

Appendix A.2
Study of WIC Food Package Costs and Cost Containment
Study Information Sheet



Food and
Nutrition
Service

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Study of WIC Food Package Costs and Cost Containment

Study Information Sheet

The U.S. Department of Agriculture's Food and Nutrition Service (FNS) has funded the Study of WIC Food Package Costs and Cost Containment to collect data from WIC State agencies (SAs) about current WIC food package cost-containment practices, assess the potential relationship between cost-containment practices and program outcomes and costs, and identify best practices. FNS will use information from this study to identify best practices for implementing cost-containment practices that effectively constrain the cost of WIC foods with little or no adverse effects on WIC program outcomes. While WIC SAs may use a variety of cost-containment practices, this study is focused on food item restrictions, manufacturer rebates for foods other than infant formula, and restrictions on the authorization of WIC vendors.

This study has three objectives:

1. Provide a national picture of food package cost-containment practices implemented by SAs.
2. Examine the association between at least six food package cost-containment practices and WIC program outcomes.
3. Identify at least four best practices for food package cost containment.

This study has four key components:

1. **Interviews of WIC SAs.** Telephone interviews will be conducted to collect information about strategies used to reduce food costs, reasons for implementing certain cost-containment strategies and not others, challenges and benefits of the selected practices, and the level of burden associated with administering cost-containment practices.
2. **Survey of Current WIC participants.** A telephone survey will be conducted with WIC participants in 12 States to obtain information about participants' satisfaction with, consumption of, and preferences for WIC foods; access to WIC vendors; and whether cost containment influences participant outcomes.
3. **Survey of Former WIC Participants.** A telephone survey will be conducted with former WIC participants in three States. Former participants will be identified as individuals who were due to recertify for WIC, but had not recertified after a 3-month period. This survey will collect information about satisfaction with WIC foods, access to WIC vendors, and whether cost-containment practices contributed to WIC participants leaving the program.

1. *According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0584-XXXX. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.*

4. Collection of WIC administrative certification data, electronic benefit transfer (EBT) data, and information on administrative costs of cost-containment practices from 12 WIC SAs. Administrative certification data will be collected to serve as a sampling frame for the participant and former participant surveys and to provide participant characteristics and food package prescriptions. EBT data will be used to examine WIC food selections, benefit redemption, and WIC food costs. Administrative costs will be used to assess the administrative burden associated with cost-containment practices.

Below are some frequently asked questions about the study and the interview process.

Frequently Asked Questions

What is the purpose of the study?

The study will gather information on the most common types of cost-containment practices used by WIC SAs, assess the effectiveness of various practices, and identify practices that effectively constrain the cost of WIC foods with few or no adverse effects on program outcomes, such as participant satisfaction, participation, and consumption of WIC foods. The findings will be used to compile best practices that may be used by WIC SAs to make informed decisions about effective cost-containment practices.

Who is conducting the study?

FNS is directing this study with the assistance of two independent research contractors: Insight Policy Research (Insight) and Mathematica Policy Research (Mathematica).

Why am I being asked to participate?

All 50 States, the District of Columbia, five territories, and select ITOs are being asked to participate. Your participation will help provide a national picture of cost-containment practices across WIC SAs and will be used by FNS to identify effective cost-containment practices.

What kind of information will be collected?

The data collection has four main components as described on the prior page. With WIC SAs, the study team will conduct telephone interviews to collect descriptive information about cost-containment practices and opinions on the effectiveness of those practices. In 12 WIC SAs that have implemented EBT as of the beginning of FY 2016,¹ the study team will collect additional information for a more in-depth study of cost-containment practices, including potential associations between particular practices and program costs and outcomes such as participant satisfaction, benefit redemption rates, and consumption of WIC foods. In these 12 EBT WIC SAs, the study team will also collect administrative cost data, participant certification data, and EBT data. The 12 EBT WIC SAs were purposively selected to reflect variation in cost-containment practices and to lower the overall cost of the study by using extant data. Because all WIC SAs are required to implement EBT by 2020, the findings from this study (to be published in 2019) may provide useful information to WIC SAs making the transition to EBT.

¹ The 12 WIC SAs with EBT for the in-depth study are Florida, Kentucky, Massachusetts, Michigan, Nevada, New Mexico, Ohio, Texas, Virginia, West Virginia, Wisconsin, and Wyoming.

When will the information be collected?

All information for the study will be collected between September 2017 and May 2018.

Data Collection Overview and Timeline

Date	Data Collection Activity
September 2017– February 2018	<ul style="list-style-type: none">• Conduct WIC SA telephone interviews with WIC SAs.• Collect information on the administrative costs of cost-containment practices as add-on to telephone interviews for 12 WIC SAs.
October 2017	<ul style="list-style-type: none">• Obtain administrative certification records from 12 WIC SAs on all WIC participants certified as of September 1, 2017.• Obtain administrative certification records from three WIC SAs on former WIC participants who were scheduled to recertify for WIC in any of the 3 months before September 1, 2017, but did not recertify,• Obtain EBT data from 12 WIC SAs for all purchase transactions made between May 1, 2017, and August 31, 2017.
November 2017 - May 2018	<ul style="list-style-type: none">• Conduct WIC Participant Survey with participants in 12 WIC SAs.• Conduct Former WIC Participant Survey with individuals in three WIC SAs.
March 2018	<ul style="list-style-type: none">• Obtain administrative certification data files from 12 WIC SAs for all WIC participants certified as of February 1, 2018.• Obtain EBT data files from 12 WIC SAs for all purchase transactions made between September 1, 2017, and January 31, 2018.

Will the information be private?

All data from current and former WIC participants is private and will be reported only in aggregate form to FNS. Administrative and EBT data will be submitted through Insight’s file transfer protocol system, a secure file transfer Web site that encrypts both commands and data, preventing passwords and sensitive information from being accessed during transmission. The data will be maintained on a secure server and available only to project personnel needed to tabulate the data. The analysis will be performed on secondary files from which any identifying data have been deleted, and no identifiers will be disclosed in reports. At the conclusion of the study, all data files containing private information will be deleted from Insight’s systems.

What are the next steps?

Within the next 2 weeks, a representative from Insight will contact you to schedule a telephone interview to discuss the strategies used by your SA to contain food package costs. To minimize the time and effort for the interview, Insight will first abstract information on your SA’s cost-containment practices from the SA’s most recent food list, State plan, and other policy documents and forward this information to you before the interview. We will review and confirm the information with you at the start of the interview.

For the subgroup of 12 WIC SAs selected for the in-depth study of cost-containment practices, Insight will contact each SA to schedule a conference call to answer any questions and discuss in detail the data collection components of this study. Insight will also send the 12 WIC SAs a form for collecting

estimates of administrative costs, a description of certification data to be submitted, and a description of EBT data to be submitted.