

Statement for the Record Matthew J. Rowan President and CEO

Health Industry Distributors Association

On

"Ready or Not: U.S. Public Health Infrastructure"

Before

House Committee on Appropriations February 24, 2021 Thank you for convening the House Committee on Appropriations hearing, "Ready or Not: U.S. Public Health Infrastructure." This hearing is an important step in guaranteeing robust, long-term funding for essential preparedness and response programs within the federal government.

To assist in these efforts, the Health Industry Distributors Association (HIDA) is attaching our white paper, "Building A More Robust Supply Chain: A Public-Private Framework to Create A Pandemic Response Infrastructure," that outlines steps to strengthen our medical products supply chain. We believe the public and private sectors must work together to:

- 1. Make the supply chain more robust, utilizing the nation's 500 commercial distribution centers to forward deploy critical products
- 2. Diversify sourcing
- 3. Expand and support surge manufacturing capacity and
- 4. Prevent development of a fraudulent opportunistic marketplace.

The framework of this strategy was the basis for bipartisan legislation (H.R. 6531 and H.R. 7574) which was passed by the Energy and Commerce Committee and the House last year.

As the trade association representing medical products distributors, HIDA supports full and sustained funding for federal preparedness programs. This includes full funding for the programs and activities within the office of the Assistant Secretary of Preparedness and Response (ASPR) including the Strategic National Stockpile (SNS). This funding is necessary to equip not only the ongoing response to COVID-19, but to support our future pandemic response and public health infrastructure.

Throughout this pandemic, America's medical products distributors have collaborated with the federal government as trusted partners. Every day, our distributors are leveraging their existing infrastructure to reliably deliver essential medical supplies the last mile into the hands of providers. During the first three quarters of 2020, HIDA members distributed more than 90 billion units of pandemic-related supplies – including more than 39 billion units of PPE.

Medical products distributors are a critical component of the country's public health infrastructure. Our nation's more than 200 medical products distribution companies provide logistics expertise essential to handling 650 million orders every year. Our vast distribution network reaches provider locations across all care settings. This includes 6,000 hospitals, 15,600 nursing homes, 28,900 assisted living facilities, 12,200 home health agencies, 267,000 laboratories, and 230,000 physician offices and clinics.

HIDA appreciates the important work being done in your committee, and we look forward to working with you on long-term policy solutions. If you have any questions or need additional information, please reach out to HIDA's Vice President of Government Affairs, Linda Rouse O'Neill at <u>Rouse@HIDA.org</u>.

Thank you for your leadership on these issues.