

# Commonwealth of Pennsylvania



DEPARTMENT OF HEALTH

DEPUTY SECRETARY FOR  
ADMINISTRATION

August 13, 2013

Mary Greene, Grants Management Officer  
Office of Acquisition and Grants Management  
Center for Medicare and Medicaid Services  
U.S. Department of Health and Human Services  
Mail Stop B3-30-03  
7500 Security Blvd.  
Baltimore, MD 21218

RE: Letter of support on behalf of the Agency Dependent Assistance Management Services', Inc. (A.D.A.M. Services') application for the CMA Health Care Innovation Awards Round Two

Dear Ms Greene:

The Pennsylvania Department of Health is exploring a business model that would support the pilot project for the A.D.A.M Services Virtual WIC Store Model in advancing the Commonwealth's objective to reduce Medicaid expenditures and enhance access to quality health care for its citizens. The "Virtual" WIC Store Model would serve at least 25,000 WIC participants per year and would be introduced as a pilot project in 5 public health centers in Pennsylvania (four of the eight Philadelphia City-owned and one in Delaware County, TBD) where participants would be evaluated for WIC eligibility.

The "Virtual" WIC Store (via kiosk) Model is a collaborative public-private partnership among A.D.A.M Services, a small business consulting firm, Pennsylvania State WIC Office and Departments of Health and Welfare and the City of Philadelphia Health Department. The goal of the "Virtual" WIC store is to enhance the efficiency of the WIC program (in addressing food and nutrition health disparities) and generate revenue to improve access to ambulatory health care for WIC eligible participants, while reducing their dependency on emergency room visits for primary care. Additionally, providing transportation for TANF-related WIC participants and their children to doctors' visits at public health centers would incentivize participants to use public health centers rather than the emergency room for non-emergency care. As a result, TANF-related Medicaid and CHIP Insurance costs would be significantly lowered.

The Virtual WIC Store operation would function much the same way as a retail grocery store. However, WIC items would be delivered directly from the grocer's warehouse to WIC participants' homes. Home delivery would exclusively exist for WIC participants who desire to redeem their coupons at designated public health centers (using a kiosk system with access to any WIC item). The Virtual WIC Store Model would generate additional financial support from the selected retail grocer as the typical profit margins for the grocer would be increased and a percentage of the grocer's profits would go towards funding the expansion of ambulatory health services in participating public health centers.

Sincerely,

A handwritten signature in black ink, appearing to read "Anne Baker". The signature is fluid and cursive, with a long, sweeping underline.

Anne Baker  
Deputy Secretary for Administration