

Texas WIC Health and Human Services Commission

Effective November 1, 2020

Policy No. WV:05.0

WIC Electronic Benefit Transfer (EBT) Dispute Resolution

Purpose

To provide a resolution process for authorized vendors to dispute unpaid or reduced claims and to demonstrate an unusual circumstance which caused their WIC EBT claim to be submitted late or malformed.

Authority

7 CFR 246.12; WIC EBT Operating Rules September 2014 as amended

Policy

- I. The State Agency (SA) will reduce payments for late or malformed claims. An authorized vendor may dispute unpaid or reduced claims due to the following reasons:
 - A. Late submission of WIC EBT claims
A **late claim** is a claim submitted after the 15th day of the month containing one or more transactions with a date from a previous month.
 - B. Submission of malformed claims
A **malformed claim** is a claim that includes transactions that were incorrect or incomplete prior to or during insertion into the claim file.
- II. The SA is the sole arbiter of late or malformed claim disputes. The SA's assessments and resolution decisions are final and not subject to further appeal. Each dispute will be evaluated based on its merit. There is no guarantee the dispute(s) will be resolved in favor of the vendor.
- III. The SA reviews disputes at the vendor outlet level. Vendor account level/corporate representatives may dispute the reduction or nonpayment of a claim on behalf of any one of the account's

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subordinate vendor outlets. Claim disputes from multiple vendor outlets may be submitted as one dispute.

Procedures

IV. Dispute Submission Guidelines:

- A. Vendors must submit all WIC EBT claims electronically.
- B. Disputes must be submitted to the SA within 60 days from the transaction date. For fiscal year closeout, no dispute requests will be accepted after November 29th for any transaction that occurred on or before September 30th of the same calendar year.
- C. Eligible Claim Disputes:
 - 1. Late claims, as defined by this policy
 - 2. Malformed claims, as defined by this policy
- D. Ineligible Claim Disputes:
 - 1. Claims containing transaction(s) older than 60 days from the date the dispute is submitted.
 - 2. Reduced transactions due to maximum allowable reimbursement and/or not-to-exceed pricing limitations.
 - 3. Unpaid transactions due to:
 - a. Electronic signature errors and/or
 - b. Unauthorized food sales.
- E. Email Content for Dispute Requests
 - 1. For disputes related to late claims, submit the following information on company letterhead via email to WICEBTVendorRedemptions@hhsc.state.tx.us:
 - a. A written explanation why the WIC EBT transaction(s) was late;
 - b. The name of each claim file;
 - c. The amount of each claim;
 - d. The total amount of the dispute; and
 - e. Actions taken to ensure the issue does not occur again.

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2. For disputes related to malformed claims, submit the following information on company letterhead via email to WICEBTVendorRedemptions@hhsc.state.tx.us:
 - a. A written explanation of the event causing the malformed submission of the WIC EBT claim or individual transaction(s);
 - b. Evidence the transaction(s) involved is valid;
 - c. Evidence from the transaction log or electronic receipt proving the card was present at the lane and WIC-eligible items were bought. This evidence must include the following:
 - i. PAN
 - ii. Transaction Date
 - iii. Transaction Time
 - iv. Terminal ID Number
 - v. Systems Trace Audit Number
 - vi. UPCs purchased
 - vii. Quantities of each UPC purchased
 - viii. Category/Sub-category information for purchased items; and
 - ix. Actions taken to ensure the issue does not occur again.

V. State Agency Review of Vendor Disputes

- A. The SA will review each dispute submitted according to policy and procedure. The SA will send the vendor written notification of the outcome within 30 calendar days of receipt of the vendor's complete dispute request. This timeframe is only an administrative guideline for the SA and does not provide a basis for overturning the dispute if a decision is not made within the specified time. The SA will only consider any subsequent information if submitted within the 30-day period. The 30-day period may be extended at the discretion of the Director of Vendor Management and Operations.

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- B. Disputes involving reimbursement of \$500 or more require approval from the United States Department of Agriculture (USDA). Disputes referred to USDA for approval will increase the resolution timeframe.
 - C. The vendor will receive written notification of the outcome. If the SA denies the dispute, the written notification will explain the reason for the denial.
- VI. If Federal or State regulatory changes impact retail WIC EBT Point-of-Sale system software statewide, the SA may allow vendors to submit additional types of disputes. The SA will provide written notification to WIC vendors in a timely manner defining the allowance of additional types of disputes and the applicable timeframes.
- VII. The SA will provide written notification to WIC vendors of changes to Federal or State statutes, regulations, policies, or procedures governing the WIC Program before the changes are implemented, providing as much advance notice as possible.