



**Senate Committee on Homeland Security and Governmental Affairs**  
Evaluating the Federal Government's Procurement and Distribution Strategies in Response  
to the COVID-19 Pandemic

June 9, 2020

10:00 AM, Dirksen Senate Office Building & Video Conference

Purpose

*The purpose of this hearing is to evaluate the federal government's procurement and distribution strategies in response to the COVID-19 pandemic.*

Members Present

Chairman Johnson, Ranking member Peters, Senators Lankford, Hassan, Rosen, Portman, Romney, Harris, Carper, Hawley, Sinema

Witnesses

**The Honorable Peter T. Gaynor.**, Administrator, Federal Emergency Management Agency  
U.S. Department of Homeland Security

**Rear Admiral John Polowczyk.**, Vice Director of Logistics, Joint Chiefs of Staff, U.S.  
Department of Defense

**The Honorable Brett Giroir, M.D.**, Assistant Secretary for Health, U.S. Department of  
Health and Human Services

Opening Statements

**(15:05) Chairman Johnson** said that within days of the first confirmed COVID case in the United States, the administration began taking action. This action came from the oval office as well as many agencies under the executive branch, including FEMA. Since FEMA has been appointed as the agency charged to lead the COVID response, they have taken significant action to protect the American people and secure the medical supply chain. FEMA has employed over 100,000 individuals to respond to the pandemic. Furthermore, the ability to scale up PPE production has been a huge success, and a testament to the collaboration between the private and public sector. It is now time to consider how the Nation can best prepare for a possible resurgence in the fall.

**(23:13) Ranking member Peters** said that missteps taken by the federal government has resulted in too many deaths which could have been prevented. The nation now faces the task of preparing for a second wave of infections in the fall. This pandemic has highlighted long standing health disparities in minority communities. Unfortunately, these communities are usually the last to receive federal or even state support. While many companies are considering opening back up, many still struggle to secure the necessary PPE to return to work safely. It is crucial to have enough PPE so that consumers and sellers can feel confident in reopening safely. Effectively addressing this pandemic must include dramatically scaling up testing and diagnostic capacity. Without adequate testing, it will be impossible to truly understand the scope of the virus.

Testimony

**(28:10) Adm. Giroir** said that the United States is on pace to perform 3 million tests per week. By September, the United States should be able to test 40 – 50 million people per month. Currently, huge investments are being made to increase the testing capacity in small localities. Many of these investments are being made in vulnerable areas. To meet the truly unprecedented demands for testing supplies, HHS secured the global supply chain through a military air bridge. Furthermore, HHS made significant collaborations with the private sector. Finally, utilizing the Defense Production Act remarkably increased domestic production capacity. It is abundantly clear that FEMA is vital to the health of the nation. The partnership between HHS and FEMA has been very productive. The crossover of professionals has made the nation safer.

**(33:30) Hon. Gaynor** said that one life lost is one life too many. FEMA has been working around the clock to respond to this unprecedented global pandemic. FEMA's response has been locally executed and federally supported. The magnitude of this pandemic has forced FEMA to reexamine past practices in order to better support and protect staff. Unfortunately, most PPE is made in Asia, where the spread of infection has slowed manufacturing significantly. FEMA has been charged with the difficult task of managing resource shortages. FEMA has quickly prioritized purchasing PPE on the global market place and infusing it into the American market. Since March 13<sup>th</sup>, FEMA has awarded over 6 billion dollars to states in order to respond to the Pandemic.

**(39:50) Adm. Polowczyk** said that the supply chain stabilization task force was created to address the wide spread equipment shortages in the US. This task force joined forces with the private sector as well as the global market. This task force leverages these relationships to secure the highest quality supplies for US citizens. Creating an air bridge helped to expedite necessary PPE to vital healthcare stakeholders all across the nation. This air bridge cut the transportation time from months, to only a few days. Based on CDC data, distribution of these supplies were given to hot spots and facilities with the highest need. The US DoD also helped to create supply chain data which provides information on potential shortages as well as distribution recommendations. In addition, the DoD is also utilizing the Defense Production Act in order to scale of domestic manufacturing. The DoD is committed to preparing for all future outbreaks.

#### Questions and Answers

**(47:00) Ranking member Peters** asked what steps the department has taken to ensure access to diagnostic tests in minority communities. **Adm. Giroir** said that HHS has established federally sponsored pharmacy sites, which are located predominately in socially vulnerable areas. Furthermore, 92% of community health centers also offer COVID testing. **Ranking member Peters** asked how resources could be allocated without appropriate racial data. **Adm. Giroir** said that social vulnerability is already published research. **Ranking member Peters** asked if specific racial data is important. **Adm. Giroir** said yes. **Ranking member Peters** asked what steps are being taken to partner with other federal agencies. **Adm. Giroir** said that there is communication that takes place every day.

**(55:10) Sen. Lankford** asked how expired products ended up in the national stockpile. **Adm. Polowczyk** said that he cannot comment on events that happened before March. Moving forward, the national stockpile will use strategies similar to what the military does. This means that commercial partners will help manage shelf life. **Sen. Lankford** asked if legislation will be needed to achieve this. **Adm. Polowczyk** said no. **Sen. Lankford** asked if there are enough syringes to distribute a vaccine on a nationwide scale. **Adm. Polowczyk** said this will be possible by the winter. **Sen. Lankford** asked if there is a plan to help local stakeholders plan and secure supplies for the future. **Hon Gaynor** said yes.

**(1:04:30) Sen. Hassan** asked why the administration is refusing to make a projections about the need for PPE available to the public. **Hon. Gaynor** said that those projections can be given to the public. **Sen. Hassan** asked what is being done to remedy the lack of PPE available in nursing homes. **Adm. Polowczyk** said that nursing homes are very high in the prioritization scheme. In addition, there is a project that launched designed to directly deliver PPE to every single nursing home in the nation. Deliveries started in May and will continue through September.

**(1:13:30) Sen. Rosen** asked how FEMA and HHS are preparing for testing, treatment and vaccine delivery in the event of power outages. **Hon. Gaynor** said that FEMA has been preparing to deliver aid during hurricane season. This means they have been preparing to respond to national disasters during a power outage. Many of these best practices are applicable to this scenario. **Sen. Rosen** asked if there is guidance for localities that emerged from this. **Hon. Gaynor** said yes. **Adm. Giroir** said that HHS is meeting with states to establish evidence based goals and strategies. **Sen. Rosen** asked if there are enough vials to meet the vaccine production need. **Adm. Polowczyk** said that is separate from his work. However, there is a plan for this.

**(1:22:50) Sen. Portman** asked if it is in the national interest to bring textile manufacturing into the United States. **Adm. Polowczyk** said yes. **Sen. Portman** asked when DoD will award long term contracts to bring PPE manufacturing to the US. **Adm. Polowczyk** said this is something that is currently being looked at. **Sen. Portman** asked what the timeline is for getting tests to Ohio. **Adm. Giroir** said that they are working closely with leadership in Ohio.

**(1:34:00) Sen. Romney** asked why the US was so ill prepared with regard to the stockpile. **Adm. Polowczyk** said that he national stockpile holds much more than just pandemic response supplies. He reminded the committee that he is not a HHS employee. **Sen. Romney** asked what should originate at the federal level versus state level regarding a pandemic response. **Adm. Giroir** said that there needs to be a better investment on both parts on creating an evidence based stockpile. **Adm. Romney** asked if more needs to be done to prepare for the next pandemic. **Adm. Giroir** said that there needs to be more analysis on improving network flow and overall system efficiency. There also needs to be more outreach dedicated to improving public private partnerships.

**(1:42:00) Sen. Harris** asked if anyone at the White House directed a witness to funnel federal resources to a certain state or locality. **Adm. Polowczyk** said no. **Sen. Harris** asked if the White House has interfered with the federal contracting process. **Adm. Polowczyk** said he has no knowledge of this. **Hon. Gaynor** said no to both questions. **Adm. Giroir** said no to both questions. **Sen. Harris** asked what specific action is being taken to address racial disparities. **Hon. Gaynor** said that his department is working with states and localities. **Sen. Harris** asked when California will receive a national emergency preparedness plan related to wild fires. **Hon. Gaynor** said that the hurricane disaster plan is meant to be used for many national disasters.

**(1:51:58) Sen. Carper** asked what the role of the White House is in steering Defense Production Act policy. **Adm. Polowczyk** said that any use of the Defense Production Act goes through multiple chains of command. The White House has final approval on the process. **Hon. Gaynor** said that he agrees with the Admirals description of the process.

**(2:02:30) Sen. Hawley** asked if witnesses would commit to helping Missouri secure more PPE. **Hon. Gaynor** said yes. **Sen. Hawley** asked how severely have export controls impeded the nation's ability to secure PPE. **Adm. Polowczyk** said that export controls have significantly impacted the global market. **Sen. Hawley** asked if Chinese PPE products are of high quality. **Adm. Polowczyk** said many of these products have significant quality concerns.

**(2:11:50) Chairman. Johnson** asked why it is important to have a positivity rate less than 10%. **Adm. Giroir** said that the heart of this question is how many tests are enough. It is generally accepted that a positivity rate under 10% is good. If the positivity rate is above 10%, it means that there are not enough tests. **Chairman. Johnson** asked what the global infection fatality rate will be. **Adm. Giroir** said between .1 and .2 %. **Chairman. Johnson** asked if there should be guidelines to transition sick patients out of a long term care facility. **Adm. Giroir** said given the staffing capabilities, that would be very difficult to do.

**(2:16:16) Sen. Sinema** asked if FEMA will work to provide financial relief to tribal nations. **Hon. Gaynor** said yes. **Sen. Sinema** asked how FEMA can streamline processes to provide outreach to tribes during the pandemic. **Hon. Gaynor** said that FEMA is providing technical assistance to localities and tribes. **Sen. Sinema** asked when FEMA will issue guidance on overlaps in eligibility between FEMA category B and other federal funding. **Hon. Gaynor** said that is something the agency is working on.

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