



# State of Louisiana

Louisiana Department of Health  
Office of Public Health

**October 13, 2021**

**TO:** Louisiana Special Supplemental Nutrition Program for Women, Infants, and Children (LA WIC) Vendors

**FROM:** LA WIC

**RE:** **LA WIC Vendor - Peer Group System Updates for Federal Fiscal Year 2022**

Dear LA WIC Vendor,

The Louisiana WIC Program (LA WIC) recently updated its Peer Group, Competitive Price Criteria (CPC) and Maximum Allowable Reimbursement Level (MARL) policies for Federal Fiscal Year 2022.

In order to comply with federal regulations at 7 CFR §246.12 and your Vendor Agreement, LA WIC is obligated to establish Competitive Price Criteria for each Vendor Peer Group. LA WIC is also required to apply limits on the amount of reimbursement allowed for WIC Approved Food Items based on a Vendor's Peer Group and price competitiveness.

LA WIC's updated Vendor Peer Group system is as follows:

<b>Peer Group</b>	<b>Business Model</b>	<b>Description</b>
1	Independent or Local Grocery	Vendor that operates only within Louisiana and primarily purchases from 3rd party suppliers.
2	Regional Grocery	Vendor that operates within Louisiana and one or more additional states and primarily purchases from 3rd party suppliers. Plus military commissaries.
3	National Grocery	Vendor that operates within Louisiana and one or more additional states, primarily sells groceries, and primarily purchases from its own corporate supplier.

<b>Peer Group</b>	<b>Business Model</b>	<b>Description</b>
4	Mass Merchandiser	Vendor that operates within Louisiana and most or all states, sells a wide variety of merchandise in addition to groceries, and primarily purchases from its own corporate supplier.
5		Reserved
6	A50	Vendor that derives more than fifty percent (50%) of their annual food sales revenue from WIC Transactions and new Vendor applicants expected to meet this criterion under guidelines approved by FNS

Beginning on **November 1, 2021**, LA WIC will place Vendors into their new corresponding Peer Group. Stores will receive additional correspondence from LA WIC that includes Peer Group placement.

Beginning on **November 1, 2021**, Competitive Price Criteria (CPC) will be assessed for all Vendors within their new Peer Group assignment. Vendors must price their WIC Approved Food Items competitively compared to other Vendors in their new Peer Group.

LA WIC will continue to make price adjustments on WIC Approved Food Items at the subcategory level, to ensure no WIC Approved Food Item is paid above a reasonable level (MARL).

A copy of this memo has been added to the LA WIC Vendor Guide. If you should have any questions, please feel free to contact us at (225) 342-0725 or at [LAWICVendor@la.gov](mailto:LAWICVendor@la.gov).

Sincerely,

LA WIC Vendor Operations Unit

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