

Additional HIP RFA Questions
Received on March 9, 2010

Note: We have continued the practice of numbering questions by group and will do so with each set of Q&As posted. For references to question numbers starting with A, B, C, D, E, F and G see the set of Q&As posted on March 2, 2010. Questions referring to numbers starting with H are in the set of Q&As posted on March 5, 2010. Questions referring to numbers starting with I can be found within this document. Pages denoted within the questions refer to the RFA.

I1. In the response to Question A10, FNS states that “Enhancements unrelated to the core proposal...will be factored in to the best value determination made by the selection official.

- Please describe process for the determination “best value”.
- What criteria must an enhancement meet in order to be determined as a “best value”?
- Who is involved in the “best value” evaluation?
- How, specifically, is “best value” rated and scored?

A: See answer to H9

I2. Page 12, Pilot Roles and Responsibilities: Local SNAP Agency, states “Local agency staff are also expected to support...facilitating the selection of HIP participants and random assignment to HIP participant and control groups...” Question C1 asks if it is allowable for the DHS Central Office, rather than the local SNAP agency, to perform this task. In their response, FNS stated that this would be allowable and that such decisions should be “justified” in the State’s Staffing Plan.

Would FNS agree that this decision should be “reflected” in the State’s Staffing Plan rather than “justified” in plan?

A: “Justification,” in a grants context, is used to relay the requirement that States provide the rationale behind their design choices and not simply describe them. Thorough justification of proposal components, such as design and budget, is necessary so that FNS can compare States’ proposals against the RFA requirements and score them appropriately.

I3. FNS stated that States will define the geographic boundaries of the Pilot site.

Would FNS allow large, multi-location retailers to deploy their system changes statewide? This would enable any HIP participants to earn incentives from anywhere in the state if they shopped at any location of a large, multi-location participating retailer.

Can FNS provide guidance on how they anticipate such large retailers that have stores outside the Pilot are to handle these transactions and whether or not the EBT system should calculate and apply the incentive?

Can FNS also provide guidance for participating retailers that have locations outside of the HIP Grantee’s state at which participating cardholders might shop?

A: FNS consulted with retail chain representatives prior to release of the RFP. They advised that they prefer to have the same code installed on all terminals in all of their store locations. Because of different State and local sales taxes, bottle deposits, bag laws, etc., many functions within that software are parameter driven. They explained that they would most likely include the HIP-related code changes in all terminals, but the functionality would only be toggled “on” at store locations within the pilot or otherwise designated by the State as a HIP participant. We would then expect the software would be toggled “off” at other stores in the chain that are not designated as participants.

Prior to release of the RFA, FNS internally discussed whether to allow chain stores to turn the toggle “on” for locations outside the Pilot area. We concluded that the Grantee should only invite stores outside of the pilot area

if they serve a substantial number of residents in the Pilot area, and that other store locations should remain toggled “off”. This was done in part to reduce confusion and minimize the retailer’s manager training requirements.. The State may use its own discretion in determining which stores outside of the Pilot area should be invited to participate. States’ plans for including retailers outside the pilot area shall be provided in their proposals. Also, see answer to C9.

In all cases, the EBT system will only calculate and apply incentives for those 7500 cases in the pilot site that have been designated as HIP participants. For the remaining households in the Pilot area, the system must also retain the value of HIP-eligible items reported by the retailer in the transaction record. It is not necessary for the EBT system to retain these values for households that reside outside of the pilot area.

HIP participant training should identify which retailers are participating in the pilot and must explain to clients that if they buy fruits or vegetables at non-participating stores, they will not earn a HIP incentive for that purchase.

- I4.** Based on the information provided, it is assumed that the target list will be created as follows:
- FNS will provide to participating integrated retailers the initial list of HIP-eligible foods from its database of UPC and PLU codes approved for WIC fruit and vegetable products
 - The participating integrated retailers will review this list, add any additional private/store label and/or regional items that would be HIP-eligible
 - These integrated retailers would return the modified list to FNS
 - FNS will combine all the additions received from the participating integrated retailers
 - FNS then will provide the completed comprehensive list back to all participating retailers, including EBT-Only and voucher retailers, so that each has the final list.

Could FNS clarify that the above process as it relates to the target food list is correct?

A: The above description is essentially correct. However, we know that our current WIC list does not contain every size of every national brand that the stores may stock, especially for canned and dried fruits and vegetables. So, retailers will need to review those items as well.

FNS also expects that different stores will complete their coding at different times rather than simultaneously. Therefore we foresee some additional interim steps. Upon receipt of an updated list from any store, FNS will update our database, and then share the updated list with all stores that have not yet completed coding of HIP-eligible foods. The final list will be available for sharing with retailers using standalone terminals and vouchers.

I5. In order to assist applicants in retailer recruitment planning for the application process, can FNS provide the list of allowable retailer type codes now?

A: The list of allowable stores is:

BC	Non-Profit Food Buying Cooperative
CO	Combination Grocery/Other
CS	Convenience Store
DR	Delivery Route
FM	Farmers Market
FV	Fruit/Veg Specialty Store
LG	Large Grocery Store
MG	Medium Grocery Store
SG	Small Grocery Store
SM	Supermarket
SS	Super Store/Chain Store

Later this spring we plan to add DF (a new store type for direct marketing farmers) to differentiate them from FM (farmers markets). They would also be eligible for HIP.

- I6.** Page 12, Pilot Roles and Responsibilities: Local SNAP Agency, states “Local agency staff are also expected to support...facilitating the selection of HIP participants and random assignment to HIP participant and control groups...” However, in response to question G16, FNS states “Once the households are randomly selected by the evaluation contractor, the list of households assigned to the HIP incentive group and the HIP evaluation group will be returned to the State so that they can be contacted and offered participation in the Pilot.”

Can FNS please clarify that it is the evaluation contractor, and not the local SNAP agency, that will be responsible for the random selection of HIP participant households?

A: Yes. The evaluation contractor will execute the random assignment to groups based on information provided by the HIP Grantee.