



September 22, 2021

Vendor News Flash

New Peer Grouping Methodology for Traditional WIC (TWIC) Vendors

Beginning January 2022, the Texas WIC Program will implement the new USDA-approved Peer Grouping Methodology. As discussed in previous Vendor Quarterly Webinars, the new Peer Grouping Methodology will consist of seven unique groups instead of the previous 18. Texas WIC will begin the preparation phase now to allow vendors time to adjust to the new changes over the next few months.

Texas WIC is required to implement Peer Grouping to control costs by grouping vendors based on price regions and sales volume bands.

Summary of Changes to TWIC Peer Grouping Method

- [Price regions](#) will change according to the chart below

New Price Region	Current Price Region
001	001, 002, 003, 005, 006, 011, 014, 016
004	004
007	007, 008, 012, 015
009	009
010	010, 013
996	996
997	997

- Military Commissaries (Price Region 997) will no longer be separated by Sales Volume Bands. No change to Sales Volume Bands for all other accounts.
- No change to Predominantly WIC (PWIC) accounts.

This institution is an equal opportunity provider.



Preparation Phase: August through December 2021

- The current Monthly Peer Group Assignment email will be updated to include a new field notifying each vendor what the proposed Peer Group would be under the new methodology for each specified month.
- Monthly Price Region Averages for the current and new Peer Groups will be posted on our website under the [Cost Containment for EBT](#). This contains the group average as well as the 125% amounts for Maximum Allowable Reimbursement (MAR).
- Texas WIC will email notices of non-competitive pricing to any vendor exceeding the 110% threshold under the new Peer Grouping Methodology. These notices will be for informational purposes during the preparation phase and allow for any technical assistance if needed.

Texas WIC is ready to assist our vendor partners. Should you have any questions regarding this Vendor News Flash, please contact the Vendor Management Unit's Compliance Oversight Branch at WICCostContainment@hhs.texas.gov or 1-800-252-9629. Find more WIC vendor resources on our website at bit.ly/TexasWICVendors.