

From: [MDHHS-WICVendor](#)
Subject: WIC Vendor Notice: Updated Peer Group Assignments
Date: Thursday, April 15, 2021 10:06:00 AM

Dear Vendor,

Vendor peer group systems are a key aspect of State WIC Vendor management efforts and provide the foundation for many of our cost containment efforts. Under federal regulations governing the Michigan WIC Program, the State agency is required to monitor authorized WIC Vendors to assure they are maintaining competitive prices and consistently meeting WIC Vendor Contract requirements. Federal regulations require State agencies to measure the effectiveness of their peer grouping system at least every three years.

The Michigan WIC Program has conducted extensive analysis and evaluation over the past two years to develop an effective peer grouping system. This system will assist authorized WIC Vendors in maintaining competitive pricing and meeting their WIC Vendor Contract requirements.

Vendors have been grouped using the following criteria: Vendor type, number of registers, and whether the Vendor is a chain. This restructuring plan reduces the number of peer groups from nineteen (19) to seven (7) and revises the Maximum Price calculation to reflect a competitive average based on peer group assignment. As a result of implementing the new peer grouping structure and cost containment strategy, Vendors may notice differences in their WIC reimbursements.

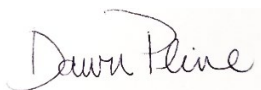
Please note that the WIC Vendor Team will be monitoring this new grouping of Vendors over the next few months to ensure that they have been placed into the appropriate peer group. You have been assigned the following peer group:

Varies by recipient of the original email notice

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Please direct any questions you may have regarding this matter to the Vendor Relations Unit at MDHHS-WICVendor@michigan.gov or 517-335-8937.

Sincerely,



Dawn Pline, Manager
Vendor Relations Unit

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