



Texas Department of Health  
Bureau of Nutrition Services

## Texas WIC EBT Newsletter

Vol#7 - September 2, 2003



1100 W. 49<sup>th</sup> Street  
Austin, TX 78756-5131

This edition of the Texas WIC EBT Newsletter provides readers with an update on the WIC Program's progress toward piloting an offline "smart card" system in El Paso, Texas as well as providing a status of software integration and hardware replacement efforts.

**Pilot Status:** The Texas WIC Program will initiate a 1-year pilot in late May or early June of 2004. The pilot was initially slated for commencement this fall but was postponed for a number of reasons including:

- A request from the Gulf Coast Retailer's Association on behalf of the Kroger Company and other grocers to allow completion of an IBM software integration project.
- A request from USDA for a 90-day design project co-hosted by the Texas WIC Program and USDA to develop a specification for middleware software needed for interoperability of EBT smartcard systems between states.
- System security issues raised by USDA and its quality assurance contractor Booz Allen Hamilton.
- Longer than anticipated timeframe to remedy problems with the store (in-lane) and clinic software products developed by Texas contractor GovConnect.
- Delay in receipt of written policies from USDA for proper treatment of store discounts in WIC EBT transactions.
- Delay in implementation of a WIC clinic satellite service contract.
- A delay in the beginning of the New Mexico smartcard pilot until July of 2003 that should precede the Texas pilot by at least 6 months.

Of the eighty-five grocer locations in El Paso, as many as eighteen could conceivably start the pilot as fully integrated EBT systems using either an ICL Fujitsu or IBM ACE platform. Specifically these integrated store locations are slated to have the WIC EBT functionality programmed into their ECR and terminal systems. Development projects for both systems are in process and are showing favorable progress toward completion. The remainder of the locations will begin pilot utilizing the State developed stand-beside system that requires additional items of equipment in the lanes to include a WIC terminal, scanner and printer as well as one personal computer per store running as a back room store controller for the system.

All El Paso stores targeted for installation of a stand-beside system have ordered and received their equipment and the equipment is being stored by the State's Retail Assistance Contractor, Sagem Morpho, for installation at a time more closely aligned with the start of the WIC EBT pilot. In the interim, Sagem Morpho is performing store surveys to assure timely installations in a manner satisfactory to all stores.

In addition to progress on perfecting store systems, the Texas WIC Program is working diligently to complete and test the programming of modifications to its legacy clinic and state host settlement systems to support off-line WIC EBT.



Texas Department of Health  
Bureau of Nutrition Services

## Texas WIC EBT Newsletter

Vol#7 - September 2, 2003



1100 W. 49<sup>th</sup> Street  
Austin, TX 78756-5131

**Software Integration Projects:** Two integration projects are currently in process as mentioned above. Lowe's Pay and Save partnered with Cash Register Services and is nearing completion and acceptance of an ICL Fujitsu system. In addition, the Texas WIC Program entered into an agreement with the Kroger Company to facilitate its partnership with the IBM Corporation to design and implement a fully integrated WIC EBT system using the IBM ACE platform.

Several other Texas grocers have expressed interest in starting their own WIC software integration project including Wal-Mart, Albertson's, HEB, and the Brookshire Grocery Company. The state will work with each of these stores to initiate a work effort at the earliest possible date.

**Terminal Replacements:** The Texas WIC Program has received federal approval to move forward with reimbursing WIC stores who commit to operating fully integrated store systems at \$200 per lane for all lanes to replace their terminals with smartcard capable equipment. However, the federal approval requires the program to delay payments until the El Paso pilot has been in operation for at least 60 days. In addition, the state must also acquire approval from the State's Legislative Budget Board (LBB) and the Department of Information Resources (DIR) before moving forward with terminal replacement commitments. To expedite the required state approvals, the Texas WIC Program is in the process of writing an amendment to its EBT Project Development Plan for submission to the LBB in the month of September.

**Interoperability Specifications:** The Texas WIC Program and USDA co-hosted a series of five design meetings over a 90-day period that brought together representatives from a cross section of companies involved in the grocer industry with emphasis on the Electronic Cash Register and Terminal systems used by stores. These representatives met with IT staff from USDA and its quality assurance contractor, Booz Allen Hamilton, as well as officials from various states currently involved in WIC EBT efforts.

The meetings produced a software specification that will assist companies who are programming WIC functionality into store systems to allow such systems to recognize and properly handle a variety of smart card types being employed by various states. The purpose of the specification is to provide design guidance that makes the software developed for integrated store systems usable and supportable by stores who have locations in multiple states.

To view a list of attendees at the design meetings and gain access to the specification please refer to the Texas WIC EBT web site located at:

<http://www.tdh.state.tx.us/wichd/ebt/procdocu.htm>

Additional information on WIC EBT is also available on the above web site or contact Joe Graves, EBT Planning Division, at (512) 458-7111 ext. 3407.