# Minnesota WIC Online Ordering Pilot December 10, 2020

Hunger Impact Partners
Ellie Lucas 612-518-5492
elucas@hungerimpactpartners.org

## Opportunity for Minnesota to lead in early childhood nutrition

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is a federal nutrition assistance program that serves low-income pregnant, postpartum, and breastfeeding women, infants, and children up to five years old who are at nutritional risk.

With the WIC transition to electronic benefit transfers (EBT) completed, the next opportunity to improve the participant experience will be the opportunity to shop for foods, especially those needed to address nutritional deficits, the way others shop for food, by ordering online. The current events of COVID-19 have caused USDA to push through many challenges experienced in the Supplemental Nutrition Assistance Program (SNAP) online ordering pilot and has now expanded nationally. It is our intent to move this model to the WIC program and for Minnesota to be an early pilot implementation state.

Hunger Impact Partners learned of a USDA \$2,500,000 grant recently awarded to the Gretchen Swanson Center for Nutrition in Omaha, NE to conduct a study to determine options and recommendations for implementing online ordering in WIC through both in-store and online transactions. At least 50 percent of these funds will be awarded as sub-grants through a competitive process to WIC State agencies (Minnesota Department of Health) for the purpose of implementing online ordering. No more than five sub-grants will be awarded.

#### **Online Ordering in WIC**

The retail grocery industry has changed over the past several years. Online shopping has become an increasingly common method for purchasing groceries. Like the goals of the SNAP Online pilot, pursuing online ordering in WIC will ensure that WIC participants have access to a broader array of shopping options and are not left behind as the industry continues to innovate. While the WIC Program currently does not allow for online transactions, online ordering with inperson payment is allowable; and prudent long-term program planning would include identifying ways for online transactions in the future which the Minnesota pilot would explore.

Online shopping has the potential to enhance the WIC shopping experience for participants in many ways, including the added benefit of providing access to those with limited transportation or other issues impeding participant's ability to physically go to a grocery store. Increasing access to online ordering is particularly important to rural communities, communities served by stores with limited stock of fresh foods and food deserts. Although online ordering is currently allowed under WIC regulations, online transactions are not. WIC regulations require that a WIC shopper (participant, parent, or caretaker of an infant or child participant, or proxy) use a Personal Identification Number (PIN) in the presence of the cashier.

## **Objectives**

The state sub-grants will support the WIC Program through building the capacity to implement online ordering nationwide.

#### **Award Period and Project Timeline**

The Gretchen Swanson Nutrition Center was awarded the management grant in mid-November 2020. Currently, the sub-grants to states must be awarded with a program completion end date no later than September 30, 2023.

## Background

Established in 1974, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is administered by the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture (USDA). WIC provides nutritious foods, nutrition education, and breastfeeding promotion and support, and referrals to health and other social services to participants at no charge.

In April 2018, according to the WIC Participant and Program Characteristics Report (WIC PC 2018), 53% of WIC participants were children (ages 1 to 4), and infants and women accounted for 23.8% and 23.2% of participants, respectively. Women participants were categorized as pregnant (8.6%), postpartum (6.6%), or breastfeeding (8%). Most (84.6%) pregnant women receiving WIC were between 18 and 34 years of age. Among all WIC participants in WIC PC 2018 58.8% were identified as White only, 21.5% as Black or African American only, 8.9% as American Indian or Alaska Native only, and 4.6% as either Asian only or Native Hawaiian.

<u>WIC EBT</u>: All WIC State agencies will operate one of two EBT payment processing types: online or offline. An offline system uses a WIC EBT card with an embedded smart chip and requires vendors to submit claim files to the State agency and/or the EBT processor for settlement. An online system uses a WIC EBT card with a magnetic stripe; transactions are completed using the exchange of real-time messages between vendor Point of Service Device (POS) and the EBT processor.

Despite the differences between the technology used for online and offline EBT systems, the details of the WIC transaction at the register are similar. In a WIC EBT transaction, Universal Product Codes (UPCs) and/or Price Look-Up Codes (PLUs) are scanned and assessed against a WIC State agency's Authorized Product List (APL). If the scanned food items are authorized on the APL and available on the household's prescription benefit balance, the purchases are approved and the benefit balance on the EBT card is reduced to reflect the use of the benefits.