

One Hundred Sixteenth Congress Committee on Homeland Security U.S. House of Representatives Washington, DC 20515 May 28, 2020

The Honorable Chad Wolf Acting Secretary U.S. Department of Homeland Security Washington, D.C. 20528

Dear Acting Secretary Wolf:

I write today to express my profound disappointment in the ongoing failure of the Department of Homeland Security (DHS) to provide all of the documents and information the Committee has requested regarding the Federal response to the coronavirus pandemic.

The United States faces an unprecedented global pandemic that has now killed more than 100,000 Americans and that will continue to spread until we have an effective vaccine. Recognizing that the pandemic is straining Federal resources, the Committee has sought only the most essential information regarding our nation's response—including state requests for and Federal distributions of personal protective equipment (PPE) and testing supplies—and yet we have received only cursory information and a handful of documents from DHS in reply to our correspondence.

As a result of the failure of DHS to provide documents and information the Committee has requested, the Committee lacks critical information on most aspects of the Federal response to the coronavirus pandemic months into the most profound public health crisis our nation has faced in a century. The Committee also lacks key information about the Federal government's projections of possible caseloads in the coming months, and thus we do not know what metrics are appropriate to measure the adequacy of Federal preparations for any possible second peak or wave. This is wholly unacceptable.

Outstanding requests from the Committee include the following:

1. March 12, 2020: Letter to Acting Secretary Wolf; Secretary Alex M. Azar, Department of Health and Human Services (HHS); and Director Robert Redfield of the Centers for Disease Control and Prevention (CDC) seeking documents and information on the ban on travel to the United States from Europe;

¹ NBC News, With 100,000 dead from coronavirus, U.S. sees its promise and flaws far more clearly (May 27, 2020) (www.nbcnews.com/news/us-news/100-000-dead-coronavirus-u-s-sees-its-promise-flaws-n1214956).

- 2. April 9, 2020: Letter to Acting Secretary Wolf and Acting Commissioner Mark Morgan, Customs and Border Protection (CBP), seeking information on protections for CBP personnel and travelers at ports of entry;
- 3. April 9, 2020: Letter to Acting Secretary Wolf and Acting Commissioner Morgan seeking all documents regarding the treatment of unaccompanied children at the border under CDC's "Order Suspending Introduction Of Persons From A Country Where A Communicable Disease Exists":
- 4. April 15, 2020: Letter to Director Christopher Krebs, Cybersecurity and Infrastructure Security Agency (CISA), seeking documents and information regarding outside consultation and lobbying efforts that informed, or attempted to inform, CISA's designation of certain industries and workers as "Essential Critical Infrastructure Workforce;"
- 5. April 16, 2020: Letter from Chairman Donald M. Payne, Jr., Subcommittee on Emergency Preparedness, Response, and Recovery, and all Democratic Members of the Subcommittee to Administrator Peter T. Gaynor, Federal Emergency Management Agency (FEMA), seeking information on FEMA's workforce and surge capacity;
- 6. April 17, 2020: Letter to Secretary Azar and Administrator Gaynor seeking documents regarding the provision of PPE to long-term care and nursing facilities;
- 7. April 29, 2020: Letter to Acting Secretary Wolf seeking information regarding how coronavirus-related intelligence was disseminated and used to inform the whole-of-government response to the pandemic; and
- 8. May 6, 2020: Letter to Acting Secretary Wolf and Secretary Azar seeking current and past modeled projections of likely caseloads and mortality in each month of 2020, including projections identifying states that may have to reimpose social distancing protocols due to increases in caseloads after initiating some level of reopening following the first round of social distancing protocols.

In addition to these letters, on March 23, 2020, I sent a letter requesting basic information on the supplies and distribution of PPE, including copies of solicitations and contracts for masks and other forms of PPE, medical supplies, and equipment.² Presumably, it should be easy for DHS to provide to the Committee the solicitations and contracts you have already issued. On March 27, I received an interim response from DHS stating that DHS, "in partnership with HHS, currently is gathering and reviewing the pertinent DHS information" and would "respond to inquiries related to COVID-19 as quickly as practicable."³ On April 28, I received a letter from the Administrator of FEMA that conveyed only nine contracts. This letter admitted that these contracts "do not represent the entirety of contracts that FEMA has issued for PPE."⁴ In fact, publicly available

² Letter from Chairman Bennie G. Thompson, Committee on Homeland Security, to Acting Secretary Chad Wolf, Department of Homeland Security, and Secretary Alex M. Azar, II, Secretary, Department of Health and Human Services (March 23, 2020) (online at https://homeland.house.gov/imo/media/doc/DHS%20HHS%20PPE%20Letter.pdf).

³ Letter from Acting Assistant Secretary for Legislative Affairs Aaron L. Calkins, Department of Homeland Security, to Chairman Bennie G. Thompson, Committee on Homeland Security (March 27, 2020).

⁴ Letter from Administrator Peter T. Gaynor, Federal Emergency Management Agency, to Chairman Bennie G. Thompson, Committee on Homeland Security (April 28, 2020).

databases indicate that FEMA had issued nearly 200 contracts by April 27 that are coded as being related to COVID-19. Many of these contracts would presumably be responsive to the Committee's request.

On May 15, 2020, Committee staff received a briefing from FEMA contracting officials. Staff was advised that the agency would work to provide all remaining contracts responsive to the Committee's requests, but no additional contracts have been provided and FEMA has not indicated a date by which any additional contracts will be forthcoming.⁵ Although the FEMA officials who provided the briefing were unable to answer many of the questions posed by Committee staff during the briefing, FEMA officials confirmed that there was no overarching strategy guiding the procurement process, and that FEMA was indeed competing with other actors to try to obtain available PPE.

The nine contracts that were provided to the Committee confirm troubling information reported in the media. For example, it appears that FEMA awarded a non-competitive contract to Panthera Worldwide to buy N95 masks for a price per mask that was more than six times the price charged by more experienced PPE providers. FEMA agreed to this price even though Panthera "had no history in the mask business and a parent company in bankruptcy." It is unclear why FEMA agreed to such a price with a company that had no proven ability to deliver PPE.

Contracts provided to the Committee also indicate that FEMA purchased coronavirus test kits from foreign suppliers for widely varying prices; in some cases, FEMA paid thousands of dollars per kit. FEMA officials were unable to answer specific questions about these kits posed during the recent briefing, and Committee staff have not yet received additional information from FEMA. It is unclear what the market rates for such kits were at the time these contracts were issued.

In addition, a copy of a FEMA contract for N95 respirator masks with Prestige Ameritech contains a notation indicating that the procurement was "directed by the White House to protect hospital employees in various states." It is unclear what this notation meant, including what direction the White House provided or who at the White House provided the direction. FEMA officials were unable to answer questions about this notation posed by staff during the recent briefing, and FEMA has not provided any additional information in response staff questions.

Separately, the Committee has still not received a response to a letter I sent jointly with Committee on Oversight and Reform Chairwoman Carolyn Maloney, on April 7, 2020, to Administrator Gaynor. This letter sought documents regarding requests from U.S. states, territories, and the District of Columbia for PPE, the distribution by the Federal government of PPE, and the role of Senior Advisor to the President Jared Kushner in FEMA's supply acquisition and distribution processes. We wrote again on May 8 to renew the request that FEMA provide responsive

⁵ Federal Emergency Management Agency, Staff Briefing with Committee on Homeland Security (May 15, 2020).

⁶ Wall Street Journal, *FEMA Cancels* \$55.5 *Million Mask Contract With Panthera* (May 12, 2020) (online at www.wsj.com/articles/fema-cancels-55-5-million-mask-contract-with-panthera-11589330231).

⁷ Letter from Chairman Bennie G. Thompson, Committee on Homeland Security, and Chairwoman Carolyn B. Maloney, Committee on Oversight and Reform, to Administrator Peter T. Gaynor, Federal Emergency

documents by May 12.8 To date, FEMA has not provided a single document in response to the requests made by the Committees in this letter.

In the absence of replies from DHS, the Committee has conducted briefings on Project Airbridge with several of the participating distributors. These briefings have raised significant questions about the purpose and achievements of the Airbridge. For example, staff have been advised that, in some cases, distributors were not moving all of their available product through the Airbridge. Instead, they continued to transport some product via other means, including ocean freight. It is unclear how decisions were made about what product to move via the Airbridge, and whether the volumes were limited by the availability of flights or by other considerations. The Committee also has no sense of how much of the national need for PPE was intended to be met by the Airbridge or was met by the Airbridge—or how much of each hotspot's need was met in that manner. It is unclear if flights were scheduled with the intention of moving specific volumes of supplies expected to meet some percentage of estimated or projected need, or whether other considerations informed the flight scheduling decisions.

Further, it appears that the distributors may have sold the products they moved via the Airbridge primarily to existing customers. As such, it is unclear if the Airbridge was meant to meet any of the need for PPE among entities that were not existing customers of the distributors participating in the Airbridge.

In addition, the Committee has received the Memorandum of Agreement (MOA) between FEMA and McKesson, a distributor that participated in the Airbridge. This MOA states that McKesson "agrees to distribute the PPE to its customers at reasonable prices (i.e., the price that a prudent and competent buyer would be willing to pay given available data on market conditions)." It is certainly unclear what a "prudent and competent" buyer would pay in a market condition in which PPE was in shortage around the world due to the urgent need for protection against a deadly virus. In fact, the few contracts provided to the Committee by FEMA indicate that the Federal government has paid widely varying prices for PPE. The Committee has no information regarding what the customers who received PPE transported on the Airbridge paid for this equipment.

The Committee's letters of April 7 and May 8 sought the documents necessary to enable the Committee to begin to examine these issues in more detail. And the MOA obtained by the Committee makes clear that there are numerous documents that should be readily available to FEMA and that are clearly responsive to the Committee's requests, such as the email(s) that McKesson was directed by the MOA to provide to FEMA "containing a report on the locations,

Management Agency (April 7, 2020) (online at https://homeland.house.gov/imo/media/doc/040720%20Joint%20FEMA%20letter%20re%20PPE.pdf).

https://homeland.house.gov/imo/media/doc/050820%20Joint%20FEMA%20Follow%20up.pdf).

⁸ Letter from Chairwoman Carolyn B. Maloney, Committee on Oversight and Reform, and Chairman Bennie G. Thompson, Committee on Homeland Security, to Administrator Peter T. Gaynor, Federal Emergency Management Agency (May 8, 2020) (online at

name of recipient healthcare facilities, and amount of PPE per healthcare facility" in order "to confirm distribution of the PPE to the locations specified" by FEMA.9

Committee Members appreciate the telephonic briefings we have received from DHS officials over the past two months. However, these briefings are not a substitute for documents, and it is virtually impossible to contextualize the data provided in these briefings without the documents and information the Committee has requested. It is also difficult to sort through the many inaccurate and misleading claims made by Administration officials without access to documents confirming basic facts.

I therefore write today to request that DHS comply with the Committee's pending requests for documents and information regarding the Administration's response to the coronavirus pandemic by June 12, 2020. Thank you for your attention to this matter.

Sincerely,

BENNIE G. THOMPSON

Chairman

⁹ Memorandum of Agreement Between The Department of Homeland Security Federal Emergency Management Agency and McKesson Medical-Surgical Inc. (March 28, 2020).