TEXAS DEPARTMENT OF HEALTH (TDH) BUREAU OF NUTRITION SERVICES WIC EBT NEWSLETTER #4 May/June 2002

This is the fourth issue of a monthly newsletter intended to provide members of the Texas Interagency Task Force on Electronic Benefits Transfer (EBT) with a status report on the WIC Program's development of a WIC EBT system. This particular issue covers both May and June 2002.

Prior issues of the newsletter are posted on the Bureau of Nutrition Services web site at: http://www.tdh.state.tx.us/wichd/ebt/ebtnsarc.htm. The prior issues will provide the reader with background on the project and milestones achieved prior to this update. Extensive background can be found in the first issue of February 2002.

Short Background:

As readers know from past issues of the Newsletters, the States of Texas and New Mexico formed a partnership to work on a WIC smartcard system. The system under development at this time is a Stand Beside or Stand Alone System. The system is being designed around a specific set of hardware that will be additive to equipment in lane for stores who already have an automated checkout system. The in-lane equipment consists of a Hypercom ICE 6000 terminal, an Intermec scanner, and a Verifone 355 printer. These items are complimented by a personal computer for the back room part of the system.

The Stand Beside System will always have a place in small stores who have no other automation or in medium size stores who do not wish to take on an integration project. However, Texas and New Mexico Departments of Health believe that the true goal for a successful WIC EBT rollout will include store integration projects by the larger chain stores to take advantage of their existing electronic cash register systems negating the need for additional items of equipment to support WIC EBT.

Project Development Status:

The project was on hold beginning in early March and extending through May 22nd awaiting the migration from an Everest Plus/SC250 terminal set to a Hypercom ICE 6000 terminal. The change in terminals was at the recommendation of the States' contractor, Gov Connect, and was intended to overcome issues that arose during testing of an early version of the WIC EBT system. Past issues of the newsletter elaborate on the specific problems encountered and will not be cited again in this issue.

The initial release of the Hypercom ICE software on May 22nd by GovConnect provided evidence that most of the issues had been resolved. However, the ability for automated downloads of the terminal remains outstanding. A second and hopefully final release of

the terminal software, is due from GovConnect on June 28th. At that juncture, Texas will move quickly toward completion of its Controller System Development and unit testing.

Further Delay in the Pilots:

At a business meeting on May 30th and 31st between officials from the New Mexico and Texas Departments of Health with representation from USDA in attendance, a discussion of the readiness of the system was explored. It was the consensus of the group that the project would best be served by employing more rigorous quality assurance at this juncture before moving to state and federal user acceptance testing. In addition, it was decided that system documentation would have to be completed and available before additional testing by New Mexico WIC resumed or not later than the commencement of the Federal Acceptance Testing immediately before the New Mexico pilot. In addition, several new tasks were added to the project including additional work in the area of recovery for grocers who might encounter system difficulties.

After the meeting, Texas staff performed an exhaustive review of the management plan and all associated tasks. Based on that review, the decision was made for Texas to complete all of its tasks for both the store and for settlement/reconciliation pieces prior to turning additional releases of software over to New Mexico for testing. The timeline is being pushed out several months because of this approach.

As it now stands, subject to additional discussions between the states and USDA which will likely occur in early July, the New Mexico pilot would commence not earlier than December 10th nor later than January 27th depending on the decision of when total system documentation must be available. The dates will be discussed and finalized at the next management meeting and a new Management Plan released and posted to the Web Page for both states at that time. Remember, the Texas pilot will commence six months from the start date of the New Mexico pilot.

<u>Grocer Reports</u>: As reported in the April newsletter, TDH staff and representative grocers from the El Paso area have been working together to review system reports designed to date incorporating modifications and/or adding new reports that the grocers believe will be needed in an EBT environment.

<u>Integrated Store System:</u> Work continues with Lowes Pay and Save Inc., and its contractor Cash Register Services toward the integration of the WIC processes into the stores' ECR system. The work appears to be progressing as anticipated with completion of all tasks by the end of October of this year. TDH expects to demo the Lowes integrated approach as well as the state developed stand beside system at a State EBT Taskforce meeting later this fall.

In addition, discussions with Texas grocers about possible integration projects are ongoing. TDH has approached Gary Huddleson from Krogers and Art Powell with Albertsons about integration efforts. Such talks will continue on July 2nd at a meeting

scheduled in Austin. Representatives from Brookshires, Kroger, HEB and Gulf Coast Retailers Association will be in attendance at this meeting to further explore the role and timing of WIC EBT smartcard integration projects.

<u>Satellite System for Data Transfer from Clinics</u>: A contract has been mailed to the intended contractor for satellite services at 520 WIC clinic sites around the state. Full execution of the contract is expected within the mext couple of weeks followed by work on a short demonstration pilot in Pflugerville, Texas and then a more comprehensive 92-day pilot in El Paso, Texas. Assuming the pilots are successful, TDH will roll out the system statewide over a four month period in early calendar 2003