



United States
Department of
Agriculture

September 17, 2001

Food and
Nutrition
Service

SUBJECT: Reissue Final WIC Policy Memorandum #2001-6
Medicaid Primary Payor for Exempt Infant Formulas and Medical Foods

3101 Park
Center Drive

TO: Regional Directors
Supplemental Food Programs
All Regions

Alexandria, VA
22302-1500

The purpose of this policy memorandum is to advise that the Medicaid Program will be the primary payor for WIC-eligible exempt infant formulas and medical foods issued to WIC participants who are also Medicaid beneficiaries. Medicaid has come to this position based on a review of the WIC statute. This policy is applicable in States where the Medicaid agency has elected to provide medical foods and/or nutritional supplements taken orally as part of their benefit packages. Therefore, WIC State agencies should contact their Medicaid counterparts to determine if these items are covered and to work out the necessary details regarding payment procedures.

WIC Food Package III provides exempt infant formulas and medical foods to participants who have a diagnosed medical condition that precludes or restricts the use of conventional foods. Exempt infant formulas and medical foods are also authorized under Food Packages I and II. The provision of these exempt formulas and medical foods helps to prevent expensive health care costs, resulting in savings to health insurance providers, such as Medicaid. Therefore, WIC and Medicaid should work collaboratively to ensure that the nutritional needs of mutual clients are met.

/s/ Patricia N. Daniels

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The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.