



Healthcare Distribution Alliance

PATIENTS MOVE US.

May 22, 2018

The Honorable Lamar Alexander
Chairman
U.S. Senate Committee on
Health, Education, Labor & Pensions
428 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Patty Murray
Ranking Member
U.S. Senate Committee on
Health, Education, Labor & Pensions
428 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Alexander and Ranking Member Murray:

I am writing to you on behalf of the Healthcare Distribution Alliance (HDA) and its 38 member companies to thank you for your work to reauthorize the Pandemic and All Hazards Preparedness Act (PAHPA). HDA strongly supports reauthorization of this critical law that is key to improving public health, medical preparedness, and response and recovery capabilities after a national emergency or major disaster declaration. HDA is pleased that the Pandemic and All Hazards Preparedness and Advancing Innovation Act of 2018 will help ensure immediate pandemic response needs for healthcare and medical supplies are met efficiently.

HDA represents primary healthcare distributors, the vital link between the nation's pharmaceutical manufacturers and healthcare providers. Every day, primary pharmaceutical distributors sustain a complex supply chain, working around the clock to help more than 200,000 pharmacies, hospitals, long-term care facilities, clinics and other healthcare providers across the country keep their shelves stocked with the medications and products that patients need every day. Primary pharmaceutical distributors purchase prescription medicines and other medical products directly from manufacturers for storage in licensed distribution centers across the country, from which orders are shipped daily

In times of emergency response, distributors serve a critical role in ensuring access to necessary medications and medical supplies to healthcare facilities within disaster zones, coordinating response efforts with public and private partners, and facilitating interim solutions until regular operations are resumed. Distributors work with supply chain partners to recommend and supply inventory of critical emergency supplies prior to an emergency, as well as ensure supplies are prepositioned for response efforts. After an emergency, distributors work with supply chain partners and competitors in a collaborative way to ensure medicines and medical supplies reach patients when they are needed, sharing information and working with federal, state and local authorities.

Recent disaster declarations have exposed issues and inefficiencies that have hindered healthcare distributors from adequately responding to emergency situations and have led to confusion on

the ground between local authorities, federal agencies, and private sector suppliers. HDA's members were significantly impacted by insufficient communication and coordination between responders and therefore, support stronger federal efforts to manage and support product availability in partnership with private sector entities who specialize in medical product transport and delivery.

HDA appreciates the committee's work to address these challenges, most notably in section 302 of the discussion draft. We believe the final language acknowledges the importance of a federally coordinated public health and medical preparedness response following a natural disaster or public health emergency, as well as the critical role played by healthcare distributors.

As the healthcare system rapidly changes, primary distributors are constantly envisioning new ways to move and secure the nation's medicines, all while protecting patient safety. HDA members are not simply distributors. They are technology innovators, information management experts, security specialists and efficiency professionals, whose expertise streamlines the supply chain to reduce costs and save the nation's healthcare system both time and money. In partnership with federal, state, and local authorities, distributors play a tremendous supportive role in the deployment of emergency response activities and essential medical goods.

HDA supports the reauthorization of PAHPA and is grateful for the work of the committee to improve our nation's critical emergency preparedness and disaster mitigation systems. Thank you for your attention to this important matter. Should you have any questions, please contact Jewelyn Cosgrove at 703-885-0272 or jcosgrove@hda.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "E. Gallenagh". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Elizabeth A. Gallenagh
Senior Vice President, Government Affairs
and General Counsel