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October 17, 2025

Julia A. Khersonsky
Deputy Assistant Secretary for Strategic Trade
Bureau of Industry and Security
U.S. Department of Commerce
Attention: XRIN 0694–XC134
1401 Constitution Avenue NW
Washington, DC 20230

Re: Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Personal Protective Equipment, Medical Consumables, and Medical Equipment, Including Devices

Dear Deputy Assistant Secretary Khersonsky:

The AAMC welcomes this opportunity to comment on the notice, titled "Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Personal Protective Equipment, Medical Consumables, and Medical Equipment, Including Devices," issued by the Department of Commerce (the Department).

The AAMC is a nonprofit association dedicated to improving the health of people everywhere through medical education, clinical care, biomedical research, and community collaborations. Its members are all 160 U.S. medical schools accredited by the Liaison Committee on Medical Education; 14 Canadian medical schools accredited by the Committee on Accreditation of Canadian Medical Schools; nearly 500 academic health systems and teaching hospitals, including Department of Veterans Affairs medical centers; and more than 70 academic societies. Through these institutions and organizations, the AAMC leads and serves America's medical schools, academic health systems and teaching hospitals, and the millions of individuals across academic medicine, including more than 210,000 full-time faculty members, 99,000 medical students, 162,000 resident physicians, and 60,000 graduate students and postdoctoral researchers in the biomedical sciences. Through the Alliance of Academic Health Centers International, AAMC membership reaches more than 60 international academic health centers throughout five regional offices across the globe.

In the notice, the Department seeks feedback to inform its investigation of the effects on national security of imports of personal protective equipment (PPE), medical consumables, and medical equipment, including devices. Under Section 232 of the Trade Expansion Act of 1962, the Department can conduct investigations on whether the imports of certain goods in a sector could pose a national security risk to the U.S. and recommend actions the president could take, such as

the imposition of tariffs. The Section 232 notice announces the investigation of potential tariffs on three categories of medical supplies and products:

- Personal protective equipment, which includes surgical masks, N95 respirators, gloves, gowns, and related medical parts and components.
- Medical consumables, which are single-use of short-term-use items used for patient diagnosis, treatment, and prevention of conditions. These include medical/surgical instruments (e.g., scalpels, syringes, needles, and infusion pumps), medical/surgical supplies (e.g., IV bags, catheters, tracheostomy tubes, anesthesia equipment, gauze/bandages, sutures, diagnostic and laboratory reagents, and related medical parts and components), and other related medical parts and components.
- Medical equipment, referring to durable equipment, tools, and machines to support patient care, such as wheelchairs, crutches and hospital beds. This category also captures medical devices, which include pacemakers, insulin pumps, coronary stents, ventilators, and imaging equipment.

As is apparent from this non-exhaustive list of examples, any trade actions, such as tariffs under section 232, would have immediate and far-reaching consequences for the health supply chain, ultimately affecting health care providers and their patients. **While the AAMC agrees with the need to ensure supply chain resiliency by diversifying production and reducing dependence on any one source of medical supplies and devices, we strongly recommend against the imposition of tariffs on these broad categories of supplies and devices.** Before imposing any tariffs, we recommend that the Department instead work with other governmental and private sector stakeholders to fully understand the health supply chain and what the effects of tariffs would be on health care costs, patient access, patient safety, and on the availability of critical medical supplies and devices.

The Department Should Consider the Harm Tariffs Would Have on Patients and the Health Care Sector

Broad tariffs on PPE, medical consumables, and medical equipment would disproportionately impact academic health systems by raising the cost of patient care and research, worsening existing financial pressures, and increasing the risk of shortages for essential clinical and laboratory supplies. In addition to serving as hubs of innovative research and training the next generation of physicians, AAMC member academic health systems and teaching hospitals provide complex care, spanning the range of primary through quaternary care. Academic health systems are twice as likely as other health systems to provide a range of critical clinical services, including Level 1 trauma centers, burn units, transplant centers, and other "standby services" that communities rely on. They house 100% of all National Cancer Institutes registered cancer treatment centers, 59% of all Level I trauma centers, and 64% of all pediatric intensive care unit beds.[1] The items included in the Section 232 investigation, such as surgical instruments, tracheostomy tubes, and complex imaging machines, are used to sustain these lifesaving services

[1] AAMC. The impact of federal actions on academic medicine and the U.S. health care system. June 11, 2025.

academic health systems offer to their patients. Beyond their clinical care missions, their research missions would be affected if tariffs were to be imposed on these supplies and consumables, such as reagents used in bench research and clinical trials. Furthermore, as the COVID-19 pandemic demonstrated, having a steady supply of PPE was vital in protecting health workers and supporting academic health systems' emergency response role as frontline providers in public health emergencies. Tariffs on imported medical products may disrupt access to vital items such as gloves, IV fluids, and sterile gowns that are critical to safe patient care provided every day across our nation. Even brief interruptions in these supply chains could delay surgeries, impede infection control, and compromise emergency preparedness, ultimately jeopardizing patient safety across teaching hospitals and their communities. Therefore, the missions of academic health systems depend on a reliable, affordable, and high-quality supply of medical and research materials—many of which are globally sourced because domestic production is limited or unavailable.

If the administration were to impose tariffs, the increased costs would be passed on to health care providers. For large academic health systems purchasing large volumes of these goods, even small tariffs could translate to substantial losses, further straining narrow operating margins and clinical budgets. Experts estimated that tariffs could increase supply costs for health systems by 15 percent over just six months, with 90 percent of health care supply chain professionals expecting significant disruptions in procurement processes.[2] Recently, the administration announced the imposition of pharmaceutical tariffs at a rate of 100 percent, which were set to begin on October 1.[3] We see the impact of such polices on drug expenses already playing out with year over year drug expenses increasing twelve percent in June 2025 compared to June 2024, making drug expenses the main driver of expense growth.[4] Layering additional tariffs on medical equipment on top of these other tariffs would only further exacerbate their tenuous financial predicament. Moreover, reimbursement from payers such as Medicare and Medicaid already lags behind rising costs associated with policy changes such as tariffs, so hospitals cannot offset these increased costs associated with tariffs through higher payer reimbursement.[5]

The Department Must Clarify Key Terms and Metrics to Better Understand the Impact of Tariffs

The Department poses questions on the current and projected demand for PPE, medical consumables, and medical equipment, as well as the extent to which domestic production can meet this demand. We emphasize that it is impossible to get an accurate picture of future demand, particularly as demand spikes and supply disruptions—either in local markets or nationally—can occur in the event of natural disasters, manmade disasters, and pandemics. This unpredictability in future demand also underscores the need for diverse sources of goods, both foreign and domestic. In the aftermath of Hurricane Helene, damage to just one domestic

[2] Becker's Hospital Review. Hospital finance, supply leaders predict 15% increase in tariff-related costs (March 2025)
[3] The Wall Street Journal. Trump Excludes Generics From Big Pharma Tariff Plan. Oct. 8, 2025.
[4] Kaufman Hall June 2025 National Hospital Flash Report. August 11, 2025.
[5] *See* AAMC Comments on FY 2026 IPPS Proposed Rule. June 10, 2025.

manufacturing plant of IV fluids severely disrupted the health supply chain, causing nationwide shortages of the IV fluids, requiring the postponement and cancellation of surgeries, and ultimately taking nearly a year to resolve.[6] Ensuring similar shortages do not occur for other medical goods requires a diversified supply chain.

To better understand the Department's goals, we ask that it define key terms, such as what it considers to be "domestic production." For example, would a product have to be produced and assembled in the U.S., with all the components also domestically sourced and produced? There are competing definitions of domestically produced goods, each differing in key respects, such as the definition under the Buy American Act of 1933 or the definition of "Made in the USA" that the Federal Trade Commission has adopted,[7] so it's imperative that the Department clarify what it means by "domestically produced." Additionally, the Department does not specify whether there is a specific threshold of domestic production or sourcing of products that would have to be met to be considered adequate domestic production. Whether the administration aims to rely solely on domestic production or to supplement foreign products with domestic products is a key factor in assessing the adequacy of domestic production and whether it meets these targets.

Any Tariffs Must be Targeted, Limited in Scope and Duration, and Provide an Onramp for Budgeting and Planning

While we oppose the use of tariffs on PPE, medical consumables, and medical equipment, if the administration were to ultimately consider imposing tariffs, it should do so only after a thorough investigation of the effects of tariffs on the health supply chain. Tariffs should be limited in duration and to items for which there is a demonstrated national security threat and only after it has been determined there is a sufficient supply of domestically manufactured goods to meet demand. The administration must provide adequate notice both of the amount and types of products subject to tariffs so that stakeholders, such as health systems, can work with suppliers to find alternative sources of these products and budget for the financial impacts of the tariffs.

In addition to limiting the scope and duration of the tariffs, the Department could consider an exceptions process for critical supplies and devices, as well as in emergencies. The Department could look to existing lists of critical devices, such as the FDA critical device list and medical device shortages lists, to determine which devices should be excluded from tariffs.

Thank you for the opportunity to comment on this notice. We look forward to proving input throughout the process to ensure policies incentivize domestic production and a diversified supply chain while allowing academic health systems to continue fulfilling their missions with minimal disruption to their patients. We would be happy to work with Department on any of the issues discussed or other topics that involve the academic medicine community. If you have

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[6] NPR. Shortage of IV Fluids Leads to Canceled Surgeries. October 30, 2024. Food and Drug Administration. A Statement from FDA Commissioner Marty Makary, M.D., M.P.H.: Announcing Resolution of the IV Saline Solutions Shortage. August 8, 2025.

[7] FTC. Complying with the Made in USA Standard.; Congressional Research Service. The Buy American Act and Other Federal Procurement Domestic Content Restrictions. November 8, 2022.

questions regarding our comments, please feel free to contact my colleague Shahid Zaman (szaman@aamc.org).

Sincerely,

Jonathan Jaffery, M.D., M.S., M.M.M., F.A.C.P.
Chief Health Care Officer
AAMC

Cc: David J. Skorton, M.D., AAMC President and Chief Executive Officer