

## **Crossroads Design, Development and Implementation WIC System Status Report**

The Virginia Department of Health's Division of Nutrition, Physical Activity and Food Programs is a partner with the WIC programs in Alabama, North Carolina, and West Virginia in the Crossroads Consortium. The Consortium is one of three groups working in conjunction with the United States Department of Agriculture (USDA) to design, develop, and implement State Agency Model management information systems which will be available for transfer to WIC programs in other states and territories.

This report details the project's progress and is submitted to comply with Item 286 E of the 2010 Appropriation Act (see appendix). Item 286 E requires the Commissioner of the Department of Health to provide written reports annually to the Chairmen of the House Appropriations and Senate Finance Committees on the progress of the multi-state procurement of a database formally known as the Crossroads Design, Development and Implementation WIC System. The written report must describe the division's efforts to ensure that through system design and procurement, adequate participant access can be achieved without the current use of slotting or other similar vendor limiting criteria and that the new system allows peer groups to be changed to reflect marketplace dynamics and ensures a more equitable vendor comparison. The Division's efforts to coordinate and collaborate with stakeholders must also be included in the report.

The Crossroads SAM system is currently in the design and demonstration phase of development. Subject matter experts from the Virginia WIC team have joined experts from the other Crossroads Consortium states in Joint Application Design (JAD) sessions to refine the functional requirements of the system and identify the early design specification. The Crossroads Consortium participated in the first hands-on Periodic Development Review (PDR) of the Crossroads system in July 2010. Feedback was solicited from each of the Consortium states and, following an iterative development process, another PDR is scheduled for November 2010. The Crossroads JAD sessions and corresponding system demonstrations will be followed by full system development, integration testing, full user acceptance testing, pilot, and statewide rollout.

The Crossroads system will be implemented as fully EBT (Electronic Benefits Transfer) functional, supported by the concurrent development of e-WIC. The e-WIC project is an EBT system that includes the use of an electronic food prescription that specifies particular food items, quantities of the food items that can be purchased, the time period within which the food items must be purchased, and the maximum value associated with the food item purchases. Implementation of e-WIC will include the development and implementation of business policies, processes and procedures relating to EBT as well as the implementation of an information system interface to automate the issuance, redemption and settlement of food benefits. As an EBT ready system, Crossroads will include all functionality required to directly interface with an EBT system that would support electronic food benefit issuance. In preparation for concurrent development, testing, pilot and implementation with Crossroads, the e-WIC project completed the planning phase with USDA approval of the project Implementation Advanced Planning Document. Implementation funding through the Fiscal Year 2010 EBT Implementation grant was awarded in September 2010 for the amount of \$6,033,196. Virginia has also received USDA and Virginia Information Technology Agency approval to procure an e-WIC Service Provider through a competitive Request for Proposals. In order to complete development of the e-WIC system interface with Crossroads in accordance with the Crossroads development timeline, the e-WIC Service Provider must be under contract by February 1, 2011.

The Crossroads development contractor Computer Sciences Corporation (CSC) is contracted to complete a user training, pilot, and Consortium-wide rollout. In September 2010, CSC requested a four-month extension of the current schedule to avail additional deliverables. The completion of the pilot is anticipated in late summer of 2012 and rollout is projected for spring of 2013 based on the revised schedule. This change request is being reviewed by the Crossroads Consortium and is awaiting approval.

The Crossroads system design will include the optional capabilities to support states that elect to use a retailer limiting criteria such as retailer slots. However, the implementation of Crossroads and e-WIC may alter the need for the Virginia WIC Program to utilize retailer limiting criteria. EBT technology may make using a retailer limiting criteria a less effective management strategy because by using an e-WIC application, the Program will have a more effective point of service method in place. This will ensure that a reasonable reimbursement level exists for WIC approved foods and formulas through the electronic collection of actual pricing data.

The Division continues to hold Retailer Advisory Committee meetings; five of these meetings were held in the past year. Every Retailer Advisory Committee meeting includes a brief e-WIC update, as well as an opportunity for retailers to ask questions related to the Program's future direction pertaining to Crossroads and e-WIC.

This year, the Virginia WIC Program has also commissioned an outside consultant, Mikelson and Associates, to complete an independent analysis of the current peer group structure and make recommendations regarding the use of other standards for this business requirement. This first phase of this analysis included completing structured interviews with a cross section of corporate retailers (10), independent retailers (19), trade associations (3), state agencies that are using or planning to use EBT (8) and various state agency staff. The preliminary results from this analysis were shared with the Retailer Advisory Committee at the September 2010 meeting. Preliminary results indicated that all groups interviewed thought the current peer group structure was overly complicated and was inherently unfair in its treatment of retail stores' reimbursements. The final written report from this consultant is due by December 1, 2010. The consultant will attend a future Retailer Advisory Committee meeting and present his findings to WIC Program management and retailers at that time.