SECTION IV: RETAILER PAYMENT

Retailer Payment   The Missouri WIC program will make payment to the retailer upon receipt of validly transacted and redeemed eWIC card redemption files 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 eWIC card purchases; may establish a claim for payments already made on improperly transacted eWIC card purchases; and may claim or offset future payments for eWIC cards transacted for unauthorized food, other items, or with sales tax charged.

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 approved food items. 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 eWIC card transaction errors.

4.1 eWIC Claim File Submission

Claim File Submission   The retailer agrees to submit eWIC card claim files for payment at least once every 48 hours. The Missouri WIC program shall have no obligation to pay any eWIC card redemptions submitted outside of this timeframe.

Retailer management is required to ensure submission of claim files to the Missouri WIC program's settlement system. Regular business practices should be established for submitting claim files to the Missouri WIC program, preferably within 24 hours of the transaction date. This settlement cut-off time for submission of claim files **should** occur before 6:00 a.m. Central Standard Time (CST).

Retailers are required to access the Missouri WIC Program's settlement system within a continuous **48-hour period of time** for the purpose of downloading the current Hot Card List (HCL), Auto-Reconciliation File (ARF) and the APL. Failure to do so may result in financial liability of the retailer if a Missouri eWIC card that is on the HCL is used to conduct a transaction or if a WIC customer is allowed to purchase a food item that is no longer on the APL.

The retailer's system periodically performs a data exchange with the EBT settlement host's Secure File Transfer Protocol (SFTP) server for reimbursement for eWIC transactions.

During the exchange, the following occurs:

1. The claim file is submitted by the retailer's system. This includes the details of eWIC transactions.

   - If the claim file is accepted and processed, an ARF is created.

   - If the claim file is not accepted and cannot be processed, an Acknowledgement File (ACK) will be created. The retailer will not be paid for the claim. The retailer will need to correct the error and resubmit the claim file for payment.

   - A claim file may be processed but there can be transaction and individual item level errors. This results in a reduction of payment reflected in the ARF.

2. A current HCL and an APL are downloaded into the retailer's system from the EBT settlement host's SFTP server.

   - The HCL contains cards that have been invalidated for any reason, including loss, theft, or administrative action.

   - The APL contains a listing of the WIC authorized products (UPCs and PLUs) approved by the Missouri WIC program.

Reconciliation

Once a day, the EBT settlement host initiates the payment process for each retailer. It uses information in the retailer's claim file to create an Automated Clearing House (ACH) credit for that day. Claim files received prior to 6:00 a.m. CST will be processed on the next banking day. Claim files submitted after 6:00 a.m. will be processed according to settlement processes.
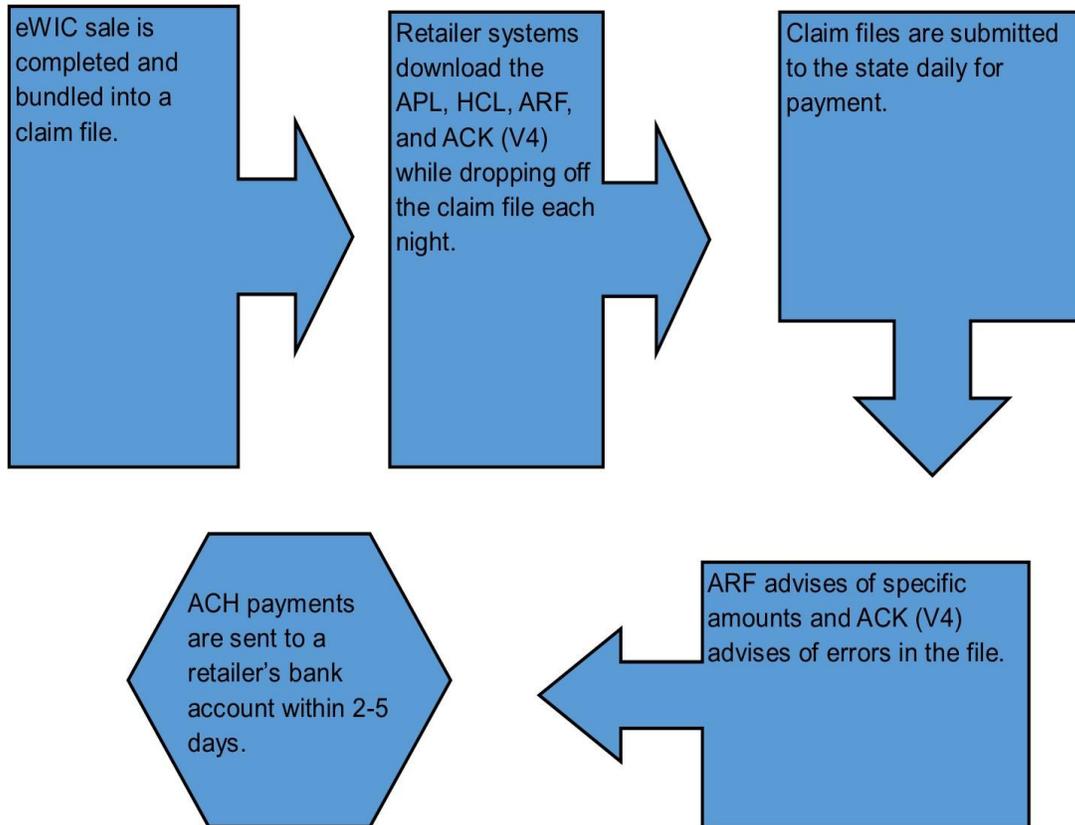
EBT System Claims Process

After the WIC sale is completed in the retailer's lane, the sale is automatically stored ("bundled") in a claim file by the retailer's cash register system. The claim file is submitted by the retailer's POS to the Missouri WIC program's banking processor for payment electronically.

At the same time that the retailer's claim is submitted to the Missouri WIC program's banking processor, the retailer's system also downloads the current APL, the HCL for eWIC cards reported as lost or stolen, and the ARF which tells the retailer what they will be paid for the previous claims submitted.

The Missouri WIC program's banking processor's server forwards payment directly to the retailer's bank account. When the retailer's system connects to the Missouri WIC program's EBT settlement host's SFTP server, the server downloads an ARF and ACK that advises the retailer of the specific amount of the claim paid, if there was any part of the claim not paid, and the reason

for any non-payment. Final payment to the retailer is typically completed within 2-5 banking days.

eWIC sale is completed and bundled into a claim file.

Retailer systems download the APL, HCL, ARF, and ACK (V4) while dropping off the claim file each night.

Claim files are submitted to the state daily for payment.

ACH payments are sent to a retailer's bank account within 2-5 days.

ARF advises of specific amounts and ACK (V4) advises of errors in the file.

4.2 Payment Inquiry and Reconsideration Requests

Payment Disputes   Retailers will be paid for all valid eWIC transactions conducted and electronically submitted to the Missouri WIC program. An authorized retailer may dispute a claim or transaction payment that has been reduced. There is no guarantee that dispute requests will be approved by the Missouri WIC program. Refer to the ARF to verify the amount that will be paid. If the amount that was submitted is different than what is being paid, the ARF identifies any errors and indicates why a claim, a transaction, or an item was reduced.

Late Submission   A dispute for the late submission of a claim file must be received by the Missouri WIC program within 90 days of notification of payment reduction. Notification of reduction is found in the electronic ARF that retailers receive when claim processing notification is made. The retailer

must provide an explanation of the event that prevented the timely submission of the claim file or system change that caused the claim file to be late. If the late claim submission was the result of a state rejected error file, the retailer must include this information in its written explanation on the Approval Request For eWIC Transactions form (Appendix E) specifying the original claim file name for the claim that was reduced.

Invalid Electronic Signature

A dispute for the submission of an invalid electronic signature error must be received by the Missouri WIC program within 90 days of notification of payment reduction. Errors related to electronic signatures on individual transactions within a claim file may be caused by many factors and may require considerable investigation and assessment by the retailer, ECR provider, and the Missouri WIC program. To dispute all or any part of a claim reduced because of invalid electronic signatures, a retailer must provide evidence that clearly demonstrates the transactions involved in the reduction were valid eWIC transactions at the store. The retailer must provide evidence from the transaction log or electronic receipt copies that shows proof of the card being present in the lane, with WIC-eligible items being purchased and decremented from the card. The evidence must provide the PAN, date, time, lane number, UPCs purchased, PLUs purchased, and category and subcategory information.

Other Transaction Errors

A dispute for the submission of any other transaction errors must be received within 90 days of notification of payment reduction or the transaction date itself. These transaction errors may require considerable investigation and assessment by the retailer, the ECR provider, and the Missouri WIC program. The retailer must provide evidence from the transaction log and/or electronic receipt copies that shows proof of the card being present in the lane with WIC-eligible items being purchased and decremented from the eWIC card. The evidence must provide the PAN, date, time, lane number, UPCs purchased, PLUs purchased, and category and subcategory information.

Per 7 CFR § 246.12(k)(5), if the total value of transactions or claims disputed at one (1) time exceeds $500, the Missouri WIC program must obtain approval from the FNS Regional Office before executing payment.

If the retailer's dispute is denied, the retailer will receive written notification explaining the reason for the denial. If there is a question or concern regarding a WIC transaction, please contact the Missouri WIC state agency at 800-392-8209.

Payment Appeals   If the retailer's dispute is denied and the retailer wishes to appeal the denial, the retailer must submit a written appeal to the Missouri WIC program at the following address:

Missouri WIC Program
P.O. Box 570
Jefferson City, MO 65102-0570

Or via email to: MOWICVendorGroup@health.mo.gov

Per 7 CFR § 246.12(k)(5), if the total value of transactions or claims submitted after the specific redemption period and appealed at one (1) time exceeds $500, the Missouri WIC program must obtain approval from the FNS Regional Office before executing payment.

If a retailer fails to notify the Missouri WIC program in advance of hardware or software changes that result in a late or malformed claim or transaction submission, the retailer will have to appeal the claim or transaction(s) that has been reduced. There is no guarantee that the appeal will be approved.

Banking Fees   Many financial institutions charge their customers for items that are returned. The Missouri WIC program will not become involved in disputes regarding a bank's assessment of these charges.

The DHSS Bureau of WIC and Nutrition Services is not responsible for any bank charges or other fees charged to the retailer that result from the non-payment of eWIC redemptions. Retailers may not recover any bank charges from the Missouri WIC program or from WIC participants.

Additional Retailer Information   Retailers may not seek reimbursement of money or return of food from WIC participants for any unpaid eWIC redemptions. The Missouri WIC program cannot pay for eWIC card redemptions from other states.

End of Section IV: Retailer Payment