



MEMORANDUM

April 13, 2020

To: Governors' Offices
From: Bill McBride, Executive Director
Re: Governor Actions to Address PPE and Ventilator Shortages

The COVID-19 pandemic has led to a surge in global demand for critical personal protective equipment (PPE)¹ and medical equipment, most notably mechanical ventilators and related supplies. In the United States, rapid transmission of COVID-19 has exhausted state and local resources, and stores of PPE in the Strategic National Stockpile (SNS) have been fully committed. While federal officials contend that state needs for PPE and ventilators can be addressed through the private market, the global shortage and lack of coordination has pitted states against one another and other purchasers – including the federal government – in a bid to secure resources.

Absent the federal government playing a stronger, more coordinated role, governors are leading efforts to address the urgent need for PPE and ventilators, with states increasingly working together to direct resources to parts of the country facing immediate shortages. This memo outlines actions governors have or may consider taking, as well as related federal and private sector efforts. (For a discussion of test kits and related supplies, which are also in high demand, please see the NGA memo on [Capacity for COVID-19 Testing – Current Status and Considerations](#)).

GOVERNOR ACTIONS

Individually and through NGA, governors are calling on the federal government to improve coordination and enable states to obtain PPE and ventilators without causing inter-state competition. Governors have requested additional clarity on the use of the Defense Production Act (DPA) to ensure nationwide medical equipment availability, to include identifying where resources are being produced, allocated and how the DPA can survey the marketplace. Building on this, governors have also sought to better understand how the Federal Emergency Management Agency (FEMA) is allocating supplies and equipment across the nation.

In the absence of strong federal action to scale production and direct resources where they are needed most, some governors have suggested that states take it upon themselves to centralize procurement and address the demand for PPE and ventilators in a more systematic way.

Within their states, governors are partnering with the private sector and using available authorities to secure PPE and ventilators. Governors have also stepped up to share ventilators directly with other states with hot spots, as well as through returns to the SNS. Efforts to procure new resources from suppliers or preserve and repurpose existing equipment may help address near-term shortages, while efforts to build new manufacturing capacity may take time to yield results.

¹ Personal protective equipment includes: gloves, goggles, gowns (disposable and linen), ISO masks (N95, PAPRs, CAPRS), surgical masks and caps, eye/face shields, Tyvek suits, sleeves, hoods or equivalent, safety box/sharps container, and scrubs.



The following are key actions governors have taken or may consider:

Preserve, repurpose, and extend the use of existing resources

- Identify a supply chain director to guide state policymaking and collaboration with the private sector. (See [Texas](#) example).
- Require health care providers to postpone elective surgeries and non-essential medical and dental procedures to conserve PPE and prevent disease transmission among patients and health care workers. (See [Ohio](#) example).
- Require businesses or non-hospital health care facilities that are not supporting the provision of critical health care services to inventory and report to the state their supplies of PPE and ventilators. (See [Minnesota](#) example).
- Acquire PPE and ventilators from the above-mentioned entities through donation or public buybacks; consider authorities available to the governor or other state officials to commandeer resources when confronting severe, immediate shortages. (See [Wisconsin](#) and [New Jersey](#) examples).
- Prohibit the sale or distribution of PPE and ventilators without prior approval from the state health department. (See [New Mexico](#) example).
- Discourage waste, theft and hoarding by sending clear and consistent messages to the public about appropriate purchase and use of high-demand resources.
- Promote [federal guidelines](#) for optimizing PPE and identify opportunities to extend the use of existing state resources (e.g., facilitating regulatory approval for the use of expired N95 masks in certain low-risk circumstances or the practice of using one ventilator for two patients in extreme shortage conditions). (See [California](#) and [New York](#) examples).
- Consider leveraging decontamination technology to clean and facilitate reuse of PPE (Battelle's system is in use by [Ohio](#) and several other states).

Procure new resources

- Work directly with domestic and international suppliers to procure PPE and ventilators, including equipment (e.g., anesthesia machines and bi-level positive airway pressure machines) that can be converted into ventilators. (See [New York](#) example and further below for organizations facilitating connections to suppliers).
- Consider a multi-state cooperative procurement and allocation approach to increase purchasing power and direct allocation to areas with the most acute immediate needs. (see group purchasing organization such as [MMCAP Infuse](#), [NASPO ValuePoint](#), and [Omnia Partners](#) with existing state contractors and infrastructure to support such efforts).
- Work with state emergency managers to request assistance through the Emergency Management Assistance Compact, a national interstate mutual aid agreement that can facilitate the loaning or purchase of PPE and medical equipment (and other resources) to states with immediate shortages. (See [California](#) example).
- Coordinate directly with other states that are not facing immediate shortages to facilitate donations or loans of needed PPE and ventilators. (See [Oregon](#) example).
- Continue coordinating with health care providers, first responders and local officials to assess needs and route requests for supplies to the SNS through the appropriate the FEMA regional office (note: on April 8, federal officials signaled that stores of PPE in the SNS have been fully committed).



- Issue regulations to prohibit price gouging of goods and services necessary for public health and safety during a declared statewide or national emergency. (See [Michigan](#) example).

Build new manufacturing capacity

- Encourage businesses with the appropriate equipment and personnel to shift production to making PPE and ventilators. (See [New York](#) example).
- Create an innovation fund to incentivize businesses to manufacture PPE and ventilators. (See [Maryland](#) example).
- Establish an online portal where companies can indicate their interest in producing (or donating) PPE and ventilators. (See [New Hampshire](#) example).

Prioritize allocation and facilitate movement of resources

- Work with state and local public health and emergency management officials to identify a prioritization strategy for allocating resources where they are needed most. (See [Washington](#) example).
- Identify and address transportation regulations that may impede movement of resources to areas of need. (See [Tennessee](#) example).
- Ensure that drivers transporting medical equipment are deemed “essential personnel” and coordinate with transportation and policing agencies to ease their movement through checkpoints or perimeters at controlled facilities or quarantined areas.

SUMMARY OF FEDERAL ACTIONS

While states are doing what they can to meet the growing need for PPE and ventilators, only the federal government has the purchasing power and authority to address the surge in demand across nearly every U.S. state and territory. As the lead agency coordinating the federal COVID-19 response, FEMA established a Supply Chain Stabilization Task Force with a primary focus on sourcing PPE, ventilators and other critical resources to respond to requests by states, tribes and territories, and to surge support to “hot spots” like New York, New Jersey and Connecticut. The Task Force’s strategy is focused on limiting unnecessary use of scarce equipment, speeding the supply of new products to the market, expanding the industrial manufacturing base, and coordinating with the private sector to prioritize allocation of resources.

Since March, President Trump has repeatedly invoked the Defense Production Act (DPA), which grants him a broad set of authorities to influence domestic industry in the interest of national defense. However, the president has been reluctant to use the full weight of the DPA to speed production of PPE and ventilators, citing the willingness of companies to act voluntarily. Notwithstanding this reluctance, there have been a series of authorities delegated by the president to key federal agencies. For example, the president has directed the Secretary of Health and Human Services (HHS) to compel several companies to make ventilators. To date, HHS has signed contracts under the DPA with Philips and General Motors to deliver tens of thousands of ventilators to the SNS by the end of the year.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act includes several provisions to address the need for PPE and ventilators, including \$16 billion for the purchase of medical supplies for the SNS and \$100 billion in direct funding for health care providers, which may be used to purchase medical supplies and equipment. The bill also includes \$1 billion for purchases pursuant to the DPA.



SUMMARY OF PRIVATE SECTOR ACTIONS

The private sector plays a central role in supplying PPE and ventilators. Many private companies, non-profits and individuals have stepped up to donate, increase production, and repurpose facilities to help meet the urgent demand. Companies and academic institutions are also innovating in the design of ventilators. Prisma Health, for example, received FDA approval for a ventilator expansion device, which allows a single ventilator to support up to four patients during times of acute equipment shortages. Ford has pledged to produce 50,000 ventilators by June. Alcohol distilleries have also announced plans to manufacture and distribute hand sanitizer, and companies like Neiman Marcus and Major League Baseball's official uniform manufacturer, Fanatics, have started producing gowns and masks.

ORGANIZATIONS PROVIDING ASSISTANCE

Multiple organizations have emerged to help coordinate the sale, distribution, and donation of medical equipment. Below are several that may be of interest to state leaders. Additional resources are available on [NGA's Coronavirus Resources](#) page.

- The Biotechnology Innovation Organization's [Coronavirus Hub](#) connects vendors that have been vetted, in partnership with the nonprofit Healthcare Ready, to states and other purchasers in need of medical equipment and supplies. Contact: hub@bio.org
- [ProjectN95](#) takes requests and coordinates with manufacturers and suppliers of masks, gowns, gloves and ventilators across the globe. There is a specific [form](#) for state, city and county governments placing orders over 100,000 units.
- The [COVID Help Network](#) connects states, their health departments and health care facilities with medical device companies and non-medical manufacturers willing to retrofit their operations to provide emergency supplies for frontline health care workers. Contact: info@covidhelpnetwork.com
- [Panjiva Supply Chain Intelligence](#), part of S&P Global Market Intelligence, is offering their services free of charge to states. From manufacturers and buyers to shipping and logistics companies, they are offering their insights for connecting to the global supply chain. Contact: kellin.clark@spglobal.com

Note: This memo was prepared with information as of April 13. As this is a fast-evolving situation, we anticipate that there will be more state, federal, and private sector actions related to this issue. NGA will continue to monitor these developments and provide updates as needed.

ADDITIONAL RESOURCES

- [NGA Memo on Capacity for COVID-19 Testing: Current Status and Considerations](#)
- [NGA Memo on the Defense Production Act & Executive Actions Taken for COVID-19](#)
- [Institute for Health Metrics and Evaluation Modeling of Hospital Resource Use](#)
- [Association of State and Territorial Health Officials PPE Issue Brief](#)
- [U.S. Conference of Mayors Survey: Shortages of Medical Equipment in Cities](#)
- [Journal of the American Medical Association Ideas for Sourcing PPE](#)

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