



March 11, 2025

The Honorable Jamieson Greer
U.S. Trade Representative
Office of the U.S. Trade Representative
600 17th Street NW
Washington, DC 20508

Re: Comments of the Healthcare Supply Chain Association (HSCA) on USTR Request for Comments on Unfair and Non-Reciprocal Foreign Trade Practices

Dear Ambassador Greer,

On behalf of the Healthcare Supply Chain Association (HSCA), which represents the nation's leading traditional healthcare group purchasing organizations (GPOs), we appreciate the opportunity to provide comments to the U.S. Trade Representative (USTR) on ways to strengthen U.S. trade policy and domestic production. HSCA looks forward to working with the Trump Administration to advance its domestic supply chain goals, particularly as they relate to increasing on-shore manufacturing and to ensuring a consistent supply of critical medical products.

HSCA member GPOs serve as the sourcing and contracting partners to hospitals, long-term care facilities, surgery centers, clinics, and other healthcare providers across the country. Initially formed in the early 1900s, GPOs were designed to drive competition among suppliers, aggregate purchasing volume, and reduce healthcare costs. HSCA recognizes that tariffs and other economic initiatives are designed to encourage investment in the U.S. marketplace and reshoring of overseas investments, with a key associated goal of addressing supply chain inefficiencies. HSCA commends the Administration's efforts to increase domestic capacity in the supply chain, and we are proud that our members are often able to offer customers the opportunity to source necessary products domestically.

GPOs work alongside manufacturers and healthcare providers to increase competition and promote domestic and near-shore manufacturing, which is vital to ensuring access to essential medicines and products. During the COVID-19 pandemic, a number of HSCA member GPOs launched programs to invest in domestic and geographically diverse manufacturers, expanding production capacity and increasing hospital access to critical supplies. GPOs have also helped bring new products to market with U.S. manufacturers through long-term contracting – a key component designed to support manufacturer investment and sustainability.

However, drug and device shortages, emergency events, and other supply chain disruptions continue to place enormous stress on healthcare providers and the communities they serve. For example, in late 2024 severe rainfall due to Hurricane Helene shut down IV fluid production at Baxter International's North Cove facility in North Carolina, rendering several critical parenteral products in shortage. The emergency prompted Baxter and the FDA to designate a number of temporary foreign importation sources to help mitigate the effects of the shortage and maintain stable supply for patients in need, including sources in Europe and Asia.



Events like Hurricane Helene drive home the importance of having a multifaceted approach to sourcing and manufacturing capabilities. Having manufacturing in a variety of locations helps suppliers scale up quickly. Increased redundancy also reduces the risk of bottlenecks and severe disruption in the case of regional events or other manufacturing challenges.

GPOs work to prevent and mitigate shortages of critical medications and healthcare products, including those caused by emergency events as well as manufacturing issues. As the Administration considers imposing additional tariffs, the supply chain will take time to adapt to a shifting economic landscape. Given the natural lag between these policy actions and the targeted outcomes, there will be supply chain gaps – our reliance on foreign sources to satisfy the needs of the healthcare ecosystem will remain in effect until suppliers have time to ramp up domestic manufacturing.

As such, HSCA and its member GPOs urge the USTR to consider potential unintended consequences of any remedies for unfair trade practices on the healthcare supply chain and patient access to care, particularly as they relate to emergency events. We believe it would be helpful to consider establishing an emergency response process for importing medical products in circumstances where domestic sourcing options are unavailable due to emergency events. Ensuring that patients have affordable access to care during a crisis must remain a priority as we work to strengthen domestic manufacturing.

Until the tariffs' intended outcomes are realized, HSCA would be eager to partner with the Administration and USTR as part of a bridge strategy to discuss methods of safeguarding the supply chain against vulnerabilities posed by emergency events. GPOs have a unique line of sight over the entire healthcare supply chain, offering a critical opportunity for us to serve as a resource to your office and to assist with your work.

Thank you again for the opportunity to provide our perspective, and we look forward to working with you to ensure patients and providers can continue to access essential healthcare supplies. At your convenience, we would appreciate the opportunity to meet with you to further discuss how we may be a resource on this issue moving forward. Should your staff want to speak further, I can be reached directly at (202) 629-5835 and aboliver@supplychainassociation.org.

Sincerely,

A handwritten signature in black ink that reads "Angie Boliver". The signature is fluid and cursive, with the first name "Angie" being more prominent than the last name "Boliver".

Angie Boliver
President & CEO
Healthcare Supply Chain Association (HSCA)