

**CABINET FOR HEALTH AND FAMILY SERVICES**  
**Department for Public Health**  
**(Amended at ARRS Committee)**

**902 KAR 18:090. High risk criteria.**

RELATES TO: KRS 194A.050, 194A.505, 194A.990, 205.231, 7 C.F.R. Part 246, 278.6, 21 U.S.C. 802

STATUTORY AUTHORITY: KRS 194A.050, 205.231, 211.180~~[211.090(3)]~~, 7 C.F.R. Part 246, 42 U.S.C. 1786

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: 42 U.S.C. 1786 and 7 C.F.R. Part 246 ~~authorize~~provide ~~for~~ grants for state operation of the Special Supplemental Nutrition Program for Women, Infants~~],~~ and Children (WIC). KRS 194A.050(1) authorizes the Cabinet for Health and Family Services to promulgate administrative regulations as necessary to qualify for the receipt of federal funds. KRS 211.180(1)(e) and (f) authorize the cabinet to promulgate administrative regulations for the health of expectant mothers, infants, and preschoolers, and the improvement of health through better nutrition. This administrative regulation establishes the high-risk criteria for contracted vendors~~[retailers]~~ with the Kentucky Special Supplemental Nutrition Program for Women, Infants and Children (WIC).

Section 1. High Risk Criteria. In accordance with 7 C.F.R. 246.12, high-risk vendors shall be identified at least once each federal fiscal year. The criteria and points established in this section shall be assessed.

(1) A vendor with low variance~~, as defined by 902 KAR 18:011, Section 1,~~ shall be assessed one (1) point~~[five (5) points]~~ per quarter.

(2) ~~[A vendor who has greater than or equal to twenty (20) percent but less than fifty (50) percent of the vendor's quarterly WIC transactions ending in whole dollar amounts shall be assessed five (5) points per quarter. The transactions shall not include produce and formula.]~~

~~[(3)] [A vendor who has greater than or equal to fifty (50) percent of the vendor's quarterly WIC transactions ending in whole dollar amounts shall be assessed ten (10) points per quarter. The transactions shall not include produce and formula.]~~

~~[(4)]~~ A vendor ~~that redeemed~~in which six (6) or more gallons of milk ~~were redeemed~~ in a single transaction, occurring in thirty (30) or more transactions a quarter, shall be assessed five (5) points per quarter.

(3) ~~[(5)]~~ A vendor with full package redemptions in one (1) transaction occurring in twenty (20) or more transactions per quarter shall be assessed five (5) points per quarter.

(4) ~~[(6)] [A vendor shall be assessed ten (10) points for every overcharge letter unless the overcharge is justified in writing and accepted by the state WIC agency.]~~

~~[(7)]~~ A vendor with a lack of inventory~~, as outlined in the Kentucky WIC Manual for Applying Retailers, incorporated by reference in 902 KAR 18:050,~~ shall be assessed five (5) points per occurrence during a monitoring visit.

(5) ~~[(8)]~~ A vendor ~~with whose~~ prices for transactions ~~are~~ greater than or equal to ninety (90) percent and above the NTE shall be assessed five (5) points per quarter.

(6) ~~[(9)] [A vendor whose percentage of WIC sales to food sales is greater than twenty (20) percent shall be assessed five (5) points for every ten (10) percent increment per federal fiscal year.]~~

~~[(10)]~~ A vendor ~~that who~~ has redeemed more than \$10,000~~[\$2,000]~~ in transactions per federal fiscal year from out of its contracted local WIC agency shall receive one (1) point per federal fiscal year.

(Z) ~~(11)~~ A vendor ~~that~~**who** received a Good Letter with Exceptions shall be assessed five (5) points per letter.

Section 2. High Risk Referrals. A vendor ~~who is~~ assessed thirty (30) points or more per federal fiscal year shall be referred to a federal **agency**, state **agency**, or local law enforcement agency for ~~an~~**a compliance** investigation.

FILED WITH LRC: June 9, 2026

CONTACT PERSON: Krista Quarles, Policy Analyst, Office of Legislative and Regulatory Affairs, 275 East Main Street 5 W-A, Frankfort, Kentucky 40621; Phone: 502-564-7476; Fax: 502-564-7091; CHFSregs@ky.gov.