Yes, for all formula types, brands, and physical forms
- Yes, for exempt infant formulas
- No

**c. The invoice to the formula manufacturer is issued by:**

- The WIC unit
- The State agency fiscal unit
- Other (specify): [Click or tap here to enter text.](#)

**d. Monthly invoices are submitted with supporting data.**

- Yes       No

**ADDITIONAL DETAIL: Food Funds Management Appendix and/or Procedure Manual (citation):** [Click or tap here to enter text.](#)

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### 4. Closeout of Report Month Outlays

a. The State agency allows the food vendor (and farmer if any) the following number of days to submit food instruments and cash-value benefits for payment (provide the number of days):

Two days from the date of transaction.

b. The State agency is generally able to close out a report month completely within:

90 days

120 days

Other (specify number of days): [Click or tap here to enter text.](#)

**ADDITIONAL DETAIL: Food Funds Management Appendix and/or Procedure Manual (citation):** [Click or tap here to enter text.](#)

5. Indicate the method used to reimburse vendors (and farmers if any) for redeemed food instruments and cash- value vouchers or other services and specify the entity responsible for making payment:

State WIC

State FM

Other (Specify)

[Click or tap here to enter text.](#) By check directly to vendor or farmer

[Click or tap here to enter text.](#) By check directly to vendor's or farmer's bank

[Click or tap here to enter text.](#) By electronic transfer to vendor's or farmer's bank

Other (specify): CDP/Wells Fargo by EFT to vendor's bank.

**ADDITIONAL DETAIL: Food Funds Management Appendix and/or Procedure Manual (citation):** [Click or tap here to enter text.](#)

### C. Participation Reporting

#### 1. Participation Counting

a. The State agency counts an enrollee who received at least one food instrument/food package (or who received no food instrument/food package, but was either a fully-breastfed infant of a participating breastfeeding woman or a woman partially breastfeeding a participating 6 to 12 month old infant) as a participant during:

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- The calendar month
- The computer system cycle month
- Other (specify): [Click or tap here to enter text.](#)

**b. The State agency receives participation counts from:**

- The State agency computer system based on the number of persons issued food or food instruments (manual and automated food instruments), the number of fully-breastfed infants who receive no food or food instruments, but are breastfed by participating breastfeeding women, and the number of women who receive no food or food instruments, but are partially breastfeeding a participating 6 to 12 month old infant.
- Counts reported from local agencies based on issuance records
- Other (specify): [Click or tap here to enter text.](#)

**c. If State funds are present, the State agency differentiates between Federal-supported and State-supported participants by:**

- Special code on food instrument
- Special areas of State designated as State-supported areas
- Pro rata allocation based on proportion of Federal to State funds spent
- Other (specify): [Click or tap here to enter text.](#)
- N/A

**d. When local agencies are chronically late in furnishing food instrument and/or certification data needed for participation counts, the State agency:**

- Sends warnings
- Applies financial sanctions
- Requires manual reporting
- Other (specify): N/A

**ADDITIONAL DETAIL: Food Funds Management Appendix and/or Procedure Manual (citation):** [Click or tap here to enter text.](#)

### 2. Participation by Priority

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a. Priority level is a critical data field in the State agency's computer system.

Yes       No

b. The State computer system automatically assigns priority level based on the enrollee's nutritional risk condition.

Yes       No

c. The State agency's computer system revises the priority level determination when a participant changes category (e.g., infant becomes child and receives a child's food package).

Yes       No

d. The State agency has an "unknown" priority category for VOC transfers where priority is unknown.

Yes       No

3. Participation by Local Agency

The State agency's computer system supports its requirement to report participation data by local agency to measure breastfeeding performance.

Yes       No       N/A

**ADDITIONAL DETAIL:** Food Funds Management Appendix and/or Procedure Manual (citation): [Click or tap here to enter text.](#)