

GAO Highlights

Highlights of [GAO-15-94](#), a report to congressional requesters

Why GAO Did This Study

WIC provides supplemental foods and assistance to low-income pregnant and postpartum women, infants, and young children. Approximately half of U.S. infants born each year receive WIC benefits, and infant formula is a key component of the food package many receive. Recent news reports suggest that some participants have attempted to sell WIC formula online, and the Internet has substantially increased as a marketplace in recent years. GAO was asked to provide information about online sales of WIC formula.

GAO assessed: (1) how USDA determines the amount of formula to provide to participants, (2) what is known about the extent to which participants sell WIC formula online, and (3) steps USDA has taken to prevent and address the online sale of WIC formula. GAO reviewed relevant federal laws, regulations, and USDA guidance; monitored advertisements to sell formula on one e-commerce website in four metropolitan areas; reviewed a non-generalizable sample of policy manuals from 25 states that as a group serve about two-thirds of WIC participants, and that were selected for their varied WIC caseloads and geography; and interviewed USDA and state and local WIC officials.

What GAO Recommends

GAO recommends that USDA require state agencies to inform WIC participants that selling WIC formula is against program rules and describe in their state plans how they identify attempted sales. GAO also recommends that USDA assess online sales, including techniques states can use to monitor them. USDA agreed with GAO's recommendations.

View [GAO-15-94](#). For more information, contact Kay E. Brown at (202) 512-7215 or brownke@gao.gov.

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NUTRITION ASSISTANCE

Additional Guidance Could Assist States in Reducing Risk of Online Sale of Infant Formula

What GAO Found

In recent years, the U.S. Department of Agriculture (USDA) has more closely aligned the amount of formula it authorizes states to provide through the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) with current nutrition science and the nutritional needs of participating infants. These changes were also made, in part, to encourage and support breastfeeding. Specifically, the agency issued revised regulations in 2007, finalized in 2014, that reduced the amount of formula authorized for partially breastfed infants and delayed the age when these infants may begin receiving formula. The regulations also reduced the amount of formula authorized for older fully formula-fed infants because they added infant fruits and vegetables for the first time.

USDA has not conducted any nationwide studies on the extent of online sales of WIC formula by program participants, but information gathered from state WIC officials and GAO's own limited monitoring suggest that some WIC formula is offered for sale online, though program rules prohibit such sales. In 30 days of monitoring one online classifieds website in four large metropolitan areas, GAO found 2 posts in which individuals attempted to sell formula specifically identified as WIC—among 2,726 that advertised infant formula generally. A larger number, 346 posts, advertised formula matching the brand, type, container volume, and amount provided to WIC participants, but did not indicate the source of the formula. Because WIC participants purchase the same brands and types from stores as non-WIC customers, monitoring attempted online sales of WIC formula can present a challenge. State officials GAO spoke with cited other challenges to monitoring online sales, such as the fact that individuals posting formula for sale online are able to remain relatively anonymous, and their posts may contain insufficient information to allow staff to identify them as WIC participants.

USDA has taken steps to clarify that attempting to sell WIC formula online is a participant violation but has provided limited assistance to states in preventing and addressing these sales. For example, USDA has not specifically directed states to instruct participants that selling WIC formula is against program rules, which could lead to participants making these sales unknowingly and using program resources inappropriately. GAO's review of 25 state policy and procedure manuals found 7 that did not require local agency staff to inform participants of the prohibition. Further, although states are responsible for controlling participant violations—including sales of WIC benefits—USDA is responsible for determining compliance with the WIC statute and regulations. However, because the department has not required states to describe their procedures for controlling these violations, USDA is unable to both oversee and assess state efforts to ensure program integrity in this area. The department is also unable to assist states' efforts because it has not assessed the national extent of these sales or techniques for addressing them. Through interviews with 19 state and local WIC agency officials from 12 states, GAO found that states vary in their approaches and the amount of resources devoted to monitoring attempted WIC formula sales. In addition, due to monitoring challenges, some officials expressed concerns about the return on investment for these efforts. Without information on cost-effective monitoring techniques—such as promising search terms or online sites where states may want to focus their efforts—some states may be missing opportunities to better target their limited resources.