DAVID McCORMICK, PENNSYLVANIA JAMES C. JUSTICE, WEST VIRGINIA TOMMY TUBERVILLE, ALABAMA RON JOHNSON, WISCONSIN ASHLEY MOODY, FLORIDA JON HUSTED, OHIO

United States Senate

SPECIAL COMMITTEE ON AGING WASHINGTON, DC 20510-6400 (202) 224-5364

October 28, 2025

ELIZABETH WARREN, MASSACHUSETTS MARK KELLY, ARIZONA RAPHAEL G. WARNOCK, GEORGIA ANDY KIM, NEW JERSEY ANGELA D. ALSOBROOKS, MARYLAND

Mr. Byron Jobe President and CEO Vizient 290 E. John Carpenter Freeway Irving, TX 75062

Dear Mr. Jobe:

The Senate Special Committee on Aging is examining how vulnerable pharmaceutical supply chains present a risk to supply chain security. As a group purchasing organization (GPO), Vizient plays a pivotal role in leveraging size to bring down costs, allowing small providers to enjoy the same prices as larger health systems. GPOs also enable health systems to focus on delivering quality care as they can specialize in price negotiations and deal shopping. Given this essential responsibility, we write to request information and insight regarding existing supply chain vulnerabilities.

Recent reporting details how, in order to prevent and mitigate shortages, the Food and Drug Administration (FDA) has granted exemptions for certain drugs or ingredients subject to import bans that were imposed on foreign factories found to operate under substandard manufacturing conditions. These import bans were a result of failure to comply with FDA standards and exempting these drugs or facilities allows for substandard and potentially unsafe drugs to enter the U.S. market. These reports highlight that many of these exemptions are for factories in China and India and identify more than 150 drugs and ingredients that have received exemptions since 2013. While many factories ultimately make the necessary changes to be removed from the FDA's import alert list, these exemptions can pose a threat to drug safety for American consumers.

Moreover, recent instability in geopolitics and global trade demonstrate an additional threat to the stability of our pharmaceutical supply chain, particularly the supply of key starting materials (KSM), active pharmaceutical ingredients (API), and generic drugs imported from key manufacturing hubs like China and India. A recent trade dispute with China exemplifies this dynamic. Despite reaching a bilateral trade agreement on rare earth elements

¹ https://www.propublica.org/article/fda-drugs-banned-foreign-factories-list

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in April 2025 China imposed a new set of export restrictions on October 9, demonstrating its willingness to use trade commodities as leverage against the U.S.³ This raises the unsettling possibility that China could similarly restrict exports of pharmaceutical products in future diplomatic or trade conflicts. Given that China is one of the world's largest suppliers of API and KSM, any disruptions in this supply chain could have profound ramifications for the availability of medications in the U.S., potentially jeopardizing patient care and public health.

Ultimately, the interaction between regulatory oversight and geopolitical dynamics presents significant challenges to the safety and reliability of our pharmaceutical supply chain. It necessitates ongoing vigilance and proactive measures to ensure that patients receive high-quality and safe medications.

Given the unique and critical role GPOs play due to their role in the supply chain, we request the following information no later than November 30, 2025:

- 1. Of the list of drugs that are exempt from the import ban, is your organization currently purchasing any of those drugs from those manufacturers?⁴
 - a. If so, what are they and how many of those drugs have no other manufacturer available?
 - b. If so, when did your organization become aware of quality issues with these drugs? Did the FDA notify your organization that these facilities were problematic?
- 2. If China were to stop exports of generic drugs, API, or KSM to America or to foreign companies that sell to the U.S., how many days of drug inventory do you estimate that the U.S. has of the top 50 small molecule generic drugs by volume before it would run out?
- 3. Does your organization provide quality information on generic drugs to its buyers?
 - a. Do you think providing quality information to your buyers would change preferences and behavior?
- 4. Some advocates have argued that long-term contracts would provide higher quality generic drugs and prevent potential shortages in the future.
 - a. Do you enter long-term contracts with generic drug manufacturers?
 - b. Are there barriers to using long-term contracts?

³ https://www.reuters.com/world/china/china-says-its-rare-earth-export-controls-are-legitimate-2025-10-12/

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- c. What incentives would promote the utility of long-term contracts with generic drug manufacturers?
- 5. How does Vizient address disruptions in the supply chain for a given drug?
- 6. Would your buyers be willing to pay more per unit to ensure the stability of their generic drug supply?
 - a. If so, how much more?

As chairman and ranking member of the Senate Special Committee on Aging, the health and safety of Americans, especially our seniors, is our top priority. Thank you for the work that Vizient does to ensure patients have access to affordable medications. Thank you for your attention to this matter. We look forward to your response and a continued dialogue on securing the pharmaceutical supply chain for Americans.

Sincerely,

Rick Scott Chairman

Senate Special Committee on Aging

Kirsten E. Gillibrand Ranking Member

Senate Special Committee on Aging

Kirsten Gillibrand

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Mr. Michael Alkire Premier, Inc. President and CEO 13520 Ballantyne Corporate Place Charlotte, NC 28277

Dear Mr. Alkire:

The Senate Special Committee on Aging is examining how vulnerable pharmaceutical supply chains present a risk to supply chain security. As a group purchasing organization (GPO), Premier, Inc. plays a pivotal role in leveraging size to bring down costs, allowing small providers to enjoy the same prices as larger health systems. GPOs also enable health systems to focus on delivering quality care as they can specialize in price negotiations and deal shopping. Given this essential responsibility, we write to request information and insight regarding existing supply chain vulnerabilities.

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Moreover, recent instability in geopolitics and global trade demonstrate an additional threat to the stability of our pharmaceutical supply chain, particularly the supply of key starting materials (KSM), active pharmaceutical ingredients (API), and generic drugs imported from key manufacturing hubs like China and India. A recent trade dispute with China exemplifies this dynamic. Despite reaching a bilateral trade agreement on rare earth elements

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Ultimately, the interaction between regulatory oversight and geopolitical dynamics presents significant challenges to the safety and reliability of our pharmaceutical supply chain. It necessitates ongoing vigilance and proactive measures to ensure that patients receive high-quality and safe medications.

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 - b. Are there barriers to using long-term contracts?
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Mr. Michael Alkire October 28, 2025 Page Three

- 6. Would your buyers be willing to pay more per unit to ensure the stability of their generic drug supply?
 - a. If so, how much more?

As chairman and ranking member of the Senate Special Committee on Aging, the health and safety of Americans, especially our seniors, is our top priority. Thank you for the work that Premier, Inc. does to ensure patients have access to affordable medications. Thank you for your attention to this matter. We look forward to your response and a continued dialogue on securing the pharmaceutical supply chain for Americans.

Sincerely,

Rick Scott

Chairman

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Mr. Ed Jones President and CEO HealthTrust Performance Group 1100 Dr. Martin L. King Jr. Boulevard, Suite 1100 Nashville, TN 37203

Dear Mr. Jones:

The Senate Special Committee on Aging is examining how vulnerable pharmaceutical supply chains present a risk to supply chain security. As a group purchasing organization (GPO), HealthTrust Performance Group plays a pivotal role in leveraging size to bring down costs, allowing small providers to enjoy the same prices as larger health systems. GPOs also enable health systems to focus on delivering quality care as they can specialize in price negotiations and deal shopping. Given this essential responsibility, we write to request information and insight regarding existing supply chain vulnerabilities.

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