American Hospital Association™
Advancing Health in America

Washington, D.C. Office
800 10th Street, N.W.
Two CityCenter, Suite 400
Washington, DC 20001-4956
(202) 638-1100

Statement

of the

American Hospital Association

for the

United States Senate

Special Committee on Aging

"Bad Medicine: Closing Loopholes that Kill American Patients"

October 8, 2025

On behalf of our nearly 5,000 member hospitals and health systems and other health care organizations, and our clinician partners — including more than 270,000 affiliated physicians, 2 million nurses and other caregivers — the American Hospital Association (AHA) appreciates the opportunity to submit this statement for the record to the Senate Special Committee on Aging hearing "Bad Medicine: Closing Loopholes that Kill American Patients."

Each day in America's hospitals and health systems, patients receive safe and effective care from provider teams using a wide array of pharmaceuticals and medical devices. Patients' lives depend on the ready availability of drugs and devices to respond to emergent conditions like heart attacks and infections, as well as other critical illnesses like cancer and organ failure. The medical supply chains for pharmaceutical products and medical devices are highly complex, requiring hospitals to draw on domestic and international sources. These supply chains are prone to significant disruption from a wide range of factors, including transportation interruptions, natural disasters, raw materials shortages and production breakdowns.

Despite ongoing efforts to bolster the domestic supply chain, international sources still supply a significant proportion of essential medical goods. For example, many pharmaceutical products are sourced from overseas. U.S. providers use a wide variety of imported cancer and cardiovascular medications, immunosuppressives, antibiotics and combination antibiotics. For finished pharmaceutical products, the major hubs of production are India and the U.S. For injectables, the U.S. is the largest manufacturer

with 45% of production volume. However, for solid oral dosage forms, India has 60% of production volume.[1] In addition to finished pharmaceutical products, the U.S. sources many raw ingredients internationally for pharmaceuticals. These raw ingredients are commonly known as active pharmaceutical ingredients (APIs) and are the most important components of any pharmaceutical manufacturer's supply chain. The U.S. gets nearly 30% of its APIs from China, and according to a 2023 Department of Health and Human Services estimate, over 90% of generic sterile injectable drugs — including many chemotherapy treatments and antibiotics — depend on APIs from either India or China.[2]

For many patients, even a temporary disruption in their access to these needed medications could put them at significant risk of harm, including death. Carefully planned chemotherapy treatments and antibiotic schedules are essential to giving patients the best chance of overcoming their diseases. Similarly, the provision of necessary cardiovascular medications must be continuous to preserve patients' cardiovascular health.

As of the second quarter of 2025, there are 253 drugs on the active shortage list.[3] A recent Government Accountability Office analysis found that the duration of drug shortages has increased, with nearly 60% of drug shortages lasting two or more years in 2024, compared to only one-third of shortages lasting that long in 2019.[4]

In addition to pharmaceutical products and their APIs, health care providers in the U.S. are also dependent on imported medical devices. According to one estimate nearly 70% of medical devices marketed in the U.S. are manufactured exclusively overseas.[5] In 2024 alone, the U.S. imported over $75 billion in medical devices and supplies, according to AHA analysis of Census Bureau data. These imports include many low-margin, high-use essentials for hospital settings that are necessary for patient care. Some of these devices are used only once to protect patients from infection, such as single-use blood pressure cuffs, stethoscope covers and sterile drapes. Others are small devices used ubiquitously in hospitals, such as anesthesia instruments, cautery pencils, needles, syringes and pulse oximeters. The low-margin nature of these products makes them difficult to produce within the U.S. At the same time, disruption in the availability of these devices would curtail hospitals' ability to perform life-saving surgeries and keep patients safe from contagion, as well as hinder providers' ability to effectively diagnose, monitor and treat patients.

---

[1] India and the United States Manufacture Most Finished Medicines for the U.S. Market, USP, Supply Chain, February 19, 2025.
[2] https://aspe.hhs.gov/sites/default/files/documents/3a9df8acf50e7fda2e443f025d51d038/HHS-White-Paper-Preventing-Shortages-Supply-Chain-Vulnerabilities.pdf
[3] https://www.ashp.org/drug-shortages/shortage-resources/drug-shortages-statistics
[4] Drug Shortages: HHS Should Implement a Mechanism to Coordinate Its Activities GAO-25-107110. April 09, 2025. Publicly Released: April 09, 2025.
[5] https://www.medicaldevice-network.com/analyst-comment/trump-tariffs-us-medical-device-market/

While these statistics are an indicator of the importance of reshoring to protect America's interests and strengthen the pharmaceutical and medical device supply chains, reshoring cannot, on its own, provide the supply chain stability needed to ensure unrestricted access to necessary drugs and devices for patient care. For example, the lingering shortages of intravenous (IV) fluids stemming from the impacts of Hurricane Helene on a large North Carolina production facility in 2024 took approximately 11 months to resolve, officially ending in August 2025, with full restoration of supplies announced in May 2025.[6] Despite that facility being located on American soil, it was not impervious to supply chain disruptions.

The AHA believes it is necessary to strengthen the domestic supply chain for essential pharmaceutical and other medical products and recognizes the value of reducing reliance on international sources; the AHA also acknowledges that domestic disruptions highlight the need for a diverse supply chain that includes international sourcing. Achieving both safety and diversity will require significant time, effort and ingenuity due to the logistical complexity and resources involved in reorienting pharmaceutical and medical supply chains.

To that end, a critical step toward protecting America's pharmaceutical and medical supply chains is understanding vulnerabilities from the beginning of production to the moment a drug is administered to a patient or a device is used to deliver care. Supply chain vulnerabilities often only become apparent when the chain has been broken, as in the case of the IV fluid shortage that resulted from Hurricane Helene. Proactively mapping and assessing the pharmaceutical supply chain, as well as supply chains for other medical devices and equipment, is an important step to improving resiliency in U.S. supply chains and protecting patients' access to care.

The AHA expressed support earlier this year for S. 1784, the Mapping America's Pharmaceutical Supply (MAPS) Act. The bill would codify an executive order from the administration to secure essential medicine supply chains.[7] Additionally, it would require the Department of Health and Human Services to perform a comprehensive risk assessment of the entire U.S. pharmaceutical supply chain. The MAPS Act is an effective step toward strengthening the U.S. pharmaceutical and medical device supply chains. Additionally, the AHA is supportive of S. 2062, the Rolling Active Pharmaceutical Ingredient and Drug Reserve (RAPID Reserve) Act.[8] This legislation awards contracts to eligible generic-drug makers that would require them to maintain a six-month reserve of critical generic drugs and their active ingredients to prepare for shortages. The AHA encourages the Senate to pass these pieces of legislation and look for more opportunities to encourage both protection of and diversity in the supply chain to ensure health care resilience and strengthen U.S. national security.

---

[6] IV saline solution shortage resolved, FDA reports. AAP News, August 18, 2025.
[7] https://www.rickscott.senate.gov/2025/5/sen-rick-scott-colleagues-introduce-the-maps-act-to-boost-u-s-medicine-supply-chain-curb-dependence-on-communist-china
[8] https://www.congress.gov/bill/119th-congress/senate-bill/2062/text

Strengthening supply chains for essential pharmaceutical and other medical products is necessary, and the AHA recognizes the value of reducing reliance on international sources. Achieving this goal will require significant time and resources, given the complexity of medical and pharmaceutical supply chains. Additionally, the importance of supply chain diversity as a means of protecting patient safety should not be underestimated. The AHA appreciates the committee's attention to this topic and looks forward to further collaboration in the future.