

Section III: State Agency Procedure Manual

VI. State Food Funds

A. Benefit Management and Reconciliation

Purpose

The Montana WIC Program is required to reconcile all benefits issued and redeemed in order to identify their disposition.

Policy

The Montana WIC Program contracts with a financial institution independent of Montana government to process benefits and follows an established plan for the financial management of benefit redemption.

1. Reconciliation of WIC Benefits

- At the time of transaction, validations will occur to ensure that only WIC authorized foods currently in the participants benefit package are redeemed.
- Requested prices for WIC foods are sent to the bank at the time of the transaction. Those prices are compared against the item's Maximum Allowable Reimbursement (MAR) to establish a settled price, which is the price paid to the retailer. When the bank completes a payment, rejection, or an adjustment transaction, a record is written to an output file and is sent to the WIC system.
- A monthly closeout is reported on the FNS-798 (Monthly Financial and Program Status Report). The information for any closeout month includes a disposition for every issued WIC benefit as redeemed, expired, voided, or payment has been stopped.
- Records in support of the FNS-798 are maintained in the State WIC Office.