

December 22, 2020

The Honorable Robert Lighthizer
United States Trade Representative
600 17th St. NW
Washington, D.C. 20508

Re: Extending Tariff Exclusions Related to Health Care Products Essential to Ongoing COVID-19 Public Health Emergency

Dear Ambassador Lighthizer:

On behalf of Vizient, Inc., and the health care provider members we serve, I am writing to strongly urge you to extend all of the tariff exclusions from the Sec. 301 China Tariffs which are scheduled to expire on Dec. 31, 2020. As health care providers continue to work to secure needed supplies to provide safe and effective care, implementing these tariffs in the midst of the COVID-19 Public Health Emergency would create uncertainty, add needless costs and disrupt an already overly-stressed supply-chain for essential medical supplies. We urge you to extend the exclusions for a minimum of 6 months, or at the very least through the end of the declared COVID-19 Public Health Emergency.

Vizient is the nation's largest health care performance improvement company. Vizient provides solutions and services that improve the delivery of high-value care by aligning cost, quality and market performance for more than 50% of the nation's acute care providers, which includes 95% of the nation's academic medical centers, and more than 20% of ambulatory providers. Vizient provides expertise, analytics, and advisory services, as well as a contract portfolio that represents more than \$100 billion in annual purchasing volume, to improve patient outcomes and lower costs. Headquartered in Irving, Texas, Vizient has offices and members throughout the United States.

Vizient has appreciated the USTR's willingness to entertain broad exclusions for needed medical products throughout this pandemic. While the supply chain has stabilized to some degree from the extreme challenges faced at the outset of the pandemic, and progress has been made in increasing our domestic footprint for goods, allowing these tariffs to take effect now would be needlessly disruptive and costly.

We have heard concerns from many of our hospital members that the resumption of tariffs to previously excluded products will add new challenges in securing essential equipment for delivering medical care and vaccine administration. In providing that treatment they continue utilizing a far greater volume of personal protective equipment, N95 respirators, nitrile gloves, sterile surgical gowns and a wide array of related equipment to ensure patients are safely treated and health care workers are appropriately protected. As the virus continues to spread across the country, hospitals and health care workers continue to work under extreme duress to provide care for patients. Allowing these exclusions to lapse would likely further accelerate supply chain challenges and increase costs at the worst time to do so.

Vizient does recognize the importance of building a more resilient supply chain through increased transparency, redundancy and diversification. We have been working diligently with Vizient's suppliers to build a more resilient pipeline for essential supplies and will continue to do so after the COVID-19 pandemic is contained. However, while we are building toward a more resilient and geographically

diverse supply chain with a greater focus on domestic and near-shore manufacturing, the needs of today remain significant and inflexible. Because of that it is vitally important not to allow these disruptive tariffs to take effect at this time.

Thank you for your consideration. Please do not hesitate to contact me at shoshana.krillow@vizientinc.com or (202) 354-2607 if you have any questions or if there is any way we can be of assistance.

Sincerely,

A handwritten signature in black ink, reading "Shoshana Krillow". The signature is written in a cursive, flowing style.

Shoshana Krillow
Vice President, Public Policy & Government Relations