

# Current Discount requirements

The following types of discounts are optional in how they are deducted and claimed:

1. Store coupons
2. Bogo
3. Bogr
4. Volume discount



# The 5th option is manufactured Coupons

- Currently, manufactured discounts must always be reported in the discount field of the D4 line.
- With CVB the state gets the benefit not the client.



# **Example of a CVB purchase with manufactures coupon:**

**Bag of spinach 2.99  
Manufacturer coupon .50**

**2.99 is deducted from the clients  
CVB benefits on their EBT card**



In the claim file on position 253 of the D4 line the discount is submitted..

- D40000030220160005866162101085660  
0097000000000024040010050000000000  
2010021609330651011111133400000000  
001000000010000000000001146GROCER  
14000 SMITH MEMORIAL DRIVE LAS  
CRUCES NM 87112  
01000000060221122720100215**00000000**  
**00050**8101008204307666308304000000  
188404ef38034b

In E3 line of the claim file the claimed amount submitted shows the gross amount, which is the same amount deducted from the clients card

- E3000003001190000024900000111108  
77031002490000**00299**

# New Proposed Discount requirements:

- All 5 discount options are deducted at the transaction level to include CVB and amount claimed is the net in the E3 line and no discount amount claimed in the discount field of the D4 line.
- With this option the client and state both benefit from the discount for CVB.



# **Sample CVB purchase with manufactures**

**Bag of spinach 2.99  
Manufacturer coupon .50**

**2.49 is deducted from the clients CVB  
benefits on their EBT card**



In the claim file on position 253 of the D4 line no discount is submitted..

- D40000030220160005866162101085660  
0097000000000024040010050000000000  
2010021609330651011111133400000000  
001000000010000000000001146GROCER  
14000 SMITH MEMORIAL DRIVE LAS  
CRUCES NM 87112  
0100000006022112272010021500000000  
0000008101008204307666308304000000  
188404ef38034b



In E3 line of the claim file the claimed amount submitted shows the net amount minus the discount, which is the same amount deducted from the clients card.

- E30000030011900000249000000111108  
77031002490000**00249**

Open discussion regarding new  
proposed discount  
requirement...



## Standard Discount Policy

**Discussion Leader: Yvette Quintana**

### **Overview:**

Smart WIC EBT Authorities are discussing the creation of a standard that will work for any type of discount the participant can receive, including Manufacturer's Coupons. FNS has directed WIC Authorities that discounts should be applied by default to the participant in all discount scenarios. Discussion will include reconciling store reports, lowering claim prices as submitted in the claim file, effect on cost containment and whether these changes should be mandatory.

### **Notes:**

Yvette walked through her presentation (see attached).

1. Discussed different discount scenarios.
  - a. Have a coupon that partially applies to a non-WIC and partially to a WIC item? Example – buy gallon of milk and get a gallon of ice cream.
    - i. If the discount was a reduction (free, half price, etc.) in the price of the ice cream (non-WIC), then the discount would not be reported in the WIC transaction.
    - ii. If the discount was a reduction of the price of both items, then they should be able to 1) report the portion of the discount to WIC as either a reduced shelf price or 2) as a declared discount amount on the transaction record, or 3) the full discount applied to WIC by either reducing the shelf price or reporting the full discount in the transaction record, or 4) applied to the non-WIC item only and not reported in the claim file.
  - b. Have a coupon that can't be mapped back to a specific item. E records have to add up to D records. Only issue would be if D records do not add up to Z records.
2. Discussed netting manufacturer coupons resulting in all discount transactions being processed and reported the same way.
  - a. Netting is when the system reports the reduced price of an item (net) without declaring a separate discount amount.
  - b. Participant benefits from using the coupon.

- c. Netting would apply regardless of coupon type or type of WIC benefit (prescription or Cash Value Benefit).
3. Discussed the use of a discount or coupon not affecting Not to Exceed (NTE) or cost containment.

**Summary:**

1. Authorities agreed to allow, but not mandate, netting of manufacturer coupons on all WIC items.
2. Texas will draft language to include in the updated developer system specifications.