

## History of the WIC Program

While the previous section looked at how the current WIC program operates, this section examines the legislative and regulatory history of WIC and how it evolved into the program of today. Trends in both the number of WIC participants and Federal expenditures on the program are also examined.

### Legislative and Regulatory History

The origins of WIC date back to the 1960s when the Nation began to recognize that many low-income Americans were suffering from malnutrition. Various studies identified hunger as a major problem in this country and events such as the Poor Peoples' March on Washington DC, and the CBS documentary "Hunger in America" helped to publicize the problem (USDA, 1999b). In 1969, the White House Conference on Food, Nutrition, and Health was convened with the intention of focusing national attention and resources on the problem of malnutrition and hunger due to poverty. Among the recommendations stated in the conference report was that special attention be given to the nutritional needs of low-income pregnant women and preschool children (White House Conference on Food, Nutrition, and Health, 1970).

In response to the growing public concern about malnutrition among low-income mothers and children, USDA established the Commodity Supplemental Food Program (originally named the Supplemental Food Program) in 1969 (Institute of Medicine, 1996). The program provided commodities to feed low-income pregnant women, infants, and children up to age 6. However, it was eventually recognized that the available food assistance programs, including the Food Stamp Program and the Commodity Supplemental Food Program, were not meeting the special needs of pregnant women and infants (USDA, 1999c).

In 1968, a group of physicians met with officials from the Department of Health, Education, and Welfare (HEW) and USDA in Washington, DC (Leonard, 1994). The physicians described young women, often pregnant, in their clinics with various ailments that

were caused by the lack of food. Out of this meeting came a plan to build food commissaries, attached to neighborhood clinics, that would be stocked with food. Doctors or clinic staff would prescribe needed foods with the prescription serving as a voucher that the women would take to the commissary to obtain a food package. Later that year, the first USDA commissary program was established in Atlanta, GA.<sup>16</sup> Independently, another voucher program to distribute foods in a Baltimore, MD, neighborhood was developed by Dr. David Paige of Johns Hopkins University.

On September 26, 1972, WIC was formally authorized by an amendment to the Child Nutrition Act of 1966. The legislation (P.L. 92-433, sponsored by Senator Hubert H. Humphrey), established the Special Supplemental *Food* Program for Women, Infants, and Children (WIC) as a 2-year pilot program.<sup>17</sup> The legislation's writers used the earlier Johns Hopkins voucher program as a model, and designed the program to be a 2-year demonstration, with the expectation that the program's benefits would be so overwhelming that it would be continued as a full program (Leonard, 1994). USDA was given responsibility for administering the program that was to provide supplemental foods to participants. No mention was made of providing nutrition education or health care referrals. However, the legislation, which grew out of concern that low-income families were not receiving good health care or proper nutrition, created a close association between the supplemental food aspect of the program and health care services by requiring that nutrition risk was necessary for eligibility and was to be determined by health professionals (U.S. General Accounting Office, 1979). USDA took little action and in 1973 a Federal court judge ordered the agency to implement the program. A USDA task force was established to design the operat-

<sup>16</sup>The commissary in this program was stocked with USDA commodity foods.

<sup>17</sup>In 1994, P.L. 103-448 changed WIC's name to the Special Supplemental *Nutrition* Program for Women, Infants, and Children.

ing guidelines and develop regulations for the program (USDA, 1999c). During this time, legislation (P.L. 93-150) was enacted that authorized federally recognized Indian tribes to act as their own WIC State agencies. Originally, WIC was set up to provide supplemental foods to children up to age 4 and excluded nonbreast-feeding postpartum women. Over 2 years after the legislation that established the WIC Program was enacted, the first WIC site officially opened in Pineville, KY, on January 15, 1974. By the end of the year, WIC was operating in 45 States.

On October 7, 1975, P.L. 94-105 established WIC as a permanent program. The legislation stated, “Congress finds that substantial numbers of pregnant women, infants and young children are at special risk in respect to their physical and mental health by reason of poor or inadequate nutrition or health care, or both. It is, therefore, the purpose of the program authorized by this section to provide supplemental nutritious food as an adjunct to good health during such critical times of growth and development in order to prevent the occurrence of health problems.” Categorical eligibility was extended to nonbreastfeeding women (up to 6 months postpartum) and children up to 5 years of age.<sup>18</sup> Eligibility was limited to persons at nutrition risk and with inadequate income (however, what constituted inadequate income was not defined). Supplemental foods were defined as foods containing nutrients known to be lacking in the diets of populations at nutrition risk, in particular foods containing high quality protein, iron, calcium, vitamin A, and vitamin C. The program was designed to supplement food stamps, and as a result, participation in the Food Stamp Program did not preclude a person from participating in WIC.<sup>19</sup> The legislation required that the program was to begin in areas most in need of special supplemental food, and allowed costs for nutrition education as administrative expenses.

In 1978, P.L. 95-627 defined nutrition risk and established income eligibility standards that were linked to the income standards prescribed for free and reduced-

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<sup>18</sup>It has been suggested that Congress established the age limit at 5 years as a bridge between WIC and other child nutrition programs that begin when the child enters school (U.S. General Accounting Office, 1985).

<sup>19</sup>However, participation in the Commodity Supplemental Food Program disqualifies a person from participating in the WIC program.

price school meals.<sup>20</sup> The legislation required that nutrition education be provided to all program participants (or their parents or caretakers) and that not less than one-sixth of administrative funds be used for nutrition education activities. The Act also redefined supplemental foods as foods containing nutrients determined by nutrition research to be lacking in the diets of the target population, as prescribed by the Secretary of Agriculture. The Secretary (“to the degree possible”) was also to assure that the fat, sugar, and salt content of the foods prescribed by WIC were appropriate. The Act also established the link between WIC and the third component of its benefit package—referrals to health and other services—by requiring that WIC State agencies describe their plans to coordinate WIC operations with special counseling services such as family planning, immunization, child abuse counseling, and alcohol and drug abuse prevention counseling.

Over time a number of other legislative acts have affected the WIC program (table 3). Among the most important was one requiring WIC State agencies to implement cost-containment practices. In the mid-1980s, infant formula accounted for nearly 40 percent of total WIC food costs and infant formula retail prices were rising more quickly than prices for other foods. These factors led several WIC State agencies to look into cost-containment practices to reduce infant formula costs. In 1987, Tennessee became the first State with a retail food delivery system to implement a rebate system to control costs associated with infant formula. It used competitive bidding to award a contract to a manufacturer of infant formula for the exclusive right to provide its product to WIC participants in the State in exchange for a rebate on the formula. P.L. 101-147, enacted in 1989, required that all WIC State agencies enter into cost-containment contracts for the purchase of infant formula used in WIC. Funding for WIC is fixed by congressional appropriations. Therefore, cost-containment practices allow the program to serve more participants. Since the establishment of the infant formula rebate system, rebates have increased dramatically over time (fig. 1).

This same 1989 act also established adjunct income eligibility for Food Stamp, Medicaid, and AFDC participants. This was intended to simplify the WIC appli-

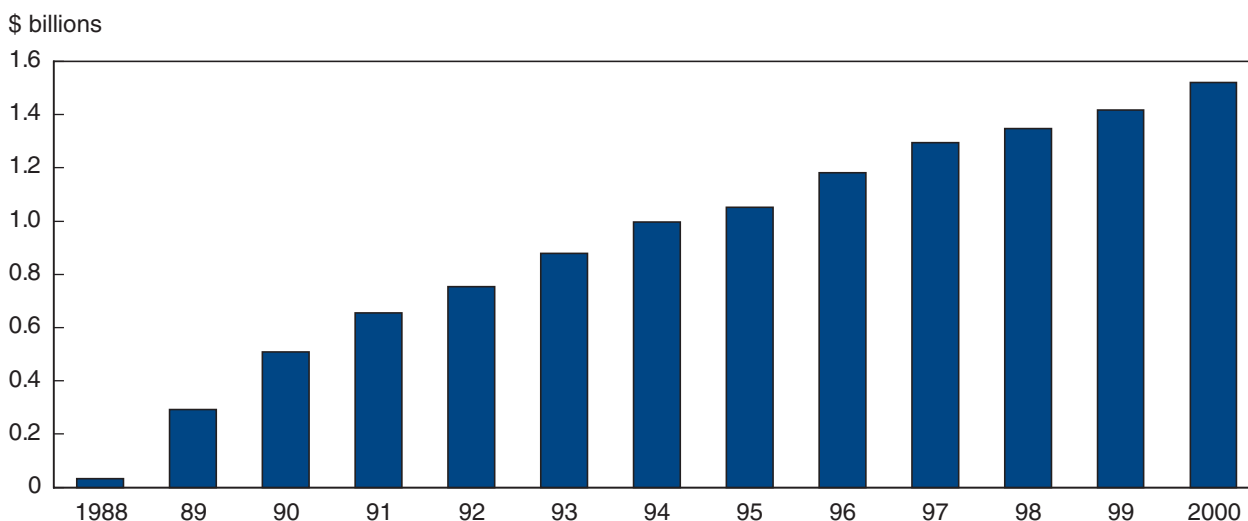
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<sup>20</sup>The current guideline for reduced-price school meals is household income at or below 185 percent of the U.S. Poverty Income Guidelines.

**Table 3—WIC timeline**

- 1972—Legislation created the Special Supplemental Food Program for Women, Infants, and Children (WIC) as a 2-year pilot project (P.L. 92-433).
- 1974—The first WIC site officially opened in Pineville, KY.
- 1975—Legislation established WIC as a permanent national health and nutrition program (P.L. 94-105).
- 1978—The Child Nutrition Amendments of 1978 (P.L. 95-627) established a national income standard for program eligibility based on income standards prescribed for reduced-price school lunches. The standards in 1978 were that a household's income had to be 195 percent of the Federal poverty guidelines or lower. The Act also strengthened WIC's nutrition education component by requiring that nutrition education be provided to all program participants.
- 1979—The WIC Nutritional Risk Priority System was established.
- 1980—USDA set a maximum level of 6 grams of sugar per dry ounce for adult cereals in the WIC food package rule.
- 1981—The maximum income level for reduced-price lunches was lowered to 185 percent of the Federal poverty guidelines. Since the WIC income eligibility standard was tied to the eligibility standard of the National School Lunch Program, the maximum income level for WIC was also lowered to 185 percent of poverty.
- 1986—Tennessee became the first State to implement an infant formula rebate program.
- 1988—The Hunger Prevention Act of 1988 (P.L. 100-435) provided grants in up to 10 States to conduct Farmers' Market Demonstration Projects.
- 1989—The Child Nutrition and WIC Reauthorization Act of 1989 (P.L. 101-147) required WIC agencies with retail food distribution systems to use competitive bidding to procure infant formula unless another cost-containment approach yielded equal or greater savings. The Act established adjunct income eligibility for Food Stamp, Medicaid, and Aid to Families with Dependent Children (AFDC) recipients. The Act also required that USDA promote breastfeeding.
- 1992—The WIC Farmers' Market Nutrition Act of 1992 (P.L. 102-314) established the WIC Farmers' Market Nutrition Program.
- 1992—An enhanced WIC food package (food package VII) was established for women who exclusively breastfeed their infants, to encourage breastfeeding among WIC mothers (*Federal Register*, November 27, 1992).
- 1994—The Healthy Meals for Healthy Americans Act of 1994 (P.L. 103-448) changed the name of the program to the Special Supplemental Nutrition Program for Women, Infants, and Children to emphasize its role as a nutrition program.
- 1997—USDA kicked off the National Breastfeeding Promotion Campaign to encourage WIC participants to begin and continue breastfeeding.
- 1998—The William F. Goodling Child Nutrition Reauthorization Act of 1998 (P.L. 105-336) required at certification that, except in limited circumstances, all applicants for WIC certification must be physically present, document their income, and present proof of residency.
- 1999—WIC State agencies are required to use WIC nutritional risk from a national list established for use in the WIC program. States are not required to use all of the nutritional risk criteria on the list.

Figure 1  
**Infant formula rebates, fiscal years 1988-2000**



Source: USDA, Food and Nutrition Service, Office of Analysis, Nutrition, and Evaluation.

cation process since, at that time, the income eligibility criteria for these other programs were lower than those for WIC.<sup>21</sup> This provision also had the effect of increasing the coordination between WIC and other social service programs (Bartlett et al., 2000). Through the provision of onsite health services or referrals to other health-care and social-service providers, WIC has become an important source for an array of health and social services and has “evolved from being an adjunct to maternal and child health services to becoming the gateway program through which many low-income households enter the public health system” (Macro International, 1995).

The late 1980s also saw the beginning of an increased emphasis on breastfeeding promotion and support in WIC.<sup>22</sup> Concern about the low rates of breastfeeding among WIC mothers prompted Congress in 1989 to mandate that \$8 million be targeted for breastfeeding promotion support activities in WIC and allow the use of administrative funds for the purchase of breastfeeding aids by WIC agencies as part of P.L. 101-147 (U.S. General Accounting Office, 1993). A Breastfeeding Promotion Consortium was established in 1990 to exchange ideas on how the Federal Government and private health organizations can collaboratively promote breastfeeding to WIC participants and the general public as the optimal form of infant feeding. A 1991 Act (P.L. 102-342) required that the Secretary of Agriculture establish a breastfeeding promotion program to promote breastfeeding as the best method of infant nutrition and to foster wider public acceptance of breastfeeding in this country. In 1992, USDA established an enhanced WIC food package (food package VII, see table 1) for breastfeeding mothers whose infants do not receive WIC infant formula. In 1994, P.L. 103-448 required WIC to spend at least \$21 (to be adjusted for inflation annually) for breastfeeding promotion on every pregnant or breastfeeding woman participating in the program.

In 1989, P.L. 100-435 established a Farmers’ Market Coupon Demonstration Project in which 3-year grants

<sup>21</sup>Eligibility rules and practices in some States now enable persons with incomes above 185 percent of poverty to enroll in Medicaid and therefore be income eligible for WIC (Lewis and Ellwood, 1998).

<sup>22</sup>Although breastfeeding was always of some concern in the WIC program, the level of concern grew as the program grew because of the increasing number of women being served and the WIC’s growing share of the infant formula market (Schwartz et al., 1992).

were awarded in 10 States to create demonstration projects designed to provide WIC participants with coupons that could be exchanged for fresh, unprepared foods at farmers’ markets. Largely as a result of the success of these demonstration projects, P.L. 102-314 in 1992 permanently established the WIC Farmers’ Market Nutrition Program. Because of limited funding, the WIC Farmers’ Market Nutrition Program is only available in some geographical areas. Participants in the program receive \$10-\$20 (States may provide more) worth of coupons per year to be spent at approved farmers’ markets (a set of vouchers can be provided to a household or to an individual). The foods purchased must be fresh, nutritious, unprepared foods (fruits and vegetables).

In recent years, as the potential for loss through the misuse of program funds and violations of program regulations increased as WIC expanded, legislative and regulatory actions have been enacted to strengthen integrity in the program. For example, the 1998 William F. Goodling Child Nutrition Reauthorization Act (P.L. 105-336) required that WIC applicants at certification, except in limited circumstances, must be physically present, document their income if they were not adjunctively income-eligible based on enrollment in certain other programs, and provide proof of residency (to prevent dual participation).<sup>23</sup> The Act also requires WIC State agencies to permanently disqualify from the program those WIC vendors convicted of trafficking in food instruments (i.e., accepting food instruments for cash).

In 1999, the WIC program standardized nutrition risk criteria for program eligibility and assigning individual priority levels (the priority system was designed to ensure that in the event that program funds were not sufficient to serve all eligible persons, WIC benefits would be provided to those most in need). Prior to April 1, 1999, each WIC State agency developed its own nutrition risk criteria, subject to broad Federal parameters.

As of April 1, 1999, however, WIC State agencies are required to use consistently defined nutrition risk criteria selected from a list of nearly 100 risk factors established specifically for use in the WIC program and

<sup>23</sup>Dual participation refers to simultaneous participation in the WIC and Commodity Supplemental Food Program as well as to participation in more than one local WIC program at the same time.



issued by FNS (USDA, 1998).<sup>24</sup> State agencies may choose to use some or all of the nutrition risk criteria on the national list; however, at least one of those nutrition risks must be documented to be eligible for WIC and the risk factor(s) must be used as defined by FNS.

## Trends in Participation

In the quarter century since WIC's formal inception, the number of program participants has expanded dramatically. From an average of 88,000 participants per month in 1974, the program grew to an average of 1.9 million in 1980, 4.5 million in 1990, and peaked at 7.41 million in 1997 (fig. 2). This increase in the number of participants was largely the result of increased congressional funding as well as cost-containment measures, especially infant formula rebates. The increase in congressional funding was stimulated in part by favorable evaluations of the program that showed WIC to be a successful and cost-effective program.

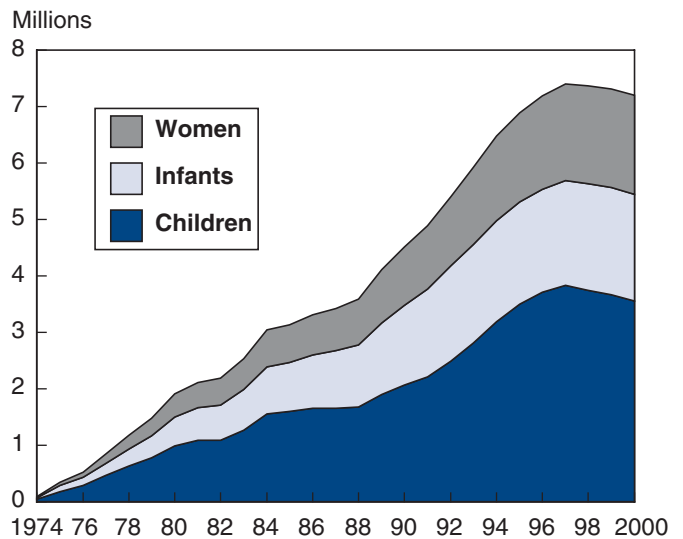
Between 1988 and 1997, participation in WIC grew by 106 percent. Children made up the fastest growing group of WIC participants during this period, increasing by 128 percent compared with 110 percent for women, and 70 percent for infants. Since a large proportion of the higher priority pregnant women and infants already participated in WIC, the program's expansion during this period allowed the program to serve more lower priority children.

WIC's long period of uninterrupted growth in participation ended in fiscal 1998, as the number of WIC participants dropped slightly (less than 1 percent), the first decrease in participation since the program began

<sup>24</sup>Concerned about the variation in criteria used to determine nutritional risk eligibility among WIC State agencies, Congress in 1989 (P.L. 101-147) directed USDA to conduct a review of risk criteria (USDA, 1998). In 1993, USDA awarded a grant to the Institute of Medicine (IOM) to conduct a comprehensive independent review of the nutritional risk criteria in use at that time. Following the publication of the IOM report in 1996, a joint National Association of WIC Directors (NAWD)/FNS workgroup called the Risk Identification and Selection Collaborative (RISC) was formed to review each of the criteria addressed by IOM. In 1998, FNS issued the list of the national nutrition risk criteria.

Figure 2

### Average number of WIC participants per month, fiscal years 1974-2000



Source: USDA, 1999a; USDA, 1999d; USDA, 2001c.

in 1974. This decline was followed by additional small decreases in fiscal 1999 and fiscal 2000. Although program appropriations in real terms were relatively flat or declining during this period, economic conditions may also have influenced this result. The decrease in the total number of participants in the last 3 years was concentrated mostly among children and may be a reflection of the Nation's favorable economic conditions that decreased the demand for food assistance (mothers of older children may be better able than pregnant women and women with infants to take advantage of the increased job opportunities and higher wages resulting from economic growth).<sup>25</sup>

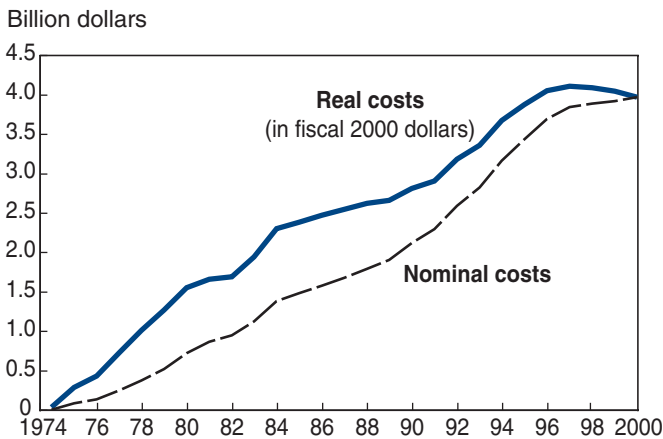
<sup>25</sup>Another possible reason for the decrease in participation is the implementation of residency and income documentation requirements in 1998. The new requirements might have discouraged persons who lacked such proof from applying (i.e., those who are attempting to commit fraud). At the same time, illegal immigrants (who are eligible for WIC) may find it impossible to supply such documentation. Furthermore, the 1996 welfare reform legislation outlawed food stamp benefits for legal immigrants (benefits were restored to a limited number of legal immigrants in 1998) and limited the number of legal immigrants eligible for AFDC/TANF. These changes likely led to confusion over what government benefits legal immigrants could apply for. Therefore, legal immigrants might be less likely to apply for WIC and some food stamp and AFDC/TANF caseworkers may have stopped referring them to WIC.

## Trends in Program Costs

Mirroring the increase in participation, costs of the WIC program to the Federal Government also increased dramatically over time. Total WIC costs increased from \$10.4 million in fiscal 1974 to almost \$3.9 billion in fiscal 2000 (fig. 3).<sup>26</sup> Even after adjusting for inflation, WIC costs (in 2000 dollars) increased each year from fiscal 1974 to fiscal 1997. The increase in total program costs was due largely to the increase in the number of participants served by the program as the average cost of the monthly per person WIC food

<sup>26</sup>Total WIC costs include food costs, administrative costs, as well as cost related to program evaluation, the Farmers' Market Nutrition Program, and special projects. Food costs totaled \$2.8 billion in fiscal 1999, or about 73 percent of the total cost of the WIC program (USDA, 1999d).

Figure 3  
**Real and nominal WIC program costs, fiscal years 1974-2000**

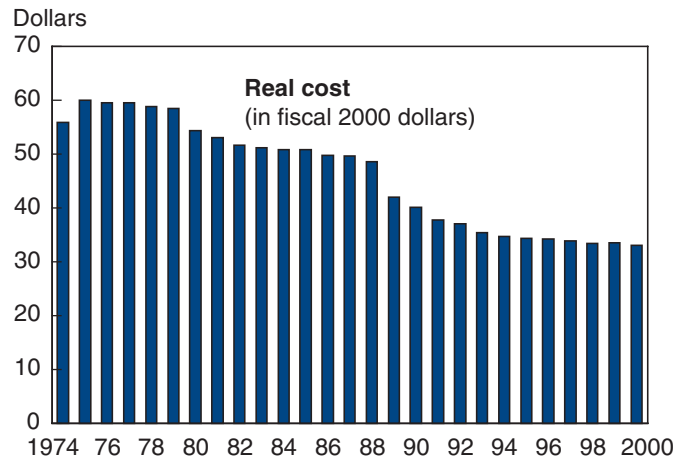


Note: Real costs were estimated using the Consumer Price Index for All Urban Consumers (CPI-U).  
Source: USDA, 1999a; USDA, 1999d; USDA, 2001c.

package decreased during this period (fig. 4). In real terms (in 2000 dollars, after adjusting for inflation), the average monthly cost per person of the WIC food package decreased from almost \$60 in the mid-1970s to \$33 in 2000, attesting to the effectiveness of the program's cost-containment measures that WIC State agencies began to initiate during the late 1980s.

Since WIC is a discretionary program, its funding is determined by annual appropriations law. As the program has approached full participation in recent years (whereby every eligible person who applies for WIC is accepted into the program), annual appropriations have leveled off. As a result, real total program costs have actually decreased slightly in each of the past 3 years.

Figure 4  
**Average real cost of the per person WIC food package, fiscal years 1974-2000**



Note: Real costs were estimated using the Consumer Price Index for All Urban Consumers (CPI-U).  
Source: USDA, 1999a; USDA, 1999d; USDA, 2001c.