

Benefit Maximization

The process of minimizing the amount of WIC CVV benefits remaining after a WIC purchase in which the CVV items scanned exceeded the benefit available within the CVV benefit account.

Algorithms

- LIFO
- Modified LIFO
- Empty Bin / Bin Stacking
 - i. First / Next Fit
 - ii. Best Fit
 - iii. Match Fit
 - iv. Etc ?

Things to keep in mind

- CVV only
- Time in lane
- Potential confusion for participant
- Potential confusion for clerk
- Potential for unbagging items
- No current requirement for detail on utilization receipt at the product level

CURRENT PROCESS

Example:

Beginning balance: \$5.00

1) Apples (2 lbs)	1.50	3.50
2) Banana (1 lb)	.75	2.80
3) Peppers	.90	1.90
4) Watermelon (1 ea)	3.00	—
5) Cucumbers (2 ea)	2.00	—
6) Lettuce	1.09	.81
7) Oranges (.50 lb)	<u>.75</u>	.06 remaining balance
	4.99	

Benefit Maximization

Discussion Leader: Cindy Spinks

Overview:

Benefit maximization is a proposed option that allows for sorting (shuffling) of items within a transaction to suggest a combination of items to maximize the use of available Cash Value Benefit (CVB). Discussion of this topic will include different sorting methods (algorithms) and the effect that certain actions (such as item voids) could have on desired results and the in-lane experience such as processing time and bagging issues. The creation of appropriate test scenarios will also need to be considered.

Notes:

1. Cindy walked through her presentation (see attached).
2. Discussed concerns regarding “shuffling”.
 - a. “Shuffling” could take the decision making out of the participant’s hands.
 - b. Many potential outcomes: participant gets as many items as possible, participant gets most expensive items first, nutritionists prefer certain items have preference, etc. Authorities would need to provide direction on the “algorithm” to use.
 - c. “Shuffling” benefits could result in millions of ways to determine benefit maximization (mathematically). The states have not, and do not want to, dictate an algorithm for all developers to use. Shuffling could result in a participant being embarrassed due to a lengthier checkout process, having to unbag, etc.
 - d. Allowing benefits to “rollover” is not currently allowed by USDA and they do not think that will change.
 - i. SNAP allows “rollover”.
 - e. “Shuffling” would require a more detailed utilization receipt for the participant to review prior to transaction approval.
3. Discussed allowing Point of Sale (POS) systems that are coded for “shuffling” to implement that functionality until such time that a decision is made regarding split tender. “Shuffling” must not be implemented due to the concerns voiced by the stores and/or developers regarding the possible in-lane issues that a participant could experience.

Summary:

1. Consensus was that the implementation of split tender would negate the need for benefit maximization. We will focus our attention on split tender and revisit “shuffling” if we are unable to come to a consensus on split tender.
2. USDA indicated that split tender may be included in the final food rules document.