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October 17, 2025

Stephen Astle
Director, Defense Industrial Base Division
Office of Strategic Industries and Economic Security, Bureau of Industry and Security
U.S. Department of Commerce
1401 Constitution Ave, NW
Washington, DC 20230

Re: [BIS-2025-0258] Notice of Request for Public Comments on Department of Commerce's Bureau of Industry and Security, Office of Strategic Industries and Economic Security: investigation to determine the effects on the national security of imports of personal protective equipment (PPE), medical consumables, and medical equipment including devices. (XRIN 0694-XC134) September 26, 2025.

Dear Under Director Astle:

On behalf of our more than 150 member hospitals and integrated health systems, the Wisconsin Hospital Association (WHA) appreciates the opportunity to provide comments on the Department of Commerce's Bureau of Industry and Security's investigation to determine the effects on the national security of imports of personal protective equipment (PPE), medical consumables, and medical equipment including devices.

WHA was established in 1920 and is a voluntary membership association. We are proud to say we represent all of Wisconsin's hospitals, including small Critical Access Hospitals, general medical surgical hospitals and large academic medical centers. We have hospitals in every part of the state—from very rural locations to larger, urban centers like Milwaukee. In addition, we count close to two dozen psychiatric, long-term acute care, rehabilitation and veterans' hospitals among our members.

New Tariffs on Medical Supplies Will Increase Health Care Costs

WHA members have expressed concerns over the potential new tariffs on medical supplies that hospitals and health systems rely on to deliver health care. This would include personal protective equipment, medical consumables, and medical equipment, including, but not limited to:

Robotic Technology

- Medical robotic technology imports

Medical Devices/Equipment

- Pacemakers
- Defibrillators
- Heart valves
- Insulin pumps

Medical Supplies

- Surgical masks
- IV bags

- N95 respirators
- Gloves
- Syringes, needles
- Prescription drugs

Given the lessons learned from the COVID-19 pandemic, and more recently, the Baxter IV plant shortage, WHA applauds the focus on our national security to ensure we are prepared for global supply-chain disruptions resulting from disease, weather, or political instability. However, we have significant concerns that immediate tariffs are not the best way to bring about the desired policy outcome.

We believe a more thoughtful conversation must be had about how to best build supply-chain resilience in America and internationally. We have heard significant concerns from our member hospitals and health systems that these tariffs will drive up costs, because there are often no reasonable domestic alternatives. **For instance, one member health system that operates primarily in Wisconsin and Illinois estimates these tariffs could increase costs as much as \$149 million per year.** While increasing domestically available supplies is a noble goal, it will take buy-in from U.S. manufacturers and suppliers to encourage production here.

As purchasers of these supplies, we have little influence on where such supplies are manufactured, but the effects of tariffs will be felt almost entirely by us. Unfortunately, such tariffs will drive up the cost of health care. Supplies already account for about 13% of hospital expenses, and about 70% of medical devices marketed in the U.S. are manufactured overseas – about \$75 billion in 2024 alone, according to the American Hospital Association. Certain supplies have an even higher percent sourced abroad, with as much as 94% of N95 masks and plastic gloves currently originating from China.

Additionally, medical robotics increasingly impose high costs for surgery programs, particularly in rural areas. One rural hospital in northern Wisconsin estimated a new surgery robot would cost \$5 million when including the purchase of the robot and additional technology upgrades and maintenance. Adding to these already high costs with additional tariff costs could be a substantial barrier for rural hospitals prioritizing the ability to keep care in their own communities but struggling with the ever-increasing costs of doing so.

We are also concerned about potential retaliatory actions from countries on which new tariffs are imposed that could impact the availability of products health care providers rely on to deliver high-quality, high-value health care – and the downstream impact on patients relying on well-sourced hospitals and clinics.

Again, while we appreciate the administration's prioritization of national security, and share concerns about the fragility of the health care supply-chain being overly reliant on sourcing from a limited number of manufacturers overseas, we nevertheless advocate for a more coordinated approach that brings various sectors together to achieve the mutually desired policy outcome.

WHA appreciates the opportunity to provide comments on this proposal.

Sincerely,



Kyle O'Brien
President & CEO