

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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September 4, 2020

The Honorable Alex M. Azar II
Secretary of Health and Human Services
Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Azar:

The Subcommittee on Economic and Consumer Policy requests documents and information relating to all Department of Health and Human Services (HHS) contracts in which Assistant to the President Peter Navarro played any role.

On July 31, 2020, the Subcommittee issued a staff report detailing Mr. Navarro's role in negotiating a \$646.7 million ventilator contract on HHS's behalf with Philips Respironics.¹ Shortly after our staff report was released, HHS terminated that contract with Philips, saving taxpayers more than \$400 million.² HHS has confirmed that the contract is now subject to an internal investigation and legal review.³

Mr. Navarro's poor performance in negotiations with Philips raises serious concerns about all pandemic-related contracts in which he played a role. We have significant evidence that he has failed to demonstrate a grasp of negotiation fundamentals such as not accepting the counterparty's opening offer, which illustrates that he cannot serve as a trustworthy steward of U.S. taxpayer money. I encourage you to block his involvement in negotiating all future HHS contracts.

¹ Subcommittee on Economic and Consumer Policy, *Staff Report: The Trump Administration's Failure in Contract Management and Inept Negotiations by Senior White House Officials Denied Americans Ventilators During the Coronavirus Pandemic and Squandered Up to \$504 Million in Taxpayer Funds* (July 29, 2020) (online at

<https://oversight.house.gov/sites/democrats.oversight.house.gov/files/Economic%20and%20Consumer%20Policy%20Subcommittee%20Staff%20Report%20on%20Ventilators%20Contract.pdf>).

² *U.S. Scraps Philips Ventilator Order in 2020 Earnings Blow*, Reuters (Aug. 31, 2020) (online at www.reuters.com/article/us-philips-us-ventilators/united-states-halts-order-of-philips-ventilators-earnings-to-be-hit-idUSKBN25R0P6?il=0).

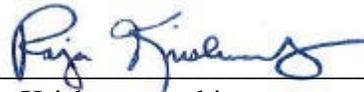
³ *Tactics of Fiery White House Trade Advisor Draw New Scrutiny as Some of His Pandemic Moves Unravel*, Washington Post (Sept. 2, 2020) (online at www.washingtonpost.com/us-policy/2020/09/02/navarro-pandemic-coronavirus/).

To assist the Subcommittee in determining whether additional taxpayer funds are at risk in other contracts, please produce the following documents and information by September 11, 2020:

1. A list of all contracts in which Mr. Navarro played any role in the negotiations; and
2. For each contract in which Mr. Navarro played a role in the negotiations, the contract and all amendments and modifications thereto, and all communications related thereto in which Mr. Navarro was included, involved, or referenced.

The Committee on Oversight and Reform is the principal oversight committee of the House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. An attachment to this letter provides additional instructions for responding to the Committee’s request. If you have any questions regarding this request, please contact Subcommittee staff at (202) 225-5051.

Sincerely,



Raja Krishnamoorthi
Chairman

Subcommittee on Economic and Consumer Policy

Enclosure

cc: The Honorable Michael Cloud, Ranking Member