



Ohio Administrative Code Rule 3701-42-07 Payment for food instruments.

Effective: September 16, 2016

(A) The department shall pay a vendor for EBT transactions submitted to the state WIC program if all of the following conditions are met:

- (1) The WIC nutrition card transaction occurred during the valid redemption period;
- (2) The transactions contained in the claim file are less than forty-eight hours old at the time of claim file submission;
- (3) The participant approves the transaction at the point of sale;
- (4) The claim file includes transactions that occurred only at the authorized vendor location; and
- (5) The WIC transaction occurred during the valid contract period.

(B) If the conditions specified in paragraph (A) of this rule are met, the department shall pay the vendor the actual amount of sale or the not-to-exceed amount, whichever is lower, for each WIC food item in the transaction.

(C) WIC EBT transactions may be deemed invalid for payment or, if paid, future payments may be offset for any of the following reasons:

- (1) The vendor does not successfully transmit the WIC EBT claim file to the state's WIC EBT processing system (host) within forty-eight hours of the oldest transaction contained in the claim file;
- (2) The vendor processes a transaction for a WIC nutrition card that was on the hot card list file for more than twenty-four hours;
- (3) The transaction data appears to be forged or altered;



- (4) The store accepted the transaction while disqualified or terminated from the WIC program or did not have a valid vendor agreement;
- (5) Unauthorized foods or unauthorized brands and/or unauthorized quantities of foods were redeemed. This includes but is not limited to, items issued to participants before the effective date or after the expiration date of the UPC/PLU in the "Authorized Product List" file;
- (6) The price of the food item within a transaction is more than the not-to-exceed price designated by the state for that food item and quantity or exceeds the store's customary selling price for the food issued;
- (7) The transaction includes UPC, PLU, benefit quantity, or dollar amounts for foods not received by the participant; and
- (8) The transaction is missing required data elements such as UPC, PLU, category, subcategory or quantity.

(D) Notwithstanding paragraph (C) of this rule, the department may pay for a transaction if:

- (1) The vendor submitted a claim file to the state host that contained transactions beyond the forty-eight hour claim submission period referenced in paragraph A and the vendor justifies in writing and documents to the director's satisfaction that the failure to meet the required deadline resulted from circumstances beyond the control of the vendor and its current and former employees. If the total value of such transactions submitted at one time exceeds five hundred dollars, the department must obtain approval from the FNS regional office to pay for the transactions.
- (2) The vendor submitted transactions in which the actual amount of sale exceeds the maximum value of the WIC benefit and the vendor justifies in writing and documents to the director's satisfaction that the actual amount paid for the authorized food was greater than the maximum value because of legitimate increases in the cost paid by the vendor for the authorized food. Documentation may include a copy of the wholesaler's invoice or similar evidence.



(E) The vendor may request reconsideration of the department's determination not to pay for a transaction. The auto-reconciliation file will contain details on the transactions that the department has determined it will not pay based upon the transaction failing to meet the conditions specified in paragraph (A) of this rule. The department will provide access to the auto-reconciliation file generated by the state host after each processing day. It is the vendor's responsibility to review the data contained in the auto-reconciliation file. The request for reconsideration must be made in writing and received by the department within thirty days of the date the auto reconciliation file was created that contains the transactions the department will not pay.

(F) The department may deny payment or initiate claims collection action within ninety days of either the date of detection of the vendor violation or the completion of the review or investigation giving rise to the claim, whichever is later. Claims collection action may include offset against current and subsequent amounts owed to the vendor.

(G) The department may delay payment to the vendor or establish a claim in the amount of the full purchase price of each transaction that contained a vendor overcharge or other error.

(H) Upon request by the department, a vendor shall refund to the department, within ninety days of written request, any payments made to the vendor that later are found to be an overcharge, paid in error, or otherwise invalid because of noncompliance with paragraph (A) of this rule. At its option, the department may recover the invalid payments by withholding all or a portion of current or future payments due to the vendor. The department shall provide the vendor with notice of and an opportunity to respond to the department's determination that a payment is invalid in the same manner as prescribed by paragraph (E) of this rule for a determination not to pay for a transaction.

(I) Any payment for a transaction made by the department pursuant to paragraph (A) to (D) of this rule does not waive the department's right to refuse payment for another transaction at any other time or to take action pursuant to rule 3701-42-08 of the Administrative Code.