Maine Center for Disease Control and Prevention
WIC Nutrition Program

Effective: October 1, 2015 Policy No. VM-14

Vendor Claims

Authority

7 CFR §246.12(h)&(k), §246.18(a)

22 MRSA §255 and 1951;

10-144 CMR Chapter 286, § IV

Policy

1. When a vendor has intentionally or unintentionally charged the WIC Program more for authorized supplemental food than is permitted under the vendor agreement, or has committed another error or violation that has resulted in an unjustified payment by the WIC Program to the vendor, the State Agency shall establish a claim.
2. The vendor claim shall be for the full purchase price of each food instrument that contains the vendor overcharge or other overpayment error.
3. The State Agency shall provide the vendor with an opportunity to justify or correct a vendor overcharge/overpayment error.
4. If the vendor cannot correct or justify the full amount of the vendor claim, the State Agency shall issue a final claim to the vendor.
5. The vendor shall pay any final vendor claim assessed within 30 days of receipt of the final claim. In some cases the State Agency may allow the vendor to create an alternate plan for repayment of the claim.
6. Payment of a claim does not alleviate any other sanctions the State Agency may impose on the vendor due to the vendor overcharges.
7. Failure to repay a claim shall result in disqualification from the WIC Program and denial of an application for reauthorization.

Procedures

1. Within 90 days of the State Agency detecting the vendor overcharge or of completing the review or investigation giving rise to the claim, the State Agency shall notify the vendor of the claim and request repayment or justification of the claim.
2. The vendor shall be allowed 15 days to respond to the request for justification.

2.1. If satisfied with the justification or correction provided by the vendor, the State Agency will issue a notice of resolution within 30 days of receipt of the justification.

2.2. If the justification submitted by the vendor only satisfies the claim in part, the State Agency will issue a final claim reflecting the revision to the original claim within 30 days of the justification due date.

2.3. If the State Agency does not receive justification of the overcharge from the vendor or is not satisfied with any portion of the justification, the State Agency will issue a final claim within 30 days of the justification due date.

3. The vendor shall submit a money order or certified check written to "Treasurer, State of Maine" via mail or hand delivery to the State Agency within 30 days of the date of issuance of the final claim. Any request for consideration of an alternative re-payment plan must be received within 15 days of the date of the final claim issuance. The State Agency may consider a request for an alternate repayment plan at its discretion on a case-by-case basis.

4. Failure to pay a final claim within 30 days of the date of the notice shall result in the claim being referred to the Department of Health and Human Services Fraud Investigation and Recovery Unit for collection.

5. For vendors actively enrolled in the WIC Program, failure to pay a final claim within the 30 days of the due date shall result in termination for cause and disqualification from the WIC Program for one year.