



Press Release

2022 Access to Baby Formula Act: Final Rule Misses the Mark

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On December 14, 2023, the Food and Nutrition Service (FNS) released a final rule to implement the Access to Baby Formula Act of 2022, a law that requires contracted manufacturers to continue to pay rebates on their formulas in the event of a product recall. In a new insight, Director of Health Care Policy Laura Hobbs considers the shortcomings of the FNS final rule.

Key points:

- The current state infant formula contract model provides the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) with approximately \$1.5 billion in manufacturer rebates in 2022, and only a few domestic baby formula manufacturers operate to supply about 98 percent of all formula.
- Therefore, increased regulatory liability during a potential formula recall could create additional risk for a single manufacturer.
- Policymakers should consider if the FNS final rule will further limit manufacturer competition within an already consolidated market with a poor food safety record without expanding beneficiary choice in WIC.

[Read the analysis](#)