



National WIC Association

February National Calls on WIC Near
Term Funding Challenges: What
Does Sequestration Mean for My
Agency? What About Funding for
the Remainder of FY 2013?



Sequestration? What is it? How did we get here?

- Sequestration refers to automatic, across-the-board spending cuts set to take affect 1 March 2013 if Congress fails to negotiate an alternative.
- Sequestration was set in motion as a result of the failure of the Congressional Joint Select Committee on Deficit Reduction, created under terms of the Budget Control Act of 2011, to come to a budget agreement on revenues and spending cuts. It was the trigger mechanism that was intended to make the Committee find a solution.



What is the level of the cut?

- Under the Budget Control Act of 2011 and the American Taxpayer Relief Act of 2012, WIC is scheduled to experience an 5.1% cut as a result of sequestration.
- This will require WIC clinics across the country to collectively cut 600,000+ mothers and young children from the program and make dramatic changes to service delivery impacting program effectiveness and undermining improved health outcomes.
- Perhaps 1,600 state and local WIC staff could lose their jobs and thousands may face furloughs



What are the dollar amounts?

- Fiscal Year 2013 Appropriated Grant level (CR): **\$6,547,497,000**
- Inflation Adjustment of .612%: **\$6,587,567,682**
- Sequester Reduction: **\$ 329,378,384**
- Sequestered Grant to States: **\$6,258,189,298**



Are there carry-over or contingency funds available to help out?

- As of 28 February 2013 Unspent Recovered Funds available for reallocation: **\$ 380,000,000**
- Currently available WIC Contingency Funds: **\$ 125,000,000**
- Currently available remaining SNAP Transfer Funds: **\$ 31,744,781**
- Total Funds available to help out: **\$ 536,744,781**



How will moneys be allocated?

- Money is split between Food and NSA and run through a pro-rata reduction using the funding formula
- Both the Sequestered Appropriation amount of **\$6,258,189,298** and the Unspent Recovered Funds of **\$380,000,000** will be run through the funding formula
- The Contingency Funds of **\$125,000,000** and the Unspent SNAP Transfer Funds of **\$31,744,781** will be allocated on case by case basis to assure the most equitable impact to caseload disruptions



What are the national average expected food cost and guaranteed AGP levels under the Sequestration scenario?

- The average per participant cost breaks down as follows:
 - Food at \$46.73
 - NSA at \$18.11
 - Total average per participant cost: \$64.84



What are NWA and USDA recommending as an appropriate course of action?

- **Refrain from taking any actions** to limit access or reduce the number of eligible persons receiving benefits through 31 March 2013
- **Before doing anything** related to managing caseload contact your regional office staff who are working in partnership with USDA/FNS Headquarters staff
- **Consider** these available options for **future** action:
 - Adjustments to WIC foods for administrative convenience and to control costs, while assuring the full quantities of authorized foods are provided to participants to meet their supplemental nutrition needs
 - Consider whether there may be foods available for rebate and invoice for rebates in a timely manner
 - Establish a priority system for wait listing applicants
 - Establish a priority system for discontinuing or temporarily suspending benefits during a certification period



What next?

- USDA/FNS will provide further guidance regarding available funding as quickly as clearances allows
- Congress has been engaged in negotiations to respond to their next deadline of 27 March 2013 when the current FY 2013 Continuing Resolution (CR) expires and funding for all Federal Programs will run out and the Federal Government will face a shutdown
- Congress may or may not resolve the impact of sequestration in their CR discussions
- Congress may pass one or more CR's or a combination of an omnibus for negotiated funding bills and a CR to continue funding for Federal Programs through the remainder of the Fiscal Year 2013



What can you do?

- As a WIC employee you can, with permission from your supervisors, educate your elected representatives about WIC's important role in improving public health nutrition, WIC's contribution to the local economy, and the consequences of funding shortfalls
- As a private citizen or resident you may contact your elected representatives on your personal time using personal communications tools to urge them to take action to protect WIC funding for all WIC participants and eligible participants
- To take action visit:
<http://capwiz.com/national-wic-association/home/>