

## **SECTION IV: RETAILER PAYMENT**

**Retailer Payment** The Missouri WIC program will make payment to the retailer upon receipt of validly transacted and redeemed WIC checks for food costs incurred in providing WIC approved food to WIC customers.

The Missouri WIC program shall deny payment, either partially or fully, to a retailer for improperly transacted or redeemed WIC checks; may establish a claim for payments already made on improperly transacted WIC checks; or may offset future payments for the claim.

The Missouri WIC program has the right to demand refunds for charges of more than the retailer's actual selling price and shall deny payment to the retailer for more than the price limitations of the WIC check. The Missouri WIC program will provide the retailer with an opportunity to justify or correct a claim, a demand for refund, or a denial of payment for fatal or non-fatal WIC check errors.

**Timeframe** By signing the WIC Retailer Agreement, the retailer agrees to submit WIC checks for payment no later than 60 days from the "First Date To Use". The Missouri WIC program shall have no obligation to pay any WIC checks submitted outside of this timeframe.

### **4.1 WIC Check Review**

**Policy** Prior to deposit, retailers must review **ALL** WIC checks for possible errors. By doing so, errors may be detected and possibly corrected. Checks with errors will be rejected by the banking contractor. The retailer may incur banking charges for these. The Missouri WIC program cannot reimburse the retailer for such charges.

**What to Review** WIC checks should be reviewed for completeness, legibility, dates, the total sale amount, and the WIC customer signature. The register receipt should also be reviewed to ensure that the correct food items have been provided.

### **4.2 Correcting Errors**

**Policy** In some cases, retailers may correct errors detected after the WIC transaction has been completed. Regardless of the error, **NEVER FALSIFY A REGISTER RECEIPT OR WIC CUSTOMER SIGNATURE.** This is considered FRAUD.

**Incorrect,  
Excessive, or  
Unissued  
Food Items**

When the retailer finds a non-WIC approved food item on a receipt, a quantity of a WIC approved food item that is in excess of what was prescribed, or redemption of a food item that was not prescribed, the WIC check may be corrected using the following steps:

1. On the original register receipt:
  - a. Mark one (1) straight line through the incorrect item.
  - b. Mark through receipt total, with one (1) line, so that it is still legible.
  - c. Subtract the amount of the error from the original total.
  - d. Write the corrected total redeemed amount under the lined-out original.
  - e. Initial the change.
2. On the WIC check:
  - a. Mark through the “Pay Exactly Amount”, with one (1) line, so that it is still legible.
  - b. Write the corrected amount above the lined-out original.
  - c. Initial the change.

**Missing Signature**

If a retailer fails to get the WIC customer’s signature, the WIC check will not be paid. You may contact the local agency to have them contact the WIC customer to see if they will return to sign the check. If this is not possible or the WIC customer does not return, the retailer will not be paid for this check.

**Illegible Vendor  
Numbers**

If a WIC check is returned to the store because the banking system could not read the WIC Vendor ID number, the retailer can re-stamp their WIC Vendor ID number in the Food Description section on the check and redeposit the WIC check.

**Follow-up**

In addition to correcting errors on paper, it is critical that immediate follow-up training be completed with store personnel. Follow-up training with the cashier and other store personnel involved in the transaction must be done to prevent future occurrences, thus saving the retailer money, and protecting the retailer’s record with the Missouri WIC program.

### **4.3 Payment Inquiry and Reconsideration Requests**

#### **Inquiries**

All payment inquiries regarding specific WIC checks must be submitted in writing by mail. Telephone inquiries of this type will not be researched. Telephone requests for general information are welcomed. Frequently asked questions can be found on the Missouri WIC program's website home page located at [wic.mo.gov](http://wic.mo.gov).

#### **Approval Request For Non-Paid WIC Checks Form**

The Missouri WIC program may consider payment approval with valid justification from retailers who believe a payment denial has been made incorrectly, or believe there is a justifiable reason that payment should be made. A retailer must submit a written payment reconsideration request to the Missouri WIC program within 90 days of the "First Date To Use" printed on the check. Remember to always keep a photocopy of all items being mailed, including the front and back of the check (Appendix F).

#### **Reconsideration requests must include:**

1. WIC Vendor ID stamp number, date mailed, check number, complete store name with address, contact name, and a phone number.
2. A brief explanation on the form describing the circumstances, the reason why payment should be reconsidered, and what steps have been taken to prevent problem(s) in the future. One completed form must be prepared for each check approval requested.
3. The check image with the denial or rejection stamp and the original receipt for the transaction and copy of the invoice must be included.

#### **Approval/Denial**

Consideration will be given based on the documentation submitted. Incomplete appeal forms or appeals that do not include the check and the receipt will be denied.

- If the appeal is approved, the WIC program will place an "Approved – Redeposit" stamp on the face of the WIC check and return it to the retailer for redeposit.
- If the appeal is denied, the WIC program will place a "DENIED DO NOT REDEPOSIT" stamp on the face of the WIC check and return it to the retailer.

#### **WIC Banking Contractor**

The Missouri WIC program's banking contractor will return improperly transacted or redeemed WIC checks to the store's bank. WIC check errors are sorted into two (2) types, non-fatal and fatal. Non-fatal errors may be corrected on the first rejection and redeposited by the store. Fatal errors must be corrected and appealed directly to the WIC program on the appropriate form before they are redeposited. When a WIC check is returned to the store it will have at least one (1) error stamped on it.

## **4.4 Non-Fatal Errors**

### **Non-Fatal Reject Reasons**

WIC checks that are returned for the following reasons may be corrected by the retailer and redeposited, as long as it is not more than 60 days from the “First Date To Use” printed on the check:

1. DOLLAR AMOUNT MISSING
  - Retailer should correct and redeposit. The WIC program cannot correct this.
2. MISSING OR ILLEGIBLE WIC VENDOR ID NUMBER
  - WIC checks without a WIC Vendor ID number or with an illegible WIC Vendor ID number. Retailer should stamp their WIC Vendor ID number in the Food Section on the check and redeposit.
3. OVER CHECK LIMIT
  - WIC checks redeemed for more than the Maximum Purchase Price Must Not Exceed. Retailer should review the WIC check with the corresponding receipt to ensure that the correct food items were sold. See Section IV, page two (2) of this manual for instructions. If the correct items were sold, the total sale amount should be decreased to the Maximum Purchase Price Must Not Exceed amount and redeposit the check.

## **4.5 Fatal Errors**

### **Fatal Reject Reasons**

A WIC check has a fatal error if it is returned with a “DENIED DO NOT REDEPOSIT” stamp. In the case where the retailer knows that a WIC check was improperly redeemed, but there are extenuating circumstances, the retailer may send the check to the Missouri WIC program on the Approval Request for Non-Paid WIC Checks form. It must include the WIC check and original receipt. This procedure is for the extremely rare situation where there is a valid reason that the check was not paid. This is not a guarantee that the check will be approved (Appendix F).

#### **Reasons for fatal errors:**

1. DATE TRANSACTED NOT WITHIN VALID DATES
  - WIC checks accepted before the “First Date To Use”, accepted after the “Last Date To Use”, or checks with no transaction date written on them.

2. ALTERED – DO NOT REDEPOSIT
  - WIC checks with an obvious alteration to the food prescription, quantity, maximum purchase price, “First Date To Use”, or “Last Date To Use”.
3. MISSING SIGNATURE – DO NOT REDEPOSIT
  - WIC checks with no participant or proxy signature present.
4. PREVIOUSLY PRESENTED – DO NOT REDEPOSIT
  - The WIC check has already been presented and fatally rejected.
5. LATE DEPOSIT – DO NOT REDEPOSIT
  - WIC checks the retailer deposited that are more than 60 days from the “First-Date-To-Use”.
6. STOP PAYMENT – DO NOT REDEPOSIT
  - The WIC check has been marked as “Stop Pay”.
7. INVALID VENDOR NUMBER
  - The WIC Vendor ID number is invalid on the WIC check.

**WIC Checks Submitted Twice**

If checks are presented for payment (i.e., deposited) twice without being properly corrected when permitted, or without an approval stamp from the WIC program on the second presentment, no further appeal will be permitted. This complies with the Federal Reserve’s banking regulations. **The WIC program cannot change this rule.**

**Banking Fees**

Many financial institutions charge their customers for items that are returned and charged back to the accounts. The WIC program will not become involved in disputes regarding a bank’s assessment of these charges.

**The Missouri Department of Health and Senior Services, WIC and Nutrition Services is not responsible for any bank charges, returned checks, or other fees charged to the retailer that result from the non-payment of WIC checks. Retailers may not recover any bank charges from the Missouri WIC program, or from WIC participants or their proxies.**

**Returned WIC Checks**

Retailers should notify their bank that rejected WIC checks must be returned to the store without delay for possible correction. If the bank does not do this and automatically redeposits rejected checks, they will be rejected again.

**Additional  
Retailer  
Information**

Retailers may not seek reimbursement of money or return of food from WIC participants for any rejected check. The retailer may not appeal disputes regarding WIC check payments and retailer claims.

The Missouri WIC program cannot pay for WIC checks from other states. Banking regulations prohibit a third presentment for payment through the clearing bank.

The Missouri WIC program has the right to modify payment, to assess a claim, or to charge a fine for WIC checks transacted for unauthorized food, other items, or with sales tax charged.

The Missouri WIC program may deny payment to the retailer for improperly redeemed checks or may require refunds for payments already made on improperly redeemed checks.

It is the responsibility of each retailer to regularly clean and ink the WIC Vendor ID stamps to ensure they are imprinting a clear and easily readable WIC Vendor ID number.

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End of Section IV: Retailer Payment