Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Subcommittee on Health Ranking Member Diana DeGette

Hearing on "Made in America: Strengthening Domestic Manufacturing and Our Health Care Supply Chain"

June 11, 2025

Thank you for holding this hearing, Mr. Chairman.

The COVID-19 pandemic laid bare the challenges of our medical product supply chain.

But to be clear, our reliance on foreign supply chains for critical medical products has been a problem for much longer than since 2020.

We have a system that is great at producing cheap generic drugs and basic supplies.

But we do not have a system that is great at encouraging a resilient supply chain we can always count on.

I believe my colleagues in this room want to be serious and come up with serious solutions to ensure a secure, reliable medical product supply chain.

But it's hard to take the administration seriously on this issue when they are firing hard-working public servants who support generic drug approvals, facility inspections, and initiatives that help companies make their products in America.

During the COVID pandemic, everyone in the world needed the same products at the same time and manufacturing was severely disrupted.

The problems that COVID put into sharp relief—too many single points of failure, an inability to quickly shift manufacturing to critical products, and an overreliance on unreliable foreign countries among them—have been long-simmering.

It is past time we work together to stop the endless cycle of shortages of critical medicines and ensure we will have a reliable supply of medical products.

This committee considered legislation last Congress to address the supply chain and how it relates to drug shortages.

This includes legislation from the former chairwoman of this committee, Anna Eshoo, to ensure we better understand where the active ingredients for drugs are coming from.

That bill, the Drug Origin Transparency Act, is so important because only 12 percent of active pharmaceutical ingredients globally are made in the United States (U.S.).

We also still need to reauthorize the Pandemic and All-Hazards Preparedness Act (PAHPA), one of the major tools we have to invest domestically in medical countermeasures.

Some PAHPA-authorized programs, like the Biomedical Advanced Research and Development Agency, have made it possible for innovative manufacturers to help the American people prepare for public health emergencies.

And the Strategic National Stockpile can be used to help support domestic manufacturers and secure the supply chain by focusing on resiliency.

Our hospitals can also be part of the solution.

Hospitals are major medical supply purchasers and they need to be at the table to encourage and reward domestic production and secure supply chains.

But I'm troubled by the discordance between this Committee's other work this Congress and our work today on supply chains.

The more we squeeze hospitals, particularly rural hospitals, the less able they are to spend a few extra dollars to buy American.

By kicking millions of Americans off Medicaid, the One Big Ugly Bill Act will result in an additional $42.4 billion in hospital uncompensated care costs in 2034.

That translates to hundreds of billions of dollars of care hospitals will have to swallow in the next ten years.

I don't think that is going to make hospital procurement offices more able to consider the source of the antibiotics they're buying.

Instead, it makes them even more likely to go with the cheapest option, regardless of any downstream consequences.

I implore my Republican colleagues to consider all the consequences of their Medicaid cuts.

A resilient supply chain becomes less possible as we squeeze care for hardworking Americans and especially rural and otherwise under-resourced hospitals that provide that care.

Thank you again for holding this hearing.

Securing the supply chain will require working together and examining every factor, regardless of whether it is politically convenient.