

Peer Review Plan

Preliminary Title: Cost Implications of Participant Product Selection in the Women, Infants and Children Program

Type of Report (ERR, EIB, EB, TB, SOR,) ERR

Agency: Economic Research Service [X] Influential Scientific Information
USDA [] Highly Influential Scientific Assessment

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Subject of Review: The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is the third largest food assistance program in the United States. Because WIC participants receive WIC foods free of charge, they lack an explicit incentive to minimize food costs by shopping at low-cost WIC-authorized vendors or selecting less expensive products, brands, or packages at a given food retailer. Thus, each WIC State agency faces the challenge of controlling program costs, while simultaneously maintaining participant satisfaction by providing options to participants when shopping for WIC foods. WIC State agencies seek to strike this balance in a multitude of ways. One of the most common cost-containment tools is to require participants to purchase the least expensive brand (LEB) of a WIC-authorized product in certain food categories. Little is presently known about the cost implications associated with WIC participants choosing expensive brands, products, and package sizes. This study is the first to estimate the potential cost savings associated with limiting participant choice through implementation of LEB policies. We use administrative data on WIC transactions from California to estimate the potential cost savings associated with LEB policies for the most frequently redeemed food instruments and extrapolate these savings to the State level for a period of more than two years. Estimated savings associated with LEB policy implementation in California range from \$16.1 to \$30.5 million annually.

Purpose of Review: The purpose of the review is to ensure the high-quality of the economic analysis, transparent explanation of methods, objective interpretation of results, and effective communication to the intended audience.

Type of Review: [] Panel Review [X] Individual Reviewers
[] Alternative Process (Briefly Explain):

Timing of Review (Est.): Start: 2/8/2019 Completed: XX/XX/19 Withdrawn: XX/XX/19

Number of Reviewers: [] 3 or fewer [x] 4 to 10 [] More than 10

Primary Disciplines/Types of Expertise Needed for Review: Economists

Reviewers selected by: [X] Agency [] Designated Outside Organization
Organization's Name:

Opportunities for Public Comment? [] Yes [X] No

If yes, briefly state how and when these opportunities will be provided:

How:

When:

Peer Reviewers Provided with Public Comments? [] Yes [X] No

Public Nominations Requested for Review Panel? [] Yes [X] No