

**Congress of the United States**  
**Washington, DC 20515**

April 9, 2025

Ambassador Jamieson Greer  
Office of the United States Trade Representative  
600 17<sup>th</sup> Street NW  
Washington, DC 20508

Secretary Howard Lutnick  
U.S. Department of Commerce  
1401 Constitution Ave NW  
Washington, DC 20230

Dear Ambassador Greer and Secretary Lutnick,

We write with deep concern over your Administration's tariff actions affecting medical supply chains. Reckless tariffs, retaliatory measures, and an escalating trade war threaten the supply of essential medicines and medical goods, risking severe shortages that could harm U.S. patients.

Critical drug supply chains are already fragile, with 271 drugs currently in shortage, down from a record 323 in early 2024 but still alarmingly high.<sup>1</sup> Many of these are low-margin generic sterile injectable drugs (GSI) crucial in hospital settings, including IV saline, chemotherapy, antibiotics, and anesthetics. Often priced at \$2 or less per unit, these drugs are highly vulnerable to economic disruptions.

These economic conditions discourage manufacturers from investing in developing reliable supply chains, leaving these drugs heavily reliant on foreign active pharmaceutical ingredients (API), particularly from China and India, which together account for 80% of registered API manufacturing sites.<sup>2</sup> The Administration for Strategic Preparedness and Response estimates that 90-95% of GSI for acute critical care depend on API from these countries.<sup>3</sup> This reliance threatens military readiness as well as general public health; in 2019, a Defense Health Agency official warned that disruption of Chinese supply could cause "severe shortages."<sup>4</sup>

Similarly, nearly 70% of U.S.-marketed medical devices are produced solely overseas.<sup>5</sup> The

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<sup>1</sup> American Society of Health System Pharmacists. Drug Shortages Statistics, National Drug Shortages: January 2001 to December 2024. <https://www.ashp.org/drug-shortages/shortage-resources/drug-shortages-statistics>

<sup>2</sup> Erkan Duman, PhD. United States Pharmacopeia. Global manufacturing capacity for active pharmaceutical ingredients remains concentrated (Nov. 6, 2024). <https://qualitymatters.usp.org/global-manufacturing-capacity-active-pharmaceutical-ingredients-remains-concentrated>

<sup>3</sup> U.S. Senate Committee on Homeland Security & Government Affairs. Short Supply. The Health and National Security Risks of Drug Shortages, March 2023. <https://www.hsgac.senate.gov/wp-content/uploads/2023-06-06-HSGAC-Majority-Draft-Drug-Shortages-Report.-FINAL-CORRECTED.pdf>

<sup>4</sup> Christopher Priest, Principal Deputy, Deputy Assistant Director of Healthcare Operations at the Defense Health Agency, Remarks as Prepared for Delivery at the U.S.-China Economic and Security Review Commission, *Hearing Exploring the Growing U.S. Reliance on Chian's Biotech and Pharmaceutical Products* (Jul. 31, 2019).

<sup>5</sup> GlobalData. Impact of Trump tariffs on US medical device market (Nov. 22, 2024). <https://www.medicaldevice-network.com/analyst-comment/trump-tariffs-us-medical-device-market/?cf-view>

Organisation for Economic Co-operation and Development (OECD) highlights the complexity of global medical device supply chains, where disruptions lead to prolonged shortages.<sup>6</sup> These supply chains are characterized by varying access to inputs across the globe, specialized regional economies and production capabilities, and an incoherent international regulatory landscape. If tariffs are implemented on medical products, it would be extremely difficult to coordinate a response such that the number and duration of shortages in the U.S. does not increase.

The supply disruptions of critical medical products will unavoidably hurt U.S. patients, force providers to make impossible rationing decisions, and potentially even result in death as treatments are delayed, or more effective medicines and products are swapped for less effective alternatives. We have already seen these harmful effects during chemotherapy drug shortages in the U.S. in 2023. If tariffs are implemented, clinicians would be forced to make similar decisions on a much larger scale, having devastating impacts on patient care and resource allocation across the healthcare system.

Tariffs may also backfire by driving manufacturers to cheaper foreign markets, undermining efforts to strengthen domestic and allied-country production. With generic drugmakers already operating on thin margins, cost spikes could force them to cut product lines, exacerbating shortages. For example, we are aware of one large generics manufacturer that has identified 60 products that would immediately be at risk of being discontinued if the administration moved forward with tariffs as proposed. Onshoring production requires deliberate policy incentives, not blunt economic penalties.

The shared goal of bringing more of our critical medical supply chains to the U.S. and allied countries requires the deliberate attention of the Executive Branch and Congress to incentivize manufacturing. Unfortunately, without additional policy changes, the blunt instrument of tariffs will likely result in more shortages of essential medicines and medical goods, threatening public health and inadvertently increasing reliance on foreign countries for our supply of critical medical products.

To avoid devastating consequences to patients and our public health infrastructure, we urge you to consider the following in tariff decisions:

- Assess the impact of tariffs on essential medicines and medical goods and seek input from manufacturers and experts.
- Exempt or provide waivers for API, generic drugs, essential medicines, and critical medical supplies.
- If tariffs are implemented, coordinate with the FDA to expedite approval of equally safe and effective alternative sources.

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<sup>6</sup> The Organisation for Economic Co-operation and Development. *Securing Medical Supply Chains in a Post-Pandemic World* (February 23, 2024)

- Issue timely and clear guidance to manufacturers on tariffs, exemptions, and exclusions.
- Collaborate with Congress and international allies to build resilient medical supply chains.

Congress stands ready to work toward securing our medical product supply chains. We implore you to carefully weigh tariff decisions with respect to essential medicines and medical goods.

Sincerely,



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Doris Matsui  
Member of Congress



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Bradley Scott Schneider  
Member of Congress



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Danny K. Davis  
Member of Congress



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Terri A. Sewell  
Member of Congress



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Marc A. Veasey  
Member of Congress



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J. Luis Correa  
Member of Congress



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Ted W. Lieu  
Member of Congress



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Dan Goldman  
Member of Congress



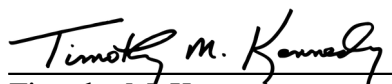
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André Carson  
Member of Congress




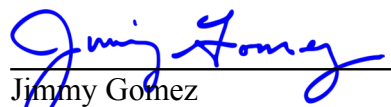
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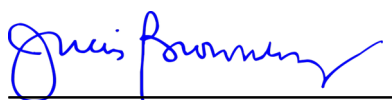
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Member of Congress


  
Timothy M. Kennedy  
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Brad Sherman  
Member of Congress

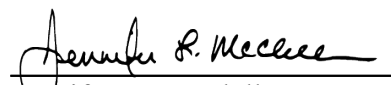
  
Jimmy Panetta  
Member of Congress

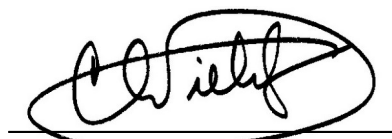
  
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Member of Congress


  
Julia Brownley  
Member of Congress

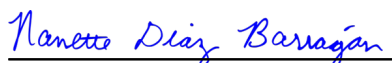
  
Seth Moulton  
Member of Congress

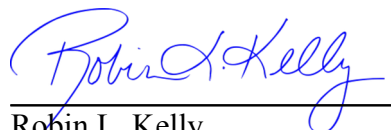
  
Jim Costa  
Member of Congress

  
Jennifer L. McClellan  
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Scott H. Peters  
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Nanette Diaz Barragán  
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Member of Congress

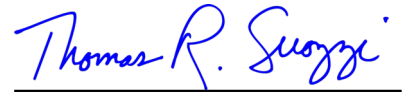
  
Kevin Mullin  
Member of Congress

  
Diana DeGette  
Member of Congress

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Sarah McBride  
Member of Congress

Handwritten signature of Thomas R. Suozzi in blue ink, written in a cursive style.

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Thomas R. Suozzi  
Member of Congress