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## House Energy and Commerce Committee Subcommittee on Health

Hearing on: "Strengthening Domestic Manufacturing and the Health Supply Chain"

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Thank you Chairman Carter and Ranking Member Degette. I am pleased to have this opportunity to testify before you today on the need to strengthen domestic manufacturing and the public health and medical supply chain.

I served in the previous administration as the Assistant Secretary for Preparedness and Response leading the Administration for Strategic Preparedness and Response (ASPR). My job was to help the country prepare for, respond to, and recover from public health emergencies and disasters. Much of this work focused on making sure the country had the tools it needed to respond to whatever emergency was at hand. As a result, having a resilient public health and medical supply chain was always a concern of mine, but over the last four years it became a mission.

We must never forget those early days of COVID, when the whole world needed the exact same medical supplies at the exact same time and most of them were manufactured somewhere else. The Strategic National Stockpile had limited stores of usable PPE–having last purchased it 10 years prior during the H1N1 pandemic. The amount of PPE manufactured in the United States was limited—and much of it was manufactured "just in time" with limited surge capacity. As a result, our frontline health care workers were forced to wear garbage bags and use empty soda bottles for PPE—while they waited for new shipments to cross the ocean and work their way through congested ports.

When I began my work at ASPR in 2021, two things were clear: (1) we needed enough supplies in the Strategic National Stockpile (SNS) to get the country through the first 90 days of an

emergency; and (2) we needed a manufacturing base in the United States that could quickly ramp up to meet demand

The first Trump Administration began the work of investing in domestic manufacturing of critical PPE and medical supplies using an assisted acquisitions agreement with the Department of Defense. Over the course of the COVID response, across both the first Trump and Biden Administrations, ASPR invested in the domestic manufacture of masks, gloves, gowns, tests, as well as ancillary equipment such as swabs and vials.

Under my leadership I established ASPR's supply chain office (Center for Industrial Base Management and Supply Chain) to manage our domestic manufacturing efforts; elevated the Strategic National Stockpile to a direct report to me; and restocked its depleted shelves with domestically manufactured supplies whenever possible. As the country emerged from the acute COVID PPE and medical supply shortages, our team expanded its efforts to invest in the domestic manufacturing of active pharmaceutical ingredients and key starting materials for the medicines that are most needed in public health emergencies and disasters.

Expanding the health care manufacturing base in the United States takes time, attention, and a coordinated effort across the government. We ran into several challenges that ASPR and HHS alone could not solve, but required the support and engagement of other parts of the government. For example, some of the companies we invested in were unable to survive the waning demand for PPE that quickly followed the ending of the acute phase of the COVID response. The few levers that the government could pull were either ill timed or did not work. For example, federal

efforts to incentivize the purchase of N95s by hospitals and health systems came too late to make much of a difference in the market. Also, some departments and agencies that needed to purchase PPE chose not to buy domestically and instead sought waivers to purchase imported goods. Finally, after significant consultation with experts, tariffs were announced to push purchasers to buy US manufactured goods but their enactment was delayed to ensure there were enough domestic manufactures online to meet demand.

Despite the challenges we faced, I think we are at a moment of opportunity. The previous two Administrations initiated much of their supply chain work during times of emergency and acute shortage. There is an opportunity now that we are not in a crisis to take a look at what has worked and what has not and consider a comprehensive framework for securing our public health and medical supply chain. This framework should: (1) clearly identify what is in the public health and medical supply chain that needs to be available and ready to use on day one of an emergency to protect our national security; (2) invest in the domestic manufacture or near-shoring of those products; (3) work to ensure there is a market for those products in both peacetime and emergencies through government incentives; thoughtfully applied tariffs; and stockpiles of vendor managed inventory; and (4) build enough capacity that manufacturers can surge production quickly in times of emergency.

Investments made by the federal government in industrial base management should be viewed as leading examples of public-private partnerships. The country receives the benefit of the high quality manufactured supplies in times of emergency. The local community receives the benefit

of an influx of commerce and highly skilled jobs. And the company receives financial backing from the government allowing it to prove its operating plans and test innovative solutions.

Of course managing a program like this requires highly competent federal employees who understand both economics and health care. When I left ASPR on January 20, 2025, we had a small but mighty team in place. It is unclear to me from the outside how many of those team members remain. But I strongly encourage those in the Administration that are making RIF decisions to retain their expertise so the work the country needs done to expand the public health and medical supply chain's industrial base can continue. I also encourage the Department to keep ASPR as its own agency within HHS—for many reasons—but not least of which to make sure this critically important work on the supply chain receives the leadership attention and support it needs.

Ensuring a resilient and secure domestic supply chain is a non-partisan issue. In fact, it is a place, despite deep partisan divisions around public health, where the Biden and first Trump Administrations found agreement. We owe it to our frontline health care workers to make progress on this important issue before the next public health emergency. So they never have to wear garbage bags for PPE again.