

Vendor Peer Group Criteria

Policy No. VM-100.04

Effective Date: October 1, 2016

No. of Pages: 3

Policy

The Georgia WIC Program must establish a vendor peer group system using at least two criteria, one of which must be a measure of geography, such as metropolitan or other statistical areas that form distinct labor and product markets, unless the state agency receives a waiver from the USDA’s Food and Nutrition Services (FNS).

Purpose

Federal regulation defines a vendor peer group system as a classification of authorized vendors into groups based on common characteristics or criteria that affect food prices, for the purpose of applying appropriate competitive price criteria to vendors at authorization.

The Georgia WIC Program must inform all vendors of the criteria for peer group, and must inform each individual vendor of its peer group assignment.

Procedures

- I. Authorized vendors are classified into seven different peer groups based on square footage of the store (excluding administrative and storage space), the number of store locations, and assessment findings.
- II. Authorized vendors identified as having derived more than fifty (50) percent of their annual food sales revenue from WIC food instruments will not remain active in the program unless denial of authorization for that applicant or vendor would result in inadequate participant access. If denial of authorization for an applicant would result in inadequate participant access, the applicant is authorized and moved to Peer Group G. For more information see [Application for Vendor Authorization](#). If denial of authorization for an active vendor would result in inadequate participant access, the vendor is moved to Peer Group G.

Peer Group	Type	Description
A	Small	3,000 to 10,000 square feet of continuous retail space open to the public, excluding administrative and storage space.
B	Medium	10,001 to 15,000 square feet
C	Chain	20 or more locations in operation

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D	Large Independent	15,001 or more square feet and less than 20 locations
E	Military Commissary	Located on Military Bases serving military personnel only
F	Pharmacy	Pharmacy – Redeem exempt and/or special infant formulas only including medical foods. No contract formula stated infant formula or other standard WIC foods are allowed for this peer group. Vendors must be licensed by and in good standing with Georgia State Board of Pharmacies.
G	Above 50%	Vendors and applicants found to be an actual above fifty (50) % vendor where denial of authorization for that applicant or vendor would result in inadequate participant access.
Note:	Above 50%	Applicants identified as actual or potential above fifty percent (A-50) vendors at application will not be authorized. Vendors assessed as A-50 during the first six-month assessment, during the annual assessment or at re-authorization will be terminated from the program. Pharmacies and military commissaries are exempt from this assessment.

Authority

7 C.F.R. § 246.12(g)(4)
7 C.F.R. § 246.2

Definitions/Supporting Information

- VMCC 0002 Cost Containment
- VM-100.03 Above 50% Vendor Assessment
- VM-100.01 Vendor Application and Authorization Process
- VM-100.07 Termination of Vendor Agreement

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