

225.80

Participant Violations and Sanctions

Overview

Introduction

Participant compliance with program regulations is essential to maintaining the financial and nutritional integrity of the program. Thorough education concerning the reasons for particular rules is the most effective means to ensure this compliance. However, it is also necessary to have an enforcement mechanism. The State Agency Program Integrity Coordinator (or their designee) will be charged with investigating all claims of fraud or abuse within the WIC program as well as notifying participants and local agencies of any violations and documenting said violations in the WIC data system. This policy explains participant violations and sanctions.

Definition

Participant violation means any intentional act of a participant, parent or caretaker of an infant or child participant, or proxy that violates Federal or State statutes, regulations, policies, or procedures governing the WIC Program. This includes:

- Intentionally making false or misleading statements or intentionally misrepresenting, concealing or withholding facts to obtain benefits;
- Exchanging food instruments or supplemental foods for cash, credit, no-food items, or unauthorized food items, including supplemental foods in excess of those listed in the participant's food benefits;
- Threatening to harm or physically harming clinic, farmer or vendor staff; and
- Dual participation

Summary of Sanctions

A participant who violates WIC Program regulations receives a notice from the State explaining the nature of the violation and the sanctions being taken. Different violations may have different sanctions. Sanctions may include:

- Education
- Warning
- Disqualification
- Restitution sought

Overview, Continued

In This Policy

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Authority

This policy is based on Chapter 73 of the Iowa Administrative Code.

Assessing Sanctions

Detecting Violations and Assessing Sanctions

Violations may be detected by contract agency staff, by vendors, the public, the Regional WIC Office or by staff of the state WIC office. All suspected cases of fraud will be investigated by the State Agency Integrity Coordinator (or their designee). All sanctions will be administered by the State WIC Agency Integrity Coordinator (or their designee). Contract agencies will be notified prior to any actions taken against WIC participants by the State Agency Integrity Coordinator (or their designee).

Schedule of Violations and Sanctions

The Violations and Sanctions Table will be used to determine violations and sanctions for the said violations. The State WIC Office, as well as local agencies, may notify law enforcement in appropriate cases.

Violation	Sanction Action
1. Intentional false statement(s) or misrepresentation of income, name, residence, family size (including receiving and using benefits for children no longer in the family), medical data, pregnancy, and/or date of birth to obtain WIC benefits.	1 year disqualification and pay full restitution
2. Return of WIC foods to vendor for unapproved food items, non-food items, credit or cash (attempted or actual). (Claim amount less than \$100.00) Buy, trade, exchange, transfer, sell, or offer to buy, trade exchange, transfer, sell, or allow any other person to buy, trade, exchange, transfer, sell or offer to buy, trade, exchange, transfer, or sell eWIC card/benefits for unapproved food items, non-food items, cash or favors. (Claim amount less than \$100.00)	2-month disqualification and pay full restitution Subsequent violation of any claim amount: 1 year disqualification and pay full restitution
3. Return WIC foods to vendor for unapproved food items, non-food items, credit or cash (attempted or actual). (Claim amount greater than \$100.00)	1 year disqualification and pay full restitution

Assessing Sanctions, Continued

Violation	Sanction Action
Buy, trade, exchange, transfer, sell, or offer to buy, trade, exchange, transfer, sell, or allow any other person to buy, trade, exchange, transfer, sell or offer to buy, trade, exchange, transfer, or sell WIC foods for unapproved food items, non-food items, cash or favors. Claim amount greater than \$100.00.	
4. Creating a public nuisance or disrupting normal activities at the local agency, Farmers Market or at a vendor location.	1 st Violation: Education/Counseling 2 nd Subsequent Violation: Warning letter 3 rd Subsequent Violation: 2 month disqualification 4 th Subsequent Violation: Any subsequent violation will result in a one-year disqualification.
5. Verbal abuse or harassment of WIC staff, vendors, Farmers Market vendors and/or other WIC participants. This includes in person, on social media or over the phone.	2-month disqualification Subsequent violation will result in a 1-year disqualification.
6. Physical abuse (directly or indirectly carrying out the actual harm or threatening to do harm) of WIC staff, vendors, vendor staff, Farmers Market vendors, Farmers Market vendor staff and/or other WIC participants.	Any violation will result in a one-year disqualification.
7. Destruction of property, theft of eWIC card(s) or theft from local WIC agency, WIC staff, vendors, vendor staff, Farmers market vendors, Farmers Market vendor staff, and/or another WIC participant.	Any violation will result in a one-year disqualification.
8. Collusion with staff to obtain benefits improperly.	1-year disqualification and pay full restitution
9. Dual participation resulting from intentional misrepresentation.	1-year disqualification and pay full restitution.

<p>10. Trafficking WIC food benefits, WIC benefits or WIC items and/or collusion with an authorized vendor.</p>	<p>1-year disqualification and pay full restitution.</p>
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Single or multiple violations

A single violation will be recorded if the participant violates the same regulation at the same time.

Multiple violations will be recorded if the participant violates more than one regulation at the same time.

Examples

Single Violation

If the participant attempts to sell the same WIC benefits on two different websites and the value of the benefits < \$100.00, the participant would be disqualified for two months for attempting/selling WIC benefits.

Multiple Violations

If the participant makes intentional false statement(s) to obtain WIC benefits and verbally abuses a WIC staff member when questioned about their statements, the more severe of the two sanctions that were violated will be imposed on the participant.

Subsequent Violations

Violation/sanctions are cumulative. However, a participant will not have sanctions assessed for committing a second violation when:

- The second violation occurs before the participant receives notice of the first violation, **and**
- The second violation is the same as the first.

Notifying Participant of Violations and Sanctions

Introduction

The State WIC Office Integrity Coordinator will mail a letter of program violation to the WIC participant describing the violation and the action(s) the WIC Program is taking, which may be re-education, warning, disqualification and/or restitution to the program. Included with this letter will be instructions the participant may follow to request an appeal. Also included in the letter will be the federal notice of disqualification.

Notifying the participant

Whenever possible, the State WIC Office Integrity Coordinator will counsel the participant about the violation.

Violation Warning Notices: The State WIC Office Integrity Coordinator will mail all violation warning notices to the participants via standard U.S. mail.

Notice of Disqualification: The participant must receive notice of a disqualification at least 15 days before the disqualification begins and will be mailed the following information via certified U.S. Mail for any violation(s) that interrupts their benefits. The following information will be provided.

- Nature of the violation
- Date of the violation
- Sanction type
- Persons being sanctioned
- Start date of sanction
- End date of sanction
- Participants signed Rights and Responsibilities
- Notice of Disqualification and appeal rights
- Information that the participant/participants will be eligible to reapply for the program once their disqualification has ended or they have made restitution, if applicable.

Exceptions to Mandatory Disqualifications and Terminating a Mandatory Disqualification

Disqualifications may apply to all members of a family who are on the WIC Program. The department may decide not to impose a mandatory disqualification if a family makes full restitution for a monetary claim, establishes a repayment schedule within 30 days of receipt of the letter demanding repayment, makes full restitution or agrees to a repayment schedule or, in the case of a participant who is an infant, a child or under the age of 18, the state or local agency approves the designation of a proxy.

The department may permit the participant to receive WIC services before the end of a mandatory disqualification period if full restitution is made or a repayment schedule is agreed upon, or in the case of a participant who is an infant, a child, or under the age of 18, the department or local agency approves the designation of a proxy. All decisions are at the discretion of the department.

Removal of Benefits

The local WIC agency will remove all benefits for the disqualification period for all disqualified participants to prevent the purchase of WIC foods.

Restitution**Introduction**

A participant who received benefits as a result of intentionally making a false or misleading statement, intentionally misrepresenting, concealing, or withholding facts, sells or attempts to sell benefits they received from the WIC Program and is disqualified from the program will be ordered to make restitution of the cash value of the improperly gotten used WIC benefits.

Disqualification and Restitution

The State WIC Office will issue letters of Disqualification and Restitution. These letters will notify the participants of their disqualification and their appeal rights and require restitution for benefits they received in violation of policy.

State Office Procedure

Following an investigation that has confirmed there was a participant violation, the State WIC office will determine the amount of any improperly received benefits. The State WIC office will establish a claim against the participant for the full value of the improperly received benefits. The State WIC office will send a Letter of Restitution by certified mail to the participant and an electronic copy to the local agency. If the participant chooses to appeal the claim, the local agency will assist in completing the appeal request. If the participant chose a repayment plan for claims, the State WIC Office will assist in developing a payment schedule. If the restitution is not paid within thirty (30) days of the notice, the participant's account will be flagged and benefits will be restricted until the claim is paid or an exception is granted by the State WIC Office as described on pages 7 and 8.

If full payment or a payment schedule or exception has not been established after two (2) letters demanding repayment, the State WIC Office will not pursue further collection actions under \$500.00

Appeals and Collection Efforts

If an appeal is filed with the Local Agency, collection efforts are suspended pending outcome of the appeal. If repayment of benefits is upheld, efforts to collect the claim are resumed.

Reapplication

A participant may be permitted to receive WIC services before the end of a disqualification period if full repayment is made or a repayment schedule is agreed upon. All decisions are at the discretion of the State WIC Office.