



The Alaska WIC Program  
Mail Order Vendor Program  
Proposed Program Changes

Report of Public Comments Received  
January 9<sup>th</sup>, 2012

Prepared by:  
Iris Matthews, President  
The Stellar Group  
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## Table of Contents

I.	Introduction & Background	2
II.	Summary of Comments Received	5
III.	Analysis of Comments Received	8
IV.	Recommendations for Next Steps	9
	Attachment A: List of Teleconference Participants	13
	Attachment B: Complete List of Comments Received	14
	Attachment C: Transcript of January 9 <sup>th</sup> , 2012 Teleconference	16

## I. Introduction and Background

Since 1977, the Alaska WIC Program has served pregnant and post-partum women and their children up to five years of age. The program serves approximately 26,000 participants through 28 fixed clinic locations with 235 additional communities served on an itinerant basis. To participate, individuals must meet income guidelines, a State residency requirement, and be individually determined to be at "nutritional risk" by a health professional. To be eligible on the basis of income, applicants' gross income must fall at or below 185 percent of the U.S. Poverty Income Guidelines for Alaska. For eligible participants, the Alaska WIC Program supplies:

- Free nutritious foods
- Information on nutrition and health
- Breastfeeding support and resources
- Referrals to community services

The State does not provide participant services directly; instead services are accessed through Local Agencies. WIC participants receive "prescriptions" for free, nutritious food and typically shop for their food through authorized retail food vendors in their community. Vendors may be retail grocery stores, military commissaries or pharmacies that only provide special infant formulas. The criteria for a vendor to be authorized include: submission of a vendor application, meeting all selection criteria, having a satisfactory store inspection, stocking the required WIC foods and/or infant formulas and selling them at competitive prices. The vendors who qualify are authorized for a three-year period. There are nearly 200 authorized WIC retail food vendors throughout Alaska.

However, in Alaska, approximately twenty-percent of the statewide caseload, or 5,000, WIC participants live in remote locations without access to an approved WIC retail food vendor. Those WIC participants receive their food "prescriptions" through a unique Mail Order Vendor program (MOV). Currently the MOV system is procured through a contract with a single WIC approved vendor in Anchorage. Alaska is the only state with an MOV program.

All components of the Alaska WIC program work to meet a set of ongoing strategic program goals. These are to:

1. Increase Participation
2. Identify Cost Efficiencies
3. Provide High Quality Services
4. Improve Health Outcomes of WIC participants

5. Improve Access to WIC Foods
6. Optimize Use of Technology

### *MOV Background Information*

Since 1985, the WIC Program has implemented the MOV program by selecting a single vendor through a competitive process. That chosen vendor provides WIC food packages via mail to Alaskan WIC participants who live in remote areas of the state that do not have access to an authorized WIC retail food vendor. The MOV program currently serves up to 1,400 WIC participants each month. During calendar year 2011, the WIC Program spent approximately \$1.9 million for MOV food, packing and handling, and mailing costs.

Currently, the WIC clinics order food prescriptions for remote participants through the MOV process. The clinics enter the food package number into AK-WIC computer system, and the MOV Vendor downloads the necessary order and participant contact information from a portion of AK-WIC known as AK-WIC MOV. Food packages are shipped from Anchorage and generally arrive 10-14 days before the participant's prescription date. The MOV vendor sends invoices to DHSS for reimbursement of the food costs and packaging and postage, along with the necessary support documentation.

The Alaska WIC Program is in the process of implementing the Successful Partners In Reaching Innovative Technology (SPIRIT) Client Information System. SPIRIT is a data collection and management system that will be used for most aspects of the WIC Program, including vendor management. Alaska will join several other state WIC programs in using SPIRIT technology. The SPIRIT system has an anticipated Alaska-wide implementation date of December 2012.

The SPIRIT system does not have the functionality to support the Alaska MOV program as it is currently operated and the contract with the current MOV Vendor is in its final year. In anticipation of the change, the Alaska WIC program is using the opportunity to propose a new model for mail order delivery of WIC foods starting in FY2013.

The MOV teleconference held on January 9<sup>th</sup>, 2012 was a starting point to identify interest from potential MOV vendors and determine strategies for a successful redesign of the MOV system that would work with frequent federal funding fluctuations, changes to the new WIC participant data-base computer system, and also comply with federal requirements to deliver WIC foods through Electronic Benefit Transfer systems by 2020.

### *Proposed Changes*

The WIC program has proposed transitioning from a single vendor to multi-party system. The current vendor is authorized through a competitive process. Under the multi-party system, there would no longer be a competitive system. Instead, MOVs would be authorized through an application process similar to that used for retail vendors. It is expected that the remote WIC participants will order WIC foods directly from WIC approved MOV vendors via the internet or telephone, and MOV vendors will submit invoices to the State of Alaska for reimbursement.

### *Summary of Outreach Activities*

On January 9<sup>th</sup>, 2012, a teleconference was held to solicit comments and questions on the proposed MOV program changes. A public notice of the teleconference was placed with the State of Alaska and published on December 15<sup>th</sup>, 2011. A summary of the proposed changes was prepared, and included in the public notice as an attachment.

In addition to requesting comments on the proposed changes, the public notice advertised the development of an MOV Vendor Advisory Committee, and invited interested parties to submit their names for inclusion on the MOV Vendor Advisory Committee to assist the state in the design and development of the new MOV program.

In mid-December, the WIC program sent out its quarterly newsletter to all currently authorized WIC vendors and included a copy of the public notice and summary of proposed changes. A copy of the newsletter, public notice and summary of proposed changes was also sent to an additional 16 Alaska food distributors and Supplemental Nutrition Assistance Program (SNAP) vendors. A copy of the notice was also made into a flyer and displayed at the WIC state office locations in Anchorage and Juneau, and at WIC Local Agencies throughout the state

Comments and questions, as well as requests to participate in the MOV Advisory Committee, were accepted via email until 5:00 p.m. on January 9<sup>th</sup>, 2012.

## II. Summary of Comments Received

Thirty-three identified individuals participated in the January 9<sup>th</sup> WIC MOV teleconference in addition to the state WIC program staff. Twenty of the participants were from two large retail stores, Fred Meyer and Wal-Mart. Fred Meyer participants included multiple participants from the Kroger and Fred Meyer's national offices, as well as the Anchorage East Fred Meyer store, the current MOV vendor. Wal-Mart had representatives from stores in Anchorage, Fairbanks, Kenai and Juneau, as well as their national office. Other participants came from regional or local retail stores including the Alaska Commercial in Dillingham, Mallot's General Store in Yakutat, Sea Mart in Sitka, Bob's Big Boy in Big Lake, Iliamna Trading Post in Iliamna and Hmong Kong Meng in Anchorage, as well as a statewide grocery supplier, Span Alaska Sales. WIC Program Coordinators from Juneau and Bethel also attended the teleconference. A list of teleconference participants is included in Attachment A.

Some participants did not identify themselves during the roll call portion of the teleconference, and a few neglected to identify the business or organization they were representing, if any.

Comments were specifically requested on the following questions that were outlined in the public notice announcement preceding the teleconference:

1. If the WIC MOV program is opened to any vendor who meets the eligibility criteria, would you be interested in becoming an authorized MOV vendor? What additional information would you need to make the decision to apply for authorization?
2. Please identify logistical issues that you believe would be important, including delivery windows (e.g. must ship within five, seven, or ten days of participant placing order?), mail service and mailing costs, packaging, continued By-pass Mail Service, etc.
3. Describe how the following would affect your interest in providing WIC foods via mail to participants:
  - a) Alaska WIC has five regions. MOV vendors may be required to provide mail order deliveries to all locations statewide. Alternatively, potential MOV vendors may be allowed to provide mail order deliveries to only the regions of their choice. Estimated numbers of MOV recipients for each region will be made available prior to start-up of the new system. Are you more likely/less likely to seek authorization as an MOV vendor if you are required to provide statewide delivery?
  - b) MOV vendors will be required to stock foods from the approved food list, with some substitutions for perishable foods such as fresh eggs or milk. MOV vendors will not be required to provide all approved brands in a food category, e.g. cereals, but

approved foods from all categories must be made available. Only approved foods/brands may be provided in exchange for WIC benefits.

- c) The Alaska WIC Program will not be able to guarantee a minimum number of WIC participants to any Mail order vendor.

Only four comments were received: two telephonically and two via e-mail. Of the comments received, two were from the same corporate entity, meaning comments were only received from three separate entities. The comments that were received fell into three general categories. All of the comments received are summarized below by category:

1. Ability to offer services

The Fairbanks store is set up to do some phone orders currently. They do Bush mailers and they are able to send merchandise out through that store via telephone operators. And, they would be more likely, potentially, to be able to participate than us who do not have the phone bank.

2. Concern about transition to multi-vendor system

Fred Meyer is interested in continuing to service the MOV program preferably as the exclusive MOV vendor. Fred Meyer does have concerns if the contract transitions to a non-exclusive agreement.

3. Questions about program design/requirements

#### Foods provided to MOV WIC participants

- Are we looking at cold chain processes to get milk or other fresh foods out? Or are only dried foods provided?
- If fresh foods are provided, how much of the food provided is fresh, versus dried?
- Are the foods used for the MOV program different than those that regular WIC vendors must keep in stock? For example, regular milk vs. powdered milk.

#### Shipping

- What are the allowable or required shipping methods?
- Does WIC have requirements for how different types of food are shipped?
- Is this customarily a daily, weekly or monthly task to process and ship?

#### Participant Services

- How will we prove the customer we're talking with on the phone is an actual WIC customer?

- What data/privacy information (name/address/full listing of items) will the stores need to have and is there a systems requirement to keep this information private?
- Are the participants assigned to a retailer due to proximity or does the participant have a choice?

#### Staffing

- Who at store level would you prefer to handle this task (hourly or salaried)?

#### Service Areas

- Are facilities set up to cover regional areas?
- What quantities of food would each facility serve with this method?

#### Other Costs

- What is expected as part of the program for expenditures?
  - a. Containers
  - b. Shipping
  - c. Etc.

#### *Participation in MOV Advisory Committee*

Seven participants, from two corporate entities, indicated interest in participating in the WIC Vendor Advisory committee. No interest was received from vendors in rural Alaska. Two other interested parties also registered their interest with the WIC MOV Vendor Coordinator prior to the teleconference.

A complete listing of the comments received, including volunteers for the MOV Advisory Committee, is in Attachment B.

### **III. Analysis of Comments**

Any analysis of the comments is limited by the fact that only four of the thirty three participants offered comments during the public notice period. Instead of relying solely on the comments, this analysis also draws inferences from the teleconference proceedings and its participants.

None of the thirty three participants responded in the affirmative when directly asked if they were interested in serving as a WIC MOV vendor however the fact that over thirty individuals representing at least thirteen separate Alaska retail locations, as well as one Alaska rural supplier were present for the teleconference made it clear that there is interest, among local, regional and statewide vendors in the MOV process.

None of the smaller or rural retail vendors asked to participate in the Advisory Committee, while numerous representatives of each of the larger vendors did, even when specifically asked if there was any interest from rural Alaskan locations.

The participation of WIC Program Coordinators also indicates that the Local Agency grantees are also interested in the outcome of the MOV process. This is not surprising; as time spent dealing with vendor related issues was a previously reported problem of the WIC Program Coordinators.

#### Limitations of the Process

While it is not possible to know exactly why substantive comments were not received from more than a couple of vendors during the teleconference process, there are some possibilities that should be considered:

1. The vendors simply had nothing to say. They were listening but did not have questions or comments to offer.
2. The vendors did not want to divulge their interest at this stage in the process. Vendors are by nature in competition with each other. The current process to become an MOV vendor has been competitive, and the proposed changes to a non-competitive model are not yet certain.
3. The vendors need more information about the proposed MOV process to provide comments or questions and to make decisions about their interest.

## IV. Recommendations

It is important to note that the limited number of participants who actually made comments means that the sample size is too small to make substantive recommendations based solely on the feedback received. Instead, these recommendations will focus on next steps for the MOV program, based on the results of the public process that ended on January 9<sup>th</sup>, 2012.

### 1. Focus on MOV Program Design

The WIC program should focus on the proposed design of the MOV program. In designing the new MOV process, a number of factors should be studied and considered:

#### A. *WIC Program Goals*

The WIC program has a number of identified strategic goals that can be met through the redesign of the MOV program. These include:

1. Identifying Cost Efficiencies
2. Improving Health Outcomes of WIC participants
3. Improving Access to WIC Foods
4. Optimizing Use of Technology

Strategies to achieve the identified goals of the WIC program should be an explicit part of the new MOV program design. This will also help the WIC program assess the success of the new program design and make changes as necessary. In addition, it will also help vendors better understand their role in meeting the program goals.

#### B. *Understand the Current Systems in Place*

Alaska WIC participants who live in very remote locations where there are no WIC vendors will be most affected by the change in MOV program. They also access food outside of the WIC program. Start with a clear understanding of how WIC participants in remote Alaska currently access foods. Do they place orders with their local grocery stores? Or, do they order from Rural Alaskan food suppliers, or do they buy in bulk when they are in regional hubs? Do they place orders via telephone or internet?

Use this understanding to inform how the program design can work with existing systems that rural Alaskans, and in particular rural WIC Participants, are already using to access food. This will reduce the potential issues of implementation on vendors, and allow participants to use the new system effectively. This information can be collected through either informal or formal

surveys of current WIC participants, completed either by WIC program staff or in collaboration with the Local Agencies serving the WIC participants.

*C. Assess the pros and cons of various models for service delivery*

There are many possible ways to set up the MOV program design; factors include service areas, competitive vs. non-competitive procurement processes and participant choice.

- i. Statewide model-competitive
- ii. Statewide model-noncompetitive
- iii. Regional model-competitive
- iv. Regional model-non competitive
- v. Hybrid: Some vendors serve participants statewide, other vendors serve only regional or local participants. This model could be either competitive or not.

Some models for service delivery may not be possible for some vendors. Some models allow WIC participants to choose which vendors they access food from, others do not. If the process is non-competitive, whether or not vendors will be able to enter and exit the MOV program at any time will be important to define. The opportunities and challenges of each model should be discussed along with their effect on various groups, including WIC participants, the Local Agencies and the vendors.

One of the possible reasons for a lack of comments in the teleconference process was that there was not yet sufficient information for vendors to consider. When a model is selected, seek feedback from the broader group of potential vendors on the proposed model and its implementation. Since rural vendors were a minority of the participants in the teleconference, even though this program is specifically geared to serving rural Alaskans, more direct methods of outreach to engage rural vendors in this process might be needed, such as telephone conversations.

*D. Barriers & Challenges*

Identify potential barriers and challenges to successful implementation of the revised MOV process and proactively work to address them. For example, sometimes internet access is extremely limited in rural Alaska; will other options be available for placing orders when this is the case? How will WIC participants know which foods are available to them from the list of approved foods when they are not visible?

Will rural vendors participate in the new MOV program? What outreach or information do they need to consider participating? What will be the process for managing vendors who experience challenges providing WIC MOV services, or participants who experience challenges ordering their foods? What training or technical assistance might mitigate potential issues? Will SPIRIT integration be complete on time? If the program change must be implemented in phases, how might that affect vendor participation, WIC participation and overall program outcomes?

#### *E. Evaluation*

In designing the program, think through how success will be defined. Use specific, measurable goals and objectives. Setting up the program with evaluation and assessment in mind will strengthen the overall program design, ensuring that each of the elements is directly linked to expected outcomes.

A timeline that outlines the process the WIC program envisions for the implementation of the new MOV process should also be developed and shared with potential MOV vendors. With greater clarity about the proposed program design, and an understanding of the timeline for implementation, potential vendors will be able to make decisions about their participation in the program.

#### 2. Define Role of MOV Advisory Committee

The MOV Advisory Committee can play a valuable role in providing feedback on the design and implementation of the new MOV program. However, it is critical to ensure that the representation of the committee is diverse enough that the WIC program receives substantive feedback from many points of view, including vendors from different regions of Alaska, and does not have a bias towards a particular vendor or vendor type. The size, structure and role of the MOV Vendor Advisory committee should be carefully planned to ensure that it is used to meet WIC program goals for the MOV program changes. Additional participation from rural vendors will have to be solicited by WIC staff.

The expected life span and purpose of the committee should be defined prior to the first meeting. The MOV Advisory committee can be a useful tool for gathering feedback on questions and issues listed above on program design, and may be able to provide recommendations for how best to collect the information, when additional research is needed.

#### 3. Include Input from Other Affected Parties

Local agencies input must be solicited during the design of the MOV process. In the 2006 report by CTG, time spent dealing with vendors was cited as a major issue. If WIC participants are going to work directly with vendors, it is likely that there will be an increase in customer service related issues, and the Local Agency staff are most likely to be called upon to provide assistance. It may be that Local Agencies should have a role on the Advisory Committee, or another explicit opportunity to provide meaningful input on how the proposed program changes may impact services to participants, as well as their own workload.

The proposed program changes move the rural WIC participants from passive participants who simply receive a prescribed food box to active participants who must proactively engage with vendors. Their feedback on the practical implications of the proposed program design will be invaluable and should be sought. This could occur through select interviews conducted by the WIC Local Agency Coordinators who have established relationships with WIC clients, either in person or via telephone. Other methods that are traditionally good for collecting feedback from stakeholder groups such as focus groups and e-mail surveys will likely not be as effective, or easy to administer, with this target population.

**Attachment A: Complete Participant List**

<b>Name</b>	<b>Position</b>	<b>Business</b>	<b>Location</b>
Marty Howard	Store Manager	Wal Mart 2071	Anchorage
Ferdinand Dominic	Store Manager	Wal Mart 4474	Kenai
Andrew Kid	Shift Manager	Wal Mart 4474	Kenai
Jerry Cipriano	Assistant Manager	Wal Mart 4474	Kenai
Bob Blount	Shift Manager	Wal Mart 2070	Anchorage
Aaron Hall	Assistant Manager	Wal Mart 2070	Anchorage
Kim Girard	Assistant Manager	Wal Mart 2070	Anchorage
Lisa Grenados	Assistant Manager	Wal Mart 3814	Juneau
Debbie Antcliff	Assistant Manager	Wal Mart 3814	Juneau
Anna Reppert	Assistant Manager	Wal Mart 2722	Fairbanks
Debbie Giggey	Manager, Compliance	Wal Mart Corporate	National
Pauline Lasister		Wal Mart Corporate	National
Jennifer Simpson		Kroger	National
Julie Davenport	Division Data Integrity Mgr	Fred Meyer	National
Jeff Turner		Fred Meyer Main Office	National
Greg Parker		Fred Meyer Main Office	National
Kent Criss		Fred Meyer Main Office	National
Bill Burke		Fred Meyer	
Suzy Mangus		Fred Meyer #18	Anchorage
Ed Wing	Store Director/MOV Vendor	Fred Meyer #18	Anchorage
Vue Yang		Hmong Kong Meng	Anchorage
Diane Armstrong		Iliamna Trading Company	Iliamna
Kathy Stewart	Assistant Store Director	Sea Mart #251	Sitka
Blanca Costello		Sea Mart #251	Sitka
Dale McMurren		City Market Inc.	Wrangell
Jackie Welborn		Steve's Food Boy	Big Lake
Susan Bullman		Mallott's General Store	Yakutat
unidentified male		Mallott's General Store	Yakutat
Royanne Johnson	Front End Manager	Alaska Commercial	Dillingham
Efton Chism		Span Alaska Sales	Alaska
Pam Stover			
Unidentified participants-multiple			
Jana Jeffrey		Analyze-Soft	Boise
Lisa Fenn	WIC Coordinator	SEARHC	Juneau
Khadija Alharbi	WIC Coordinator	YKHC	Bethel

## Attachment B: Comments Received

### Comments received during teleconference:

*Marty Howard, Wal-Mart Store 2071:* Currently, I have no comments. The Fairbanks store, 2722, is set up to do some phone orders currently. They do bush mailers and they are able to send merchandise out through that store via telephone operators. And, they would be more likely, potentially, to be able to participate than us, who do not have the phone bank.

Are we also looking at cold chain processes that we would be using to get milk or other fresh foods out, or is it just dried only at this point that we're looking at?

*Anya Reffert, Asst. Manager, Wal-Mart 2722,* We do not do WIC bush orders. We just have the regular WIC clients who come into the stores. We do not do anything outside of that.

*Pauline Lasister, Wal-Mart:* How does the shipping part work?

*Efton Chism, Span Alaska Sales:* Can you also break it down by dried food commodity and frozen food items? Not necessarily percentage, but just how WIC is expecting shipment of a frozen juice item versus a dry item that would go parcel post. The post office won't take frozen. So, as far as logistical avenues that we can use as a vendor.

How will we prove the customer we're talking with on the phone is an actual WIC customer, how we'll be able to verify eligibility is what I would like to know.

### Comments received via e-mail:

*Julie Davenport, Division Data Integrity Manager, Fred Meyer:* In follow up to the conference call on January 9, 2012; Fred Meyer is interested in continuing to service the MOV program preferably as the exclusive MOV vendor. Fred Meyer does have concerns if the contract transitions to a non-exclusive agreement.

Please include myself, Ed Wing and Suzy Mangus from Fred Meyer in the advisory committee meetings.

Julie.davenport@fredmeyer.com  
Suzy.mangus@fredmeyer.com  
Edward.wing@stores.fredmeyer.com

*Ed Wing: Store Director, Anchorage East Fred Meyer:* Just to confirm my interest in participating in the MOV Vendor advisory committee.

Troy Harding, Fred Meyer ([Troy.Harding@fredmeyer.com](mailto:Troy.Harding@fredmeyer.com)): Iris, can you please add me to your list for the advisory committee meetings as well. Thank you.

Debbie Giggey, Wal-Mart: Thank you for inviting us to the MOV Teleconference call. Here are some questions/concerns from this morning's call.

- Privacy
  1. What data/privacy information (name/address/full listing of items) will the stores need to have and is there a systems requirement to keep this information private
- Staffing
  1. Who at store level would you prefer to handle this task (hourly or salaried)?
  2. Is this customarily a daily, weekly or monthly task to process and ship? We are unsure about the quantities each facility would serve with this method.
  3. Are the participants assigned to a retailer due to proximity or does the participant have a choice to send their merchandise?
- Cold Chain
  1. We assume that this is rushed and tracked shipping. What methods of shipping is required to keep food fresh and manage cold chain?
- Are there different types of food available/necessary due to the MOV program other than the norm?
  1. Powder versus real milk (it seems so as listed in Section B but they were not specific)
- Logistics (Services Regionally or Statewide)
  1. Are facilities set up to cover regional areas?
- Costs
  1. What is expected as part of the program for expenditures other than the norm?
    1. Containers
    2. Shipping
    3. Etc.
    - 4.

**Other interest in the Advisory Committee :**

Jake Hale, [jakeohale@hotmail.com](mailto:jakeohale@hotmail.com)

Keri Rochon, [Keri.Rochon@safeway.com](mailto:Keri.Rochon@safeway.com), 339-7740 phone

Mark Doucett, Wholesale Manager, Safeway, [Mark.Doucett@safeway.com](mailto:Mark.Doucett@safeway.com)

Jennifer Simpson, Kroger

Debbie Giggey, Wal-Mart Corporate Office

Anna Reppert, Wal-Mart Store 2722

Ferdinand Dominic, Wal-Mart 4474

## Attachment C: WIC MOV Teleconference Transcript

10:00 a.m., January 9<sup>th</sup>, 2012

### 1. Introduction by Facilitator

Good Morning, my name is Iris Matthews, and I am a contractor hired by the State of Alaska WIC program to facilitate our teleconference today. I think we have everyone online there may be a few more people that join us. If I could have everyone mute your phones. There is a lot of background noise. If you have questions or when it's time to speak you can unmute it then.

The purpose of today's teleconference is to provide an opportunity all of you to give public comments on the proposed changes to the WIC Mail Order Vendor (MOV) program – also known as the MOV program. I want to thank each of you for taking the time to call in comment on the proposed changes.

I want to start off by letting you all know that this phone call is being recorded for our records.

In addition to keeping your phones on mute unless you are speaking and avoid interrupting. I will do my best to pause and ask for questions before starting new topics of discussion.

Can everyone hear me ok? Ok. Great

So, the Agenda for the meeting will go as follows:

- First, I will do a roll call to determine who is participating in today's call
- Next, I will provide a brief overview of the proposed changes and outline the purpose of today's meeting
- Then you will each have the opportunity to provide public comments on the proposed changes to the WIC Mail Order Vendor(MOV) Program
- Finally, the call will adjourn.

Are there any questions about the agenda before I move on to the roll call?

### 2. Roll Call – who is on the phone?

As I mentioned earlier, I am Iris Matthews, and I am your facilitator today. We also have numerous representatives from the State WIC program listening into this conversation. I will ask them to introduce themselves first, starting with Kathleen Wayne.

Kathleen Wayne, State Director of the WIC Program  
Becky Carillo, Assistant Program Manager  
Sandy Harbanuk, Vendor Coordinator  
Dana Kent, Clinic Operations  
Alice Albrecht, Project Assistant WIC Vendor Unit  
Eric Hunter, Assistant Vendor Coordinator  
Elaine Nisonger, WIC & Community Nutritionist

*Iris:* Great. Next I'd like to find out who else is on the call. I've heard some names as people have chimed in. If we can roughly go, starting with some of the larger organizations who have multiple people on the line. Please un-mute your phone and clearly state your first and last name, title and the name of the business or organization you are representing today. If there is more than one person from your organization on the line, please each identify yourselves at that time. Can we start with Wal-Mart?

Marty Howard, Store Manager, Wal-Mart 2071, Anchorage  
Ferdinand Dominic, Store Manager, Store 4474 -  
Andrew Kid, Shift Manager, Store 4474 -  
Jarod Cipriano, Assistant Manager, Store 4474 -  
Bob Blount, Shift Manager, Store 2070  
Aaron Hall, Assistant Manager, Store 2070  
Kim Girard, Assistant Manager, Store 2070  
Lisa Grenados, Assistant Manager, Store 3014  
Debbie Antcliff, Store 3014  
Vue Yang, Hmong Kong Meng  
Diana Armstrong, Iliamna Trading Post  
Anna Reppert, Assistant Manager, Wal-Mart Store 2722  
Debi Giggey, Wal-Mart Corporate Office

*Iris:* How about Kroger?

Julie Davenport, Fred Meyer Main Office  
Jeff Turner, Fred Meyer Corporate Office  
Greg Parker, Fred Meyer Main Office  
Kent Chris, Fred Meyer Main Office  
Ed Wing, Store Director, Anchorage East FM – current MOV Vendor

*Iris:* OK, who else do we have on the phone?

Jackie Welborn, Steve's Food Boy, Big Lake

Jana Jeffrey, Analyze Soft

Kathy Stewart, Assistant Store Director, Sea Mart Store 251

Susan Bullman, Mallott's General Store, Yakutat

Dale McMurren, City Market Inc.

Bill Burke, Fred Meyer

*Iris:* Ok – Anyone else who has not identified themselves?

Lisa Fenn, SE Alaska WIC Coordinator

Efton Chism, Span Alaska Sales

Khadija Alharbi, YKHC WIC Coordinator

Royanne Johnson, Front End Manager, Alaska Commercial, Store295

*Iris:* Is there anyone who did not have the opportunity to identify themselves?

(no responses)

### 3. Purpose of Meeting

Thank you. Now I am going to provide a brief overview of the proposed changes and share with you how your questions and comments will be used by the State WIC program.

Does anyone else have an echo when I am speaking? (resounding yeses).

I don't seem to be able to get rid of the echo, so I'll just pause so it can repeat itself.

The Alaska WIC Program has been serving Alaskans since 1977. The program serves approximately 26,000 women, infants and children through 187 authorized retail food vendors and a Mail Order Vendor Program, commonly referred to as "MOV." Retail vendors in Alaska who meet the eligibility criteria and participate in WIC Program training are authorized for a three-year period. Since 1985, the WIC Program has implemented the MOV by selecting a single vendor through a competitive process to provide WIC food packages via mail to Alaskan WIC participants who do not have access to a WIC-authorized WIC vendor. The Mail order vendor program currently serves up to 1,400 WIC participants each month. During calendar year 2011, the WIC Program spent approximately \$1.9 million for MOV food, packing and handling, and mailing costs.

The WIC Program is in the process of implementing the SPIRIT Participant Information System. SPIRIT is a data collection and management system that will be used for most aspects of the WIC Program, including vendor management. Alaska will join several other state WIC programs in using SPIRIT technology. The SPIRIT system has an anticipated Alaska-wide implementation date of September 2012.

Alaska is the only state with a mail order vendor program, and SPIRIT was not designed with functionality to support the Alaskan Mail order vendor program as it is currently operated. The WIC Program anticipates using a new model for mail order delivery of WIC foods starting in FY2013.

The proposed program changes for the WIC MOV are that instead of using the single vendor authorized through a competitive process, the new model under development would authorize multiple vendors who meet the eligibility criteria to provide WIC food packages by mail to rural WIC participants. It is expected that the WIC participants will order WIC foods directly from mail order vendors via the internet or telephone, and mail order vendors will submit invoices to the State of Alaska for reimbursement.

#### Purpose of Call:

The purpose of today's call is to collect questions you or your business may have on the proposed changes and to solicit comments on the specific questions outlined in the public notice of this teleconference. The Alaska WIC program will not be able to answer questions or provide additional details about the how the new MOV program will work, as it is still under development.

However, telephonic and e-mail questions and comments on the proposed changes will be collected, and a written report will be prepared for the State of Alaska WIC program on the feedback received. Questions the WIC program is able to respond to will be answered at a future date. As the program is developed, more feedback may be collected. Your input on these is critically important to the WIC program, and will be considered before final recommendations for the design and implementation of the new mail order vendor program are made.

In addition, a WIC Vendor Advisory Committee is going to be formed to review the design and development of the new mail order vendor program. If you are interested in participating in this committee, please indicate your interest during the public comment portion of today's call. If you have already requested to participate in the MOV Vendor Advisory Committee, your

name is on the list to be contacted prior to the first meeting, which is expected to be in March 2012.

Does anyone have any questions about the purpose of today's call?

*Sandy Harbanuk:* Hi Iris, this is Sandy, I just wanted to remind everyone that if they put their phones on mute that might make the echo go away.

*Iris:* Thanks Sandy.

Next, we will be asking for your comments and questions on the proposed changes. While you are welcome to make any comments or leave any questions, the Alaska WIC program specifically is hoping for feedback on the following questions that were outlined in the public notice:

1. If the WIC MOV program is opened to any vendor who meets the eligibility criteria, would you be interested in becoming an authorized MOV vendor? What additional information would you need to make the decision to apply for authorization?
2. Please identify logistical issues that you believe would be important, including delivery windows (e.g. must ship within five, seven, or ten days of participant placing order?), mail service and mailing costs, packaging, continued By-pass Mail Service, etc.
3. Describe how the following would affect your interest in providing WIC foods via mail to participants:
  - a. Alaska WIC has five regions. MOV vendors may be required to provide mail order deliveries to all locations statewide. Alternatively, potential MOV vendors may be allowed to provide mail order deliveries to only the regions of their choice. Estimated numbers of MOV recipients for each region will be made available prior to start-up of the new system. Are you more likely/less likely to seek authorization as an MOV vendor if you are required to provide statewide delivery?
  - b. MOV vendors will be required to stock foods from the approved food list, with some substitutions for perishable foods such as fresh eggs or milk. MOV vendors will not be required to provide all approved brands in a food category, e.g. cereals, but approved foods from all categories must be made available. Only approved foods/brands may be provided in exchange for WIC benefits.
  - c. The Alaska WIC Program will not be able to guarantee a minimum number of WIC participants to any Mail order vendor.

Are there any questions on the specific questions that the Alaska WIC program is soliciting feedback on? Ok.

Now we are going to go into the comment period.

I will now call on some of the larger organizations who are in the meeting and then provide the organizations whose name I didn't call. When it is your turn to make comments, if you will please re-state your first and last name and the organization you are representing, that would be great.

Can we start with Wal-Mart stores? Will each store be giving comments or just one?

*Marty Howard, Wal-Mart Store 2071:* Currently, I have no comments. The Fairbanks store, 2722, is set up to do some phone orders currently. They do Bush mailers and they are able to send merchandise out through that store via telephone operators. And, they would be more likely, potentially, to be able to participate than us, who do not have the phone bank.

*Iris:* Does anyone else from Wal-Mart have any comments?

*Anna Reppert, Asst. Manager, Wal-Mart 2722:* We do not do WIC Bush orders. We just have the regular WIC clients who come into the stores. We do not do anything outside of that.

*Iris:* Does anyone else from Wal Mart have any comments?

*Ferdinand Dominic, Wal-Mart Store 4474:* No comment at this time.

*Debbie Giggey, Compliance Manager, Wal-Mart, Corporate Office:* no comments at this time.

*Iris:* How about Jennifer Simpson?

*Jennifer Simpson, FM,* no comments at this time. I think the FM team and I will probably submit comments at a later time.

*Iris:* Does anyone else have comments at this time? Any of the other stores that are on-line?

(no responses)

*Iris:* How about questions that you would like to have answered?

*Pauline Lasister, Wal-Mart:* I'm pretty new at this. How does the shipping part work?

*Iris:* What we'll do is the WIC program will put together an answer to that question, and then we'll get it back out to you and everyone else.

*Efton Chism, Span Alaska:* When you reply with an answer, can you also break it down by dried food commodity and frozen food items?

*Iris:* So percentages of items?

*Efton Chism, Span Alaska:* Not necessarily percentage, but just how WIC is expecting shipment of a frozen juice item versus a dry item that would go parcel post. The post office won't take frozen. So, as far as logistical avenues that we can use as a vendor.

*Marty Howard, Wal-Mart:* Are we also looking at cold chain processes that we would be using to get milk or other fresh foods out, or is it just dried only at this point that we're looking at?

*Iris:* We'll make sure those questions get answered. Any

*Efton Chism, Span Alaska -* How will we prove the customer we're talking with on the phone is an actual WIC customer, how we'll be able to verify eligibility is what I would like to know.

*Iris:* Is there any other information that would be helpful in making a decision to apply to become an MOV Vendor?

(no responses)

*Iris:* Does anyone want to speak to their interest in providing services regionally versus statewide?

(no responses)

*Iris:* Final opportunity for comments or questions. Is there anyone who has not yet given comments who would like to?

Additional questions and comments will be accepted via email until 5:00 p.m. today. Those can go directly to me, and my e-mail address is [iris@stellargp.com](mailto:iris@stellargp.com) (spelled out)

Was there anyone who was interested in participating in the WIC Vendor Advisory Committee?

- Jennifer Simpson, Kroger
- Ed Wing, Store Director, Fred Meyer Store 18
- Julie Davenport, Fred Meyer
- Debbie Giggey, Wal-Mart Corporate Office
- Anna Reppert, Wal-Mart Store 2722
- Ferdinand Dominic, Wal-Mart 4474
- Suzy Mangus, Fred Meyer

*Iris:* Anybody else? Anybody from our rural locations?

(no responses)

Ok. Well, thank you all for your comments. The WIC Program appreciates your interest and your time.

That concludes the call for today.