# **Infant Formula Shortage**

## Situation Overview and Resources for Families



### **Supply Overview**

As of mid-May, U.S. stores stocked about 43 percent less baby formula than usual. For many families, baby formula is a necessity. Some babies cannot drink breast milk — or enough of it to stay healthy — while many lower-income mothers work hourly jobs that do not provide time to breastfeed. The current formula shortage is being driven partially by pandemic-related supply chain challenges affecting a host of products as well as the closure of an Abbott formula plant in Michigan. About 90 percent of the infant formula supply in the United States is produced by four companies. Abbott is the largest, with roughly 40 percent of the market. The company shut the factory after four babies — all of whom had drunk formula made there — contracted a rare bacterial infection. The plant closure was coupled with a major formula recall in February that has decreased inventory. FDA just came to an agreement with the factory to resume production.

### **Imports**

The U.S. normally produces 98 percent of the infant formula it consumes. Many formulas sold in Europe exceed the FDA's nutritional standards, but they are banned from being sold here, often because of technicalities like labeling. Given the production and distribution issues leading to local short supplies of infant formula, the FDA is announcing specific new steps it is taking concerning importing certain infant formula products from abroad.

### **Price Gouging**

There have been <u>several reports</u> that actors are purchasing formula at retail stores and reselling it online at a markup several times the retail price, especially specialty brands of formula that have experienced the most disruption. These actions not only are costing families hundreds of dollars for formula they need, but drive scarcity on the market. The White House has called on the FTC and the DOJ is working with state attorneys general to crack down on any price gouging or unfair market practices related to the sale of infant formula.

#### **Purchase Limits**

Many major U.S. retailers are <u>limiting</u> the quantify of formula that may be purchased, including Costco, CVS, Kroger, Target, and Walgreens.

#### Illinois WIC

The contract brand for WIC in Illinois is Mead Johnson, which is not the formula that was recalled. Reports are that very few calls about formula shortages are coming from Chicago and that Chicago Food and Nutrition Centers are well stocked.

#### **Resources for Illinois Families**

- The Illinois Department of Human Services (IDHS) has trained caseworkers to assist families with formula questions through the IDHS Help Line at **1-800-843-6154**.
  - The Help Line is designed for WIC and Supplemental Nutrition Assistance
    Program (SNAP) customers primarily but is open to all residents of Illinois.
  - WIC families may also contact their local WIC clinic for help finding the items they need.
- Families struggling to find the formula they need should also contact their pediatrician. Physician offices are able to receive formula supplies directly from Abbott and may have some in stock for emergency situations, especially for families that use special formulas.
- Families should not buy more than they need for a few days. The formula supply cannot stabilize if everyone buys all product off the shelf.
- Pregnant women should consider breastfeeding as an option that puts them in greater control of supply, though recognizing that breastfeeding is not a viable option for all families.
- American Academy of Pediatrics has a broad overview of tips for parents and IDHS has a resource page on their website
- Here are some topic specific resources:
  - Families should not water down formula <u>read more here</u>.
  - American Academy of Pediatrics addresses the <u>safety of homemade baby</u> formula here.
  - This flyer provides information about finding similar alternatives if Abbott Similac formula is out of stock.