

Texas WIC Health and Human Services Commission

Effective October 1, 2022

Policy No. FD:18.0

Drop Shipment of Formula

Purpose

To outline the policy for drop shipment of exempt formulas.

Authority

7 CFR 246.12 Subpart B; Food delivery methods, Uniform food delivery systems

Policy

Drop shipping formula is a means of providing an approved exempt formula to WIC participants when the formula is not typically available or cannot be easily acquired from a local WIC authorized vendor.

All exempt formulas with an approved medical request are eligible for drop shipment.

The drop shipped formula can be delivered to the WIC local agency or directly to the participant/caregiver. Delivery to a participant/caregiver's preferred physical address should be mutually agreed upon decision with the understanding that an adult will need to be available to receive the formula delivery.

Staff should offer participants/caregivers the option for exempt formula to be drop shipped directly to the participant/caregiver's preferred physical address when:

- The family has significant transportation barriers that impede timely redemption, and/or
- The family's residence is in an area that has limited or no access to WIC approved vendors who supply exempt formulas, and/or

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- The participant or primary caregiver has special health care needs (as defined in CR:07.0) whose condition limits their ability to make routine outings, and/or
- There is a nationwide, statewide, regional, or local emergency or disaster that limits the family's ability to access WIC approved vendors who supply exempt formulas.

Definitions

Contract formula – Formula for which manufacturers submit a bid to the WIC State Agency (SA) in response to a rebate solicitation and for which a contract is awarded by the SA as a result of that bid. Refer to the Texas WIC Formulary for an up-to-date list of contract formulas.

Drop shipment – The process of ordering exempt formula from a WIC-approved and authorized drop ship vendor and having that formula shipped to the WIC local agency or directly to the participant/caregiver.

Exempt formula - Therapeutic formula intended and labeled for use by individuals with specific medical and/or dietary conditions. All exempt formulas are non-contract formulas.

Home delivery – Drop shipping formula directly to the participant/caregiver's preferred physical address from an authorized pharmacy or durable medical equipment retailer, as defined in WV 10.0.

Non-contract formula - Formula not covered under the current rebate contract for Texas WIC.

WIC Authorized Vendor - A sole proprietorship, partnership, cooperative association, corporation, or other business entity operating one or more stores authorized by the SA to provide authorized supplemental foods and/or formula to WIC participants under a retail food delivery system.

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WIC-Eligible Nutritionals - Certain enteral products that are specifically formulated to provide nutritional support for individuals with a qualifying condition, when the use of conventional foods is precluded, restricted, or inadequate. Such WIC-eligible nutritionals must serve the purpose of a food, meal, or diet (may be nutritionally complete or incomplete) and provide a source of calories and one or more nutrients; be designed for enteral digestion via an oral or tube feeding (e.g., Pediasure); and may not be a conventional food, drug, flavoring, or enzyme.

Procedures

- I. Approve the exempt formula.
- II. Contact a WIC approved drop ship vendor to confirm formula availability.
 - A. Create the drop ship order, in the management information system (MIS), including issuing benefits and writing them onto the EBT card. In shipping instructions, document: Staff contact information.
 - B. Indicate participant's preference for flavor(s).
 - C. If clinic delivery, include relevant information such as hours of operation, suite number or building entrance. Formula cannot be left outside.
 - D. If home delivery, participant/caregiver's preferred physical address. Formula may not be shipped to a P.O. Box.
- III. Release the drop ship order in the MIS.
- IV. Once the order is physically delivered,
 - A. For clinic delivery:

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1. Check that orders are accurate, free from damage, and have acceptable expiration dates.
 2. Receive in the MIS. Confirm and enter the UPC, quantity and expiration date(s).
- B. For home delivery:
1. Confirm with the participant/caregiver that the formula was accurate, free from damage, and had acceptable expiration dates.
 2. Receive in the MIS. Confirm and enter the UPC, quantity and expiration date(s). Document in the Notes section of the Orders page that receipt was verbally confirmed by participant via phone, email, or uploaded delivery slip.
 3. In the event staff is unable to reach the participant/caregiver to confirm delivery, verify delivery information with the vendor. Document in the Notes section of the Orders page that the delivery information was provided by the vendor.
- V. Issue the drop shipped formula to the participant/caregiver in the MIS. This includes completing the electronic signature.
- A. If the formula was drop shipped directly to the participant/caregiver:
1. Perform the "Issue" function only if the formula was delivered within the associated order month.
 2. Indicate home delivery in the electronic signature.
- VI. For Partial, Damaged or Stolen Orders
- A. A partial order will occur if the number of formula containers that is delivered is less than the quantity initially released.

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- B. Staff should call the vendor to determine when the remaining quantity of formula will be delivered.
 - 1. If the remaining formula will arrive within 48 hours, staff should wait until all formula is delivered before issuing the full quantity.
 - 2. If the formula is backordered or will be unavailable for an extended period within the benefit month, staff can receive and issue the reduced amount of formula that has been delivered. This will generate a second partial order for the remaining quantity of cans.
- C. Release the second order if the vendor has confirmed they will be able to fulfill the delivery within the benefit month.
- D. If the vendor is unable to fulfill the delivery for the remaining cans within the benefit month, staff should cancel the partial order and document the reason for cancellation in the Notes section of the order in the MIS.
- E. If cans are damaged upon arrival at the clinic or home, photos should be taken as proof of damage and provided to the state formula team and the vendor.
 - 1. Coordination of replacement cans should occur with the vendor and may be subject to availability or shipping constraints within the benefit month.
 - 2. Contact the state formula team for assistance as needed.
- F. Staff assisting clients who have reported lost or stolen drop ship formula should contact the state formula team for guidance.

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VII. When processing subsequent drop ship orders:

- A. Confirm with the participant/caregiver that the approved formula and quantity is still needed before releasing the order.
- B. Release the order.
 - 1. For clinic delivery, release the order within 7 to 10 days prior to the next benefit month.
 - 2. For home delivery, release the order no earlier than 1 business day prior to the next benefit month.

For questions or troubleshooting, contact the state formula team at FormulaTeam@hhs.texas.gov.