

March 4, 2025

The Honorable Donald J. Trump  
President of the United States  
The White House  
1600 Pennsylvania Avenue  
Washington, DC 20500

The Honorable Kristi Noem  
Secretary of Homeland Security  
Department of Homeland Security  
2707 Martin Luther King Jr. Ave SE  
Washington, DC 20528

Also sent via email to: [traderemedy@cbp.dhs.gov](mailto:traderemedy@cbp.dhs.gov)

**Re: Tariffs on Canada, China and Mexico Related to Executive Orders**

Dear President Trump and Secretary Noem:

Vizient, Inc. appreciates the opportunity to provide feedback to the President and Secretary of Homeland Security regarding recently announced tariffs on products imported from Canada, Mexico and China.<sup>1,2,3</sup> As noted in our prior [letter](#), Vizient welcomes the opportunity to continue our engagement with the Administration, especially given the supply chain challenges over the last several years and the laudable goal of addressing the flow of illicit drugs. However, Vizient continues to raise awareness regarding the threat to the healthcare system that additional tariffs pose. As you are likely aware, hospitals and other healthcare providers already operate on extremely thin margins. Further, although Medicare reimbursement for this year has already been established, Medicare payments will eventually increase as these increased expenses are reflected by healthcare providers.

[Vizient, Inc.](#) provides solutions and services that improve the delivery of high-value care by aligning cost, quality and market performance for more than 65% of the nation's acute care providers, including 97% of the nation's academic medical centers, and more than 35% of the non-acute market. Vizient provides expertise, analytics, consulting services and a contract portfolio that represents \$140 billion in annual customer purchasing volume to improve patient outcomes and lower costs.

Vizient's role in the healthcare supply chain puts us in a unique position of having a line of sight into the practices of suppliers and healthcare providers. We have utilized data-driven insights to help bolster supply assurance for both healthcare providers and suppliers – the latter similarly relying upon a need for stable demand to ensure available supply. While we have long advocated for a more diversified supply chain, including domestic manufacturing where possible, supply disruptions can and do happen

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<sup>1</sup> <https://public-inspection.federalregister.gov/2025-02293.pdf>

<sup>2</sup> <https://public-inspection.federalregister.gov/2025-03664.pdf>

<sup>3</sup> <https://public-inspection.federalregister.gov/2025-03665.pdf>

onshore as well. Well-intentioned tariffs that incidentally impact pharmaceuticals, medical supplies and other products used to care for patients add unnecessary volatility to critical supply chains.

As you know, healthcare providers routinely purchase products that are essential to patient care from suppliers who manufacture abroad. For example, according to AdvaMed, more than two-thirds of all kits used in U.S. surgeries are manufactured in Mexico.<sup>4</sup> Given how quickly the International Emergency Economic Powers Act tariffs were imposed on Canada, China and Mexico and the uncertain duration of such tariffs, we are concerned that the tariffs will lead to additional vulnerabilities in the supply chain, despite the best efforts of the Administration to protect Americans from synthetic opioids.

Collectively, these challenges could negatively impact patient care. Since the nation's largest payer, Medicare, prospectively sets reimbursement rates for providers, which do not currently account for tariffs, providers are at risk for severe under-reimbursement. Healthcare providers already operate on extremely narrow margins and the imposition of these tariffs may jeopardize their ability to operate or, potentially, even keep their doors open.

Some existing contracts may protect providers in the short term from increased costs, but suppliers will ultimately try and pass down the increased expenses for products. Even if an alternative product is available from a domestic manufacturer (or one located in a nation not currently impacted by tariffs), it can take up to a year for providers to transition to an alternative supplier, negotiate contracts, ensure product compliance and provide clinical education and training to staff.

As a result, we respectfully request the opportunity to share more insights on the drugs, supplies, and product categories that we believe would be most impacted by the current tariffs as well as provide insight on potential strategies that could be implemented from a reimbursement standpoint to mitigate any unintended, negative consequences. In addition, we would applaud the administration for adopting policy that would exempt pharmaceuticals and other essential medical products from existing and future tariffs.

Thank you for your consideration. Please do not hesitate to contact me at (202) 354-2607 or [shoshana.krilow@vizientinc.com](mailto:shoshana.krilow@vizientinc.com) if you have any questions or if we can be of assistance.

Sincerely,



Shoshana Krilow  
Senior Vice President, Public Policy & Government Relations

CC: The Honorable Howard Lutnick, Secretary, United States Department of Commerce  
The Honorable Jamieson Greer, United States Trade Representative  
The Honorable John Thune, Majority Leader, United States Senate  
The Honorable Charles Schumer, Minority Leader, United States Senate  
The Honorable Mike Johnson, Speaker, United States House of Representatives  
The Honorable Hakeem Jeffries, Minority Leader, United States House of Representatives

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<sup>4</sup> AdvaMed, The Impact of Tariffs on Patient Access to Medical Technology.