



State of New Jersey
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 Commissioner

DATE: January 14, 2025
TO: New Jersey WIC Authorized Vendors
FROM: Johanna Garcia, Vendor Manager *JG*
Reply to
Attention of: NJWIC #025-010
SUBJECT: Peer Group Structure and NTE and MARL Changes

Dear New Jersey WIC Authorized Vendors,

The New Jersey Department of Health, Special Supplemental Nutrition Program for Women, Infants and Children (WIC) Program will be implementing changes to the following procedures effective February 2025:

- The calculation of the Not to Exceed (NTE) /Maximum Allowable Reimbursement Level (MARL), which is a cost containment methodology to limit the prices charged by vendors for WIC food items.
- Peer Group Structure – Peer groups are a subset of approved vendors of similar characteristics (geographic location and total number of cash registers). A Peer Group System is designed for the purpose of applying appropriate competitive price criteria to Vendors at initial authorization and throughout the authorization period. (Att. 1.34A)
- NTE/MARL sanctions and trainings under a Corrective Action Plan (CAP). A CAP is a document to accomplish targeted outcomes for a resolution of undesirable actions. It is a step-by-step plan that’s put in place to address specific issues or errors in the operation of WIC business. Vendors will receive a CAP notification, if applicable.
- The State Agency will share Peer Group Price Averages on the [DOH Vendor webpage](#) on a quarterly bases, beginning March 2025.

These changes may affect your store.

Federal Regulations require the New Jersey Department of Health, Special Supplemental Nutrition Program for Women, Infants and Children (WIC) Program to establish and enforce the following requirements:

7 CFR 246.12(g)(1) General. The State agency must authorize an appropriate number and distribution of vendors in order to ensure the lowest practicable food prices consistent with adequate participant access to supplemental foods and to ensure effective State agency management, oversight, and review of its authorized vendors.

7 CFR 246.12(g)(4)(iii) Subsequent price increases. The State agency must establish procedures to ensure that a vendor selected for participation in the program does not, subsequent to selection, increase prices to levels that would make the vendor ineligible for authorization.

Should you have questions, please contact a State Agency Vendor Unit Representative at NJ.WICVENDOR@doh.nj.gov.

Description of Vendor Peer Group System				
Vendor Peer Groups		Region		
Store Type	Description (e.g., small stores, supermarkets, chain stores)	North	Central	South
1	Large/Chain Stores: Corporations which own 10 or more stores, or owner of 1 or more stores with 3 or more registers. This also includes online fulfillment centers and commissaries.	PG 1	PG 2	PG 3
2	Nutritional Specialty Stores: stores may be of any size, but specialize in serving individuals with specific dietary requirements. This includes Kosher and Halal stores. (Regional classifications are not applicable for these stores)	PG 5		
3	Small Independent Stores: Owner of 1 or more stores; each has 1-2 cash registers.	PG 7	PG 8	PG 9
4	Pharmacy* - Only Exempt Infant Formula/Nutritionals: This entity operates as a Statewide distribution center to ensure WIC participants have access to supplemental foods (i.e., only exempt infant formula/nutritionals). Regional classifications are not applicable.	PG 11		
5	eWIC Farmers Redeeming CVB only / Farmers Market Redeeming Farmers Market Nutrition Program (FMNP) benefits: Farmer is defined as an individual that sells eligible produce to WIC and senior participants and have five acres or more of land that grows food for human consumption. Individuals who exclusively sell produce grown by someone else, such as wholesale distributors, cannot be authorized or be an enrollee. Farmers Market is defined as an association of local Farmers and/or Growers authorized by New Jersey Department of Health (NJDOH) who assemble at a defined location for selling their produce directly to consumers.	PG 16	PG 17	PG 18

*Direct Distribution – CAP of Lancaster