

Congress of the United States
Washington, DC 20515

March 6, 2020

Alex Azar
Secretary
Department of Health and Human Services
200 Independence Ave. SW
Washington, DC 20201

Dear Secretary Azar:

Since the emergency supplemental funding measure just approved by Congress includes funds for the purchase of testing kits and personal protective equipment, we seek your engagement regarding the pricing of these products. While widespread price gouging on personal protective equipment, such as N95 masks, has been reported, little information has been available about testing kits.

With FDA Commissioner Stephen Hahn indicating that “by the end of this week, close to a million tests will be able to be performed,” testing capacity will largely depend upon the private sector. Integrated DNA Technologies is working to produce and deploy testing kits and Quest Diagnostics has reported it is launching a testing kit. Other companies may follow.

Too often, public-private partnerships result in costly innovations that are inaccessible to many. Taxpayers finance the research for products sold at whatever the market will bear. In order to contain this COVID-19 epidemic, affordable testing must be available to quickly identify patients with the virus and mitigate community spread. We write to ensure that both the taxpayer investment and public health are protected in any purchases. In addition, financial burdens could leave some people to forgo testing, worsening the threat of community spread to which the Administration’s failure to be prepared with adequate testing capability has already contributed.

Please provide answers to the following questions:

- (1) How much are laboratories paying for each kit and how was the reasonableness of this price determined?
- (2) What is the estimated maximum capacity of tests that can be analyzed per day?
Please include the disaggregate data for public and private labs, as well as estimated capacity in each state.
- (3) What is the estimated cost to analyze each test and how was the reasonableness of this price determined?
 - a. Will there be different prices depending on whether the test is analyzed by a private or public lab?
 - b. Will the primary payor differ depending on the type of lab analyzing the test?

- (4) How will HHS ensure that testing kits are made available to our health care system, including hospitals, community health centers, and long-term care facilities, will be available at a fair and reasonable price?
- (5) How will HHS ensure that testing will be made available at little or no cost to patients, regardless of insurance status?
- (6) How will HHS ensure that the commercial labs, hospitals, and academic institutions who determine test results will do so at little or no cost to patients, regardless of insurance status?

Without effective action to protect public health and smart procurement procedures, we are concerned that Americans will not be adequately protected against current and future coronavirus outbreaks. We look forward to your response to ensure that the price of a testing kit and the test itself do not threaten public health by deterring access.

Sincerely,


Jan Schakowsky


Lloyd Doggett


Rosa DeLauro

CC: Mike Pence, Vice President
Dr. Stephen Hahn, Food and Drug Administration Commissioner
Dr. Robert Redfield, Centers for Disease Control and Prevention Director