

The Strategic National Stockpile and COVID-19

Rethinking the Stockpile

Addendum

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The Strategic National Stockpile and COVID-19: Rethinking the Stockpile

Testimony of Daniel M. Gerstein¹
The RAND Corporation²

Addendum to testimony before the Committee on Homeland Security and Governmental Affairs
United States Senate

Submitted August 21, 2020

Following the hearing on June 24, 2020, the congressional committee sought additional information and requested answers to the questions in this document. The answers were submitted for the record.

Questions from Senator Gary Peters

Question 1: State Acquisition Efforts

What are the obligations of the federal government to support states during public health emergencies?

Answer

The National Response Framework guides the national response to all types of disasters and emergencies, including pandemics. It is designed to be scalable, flexible, and adaptable with concepts identified in the National Incident Management System to align key roles and responsibilities.³ The framework has been designed to create responsibilities for response at all levels of the government and with stakeholders, down to and including individuals. When one part of the response does not function effectively—as in the case of the federal response to

¹ The opinions and conclusions expressed in this addendum are the author's alone and should not be interpreted as representing those of the RAND Corporation or any of the sponsors of its research.

² The RAND Corporation is a research organization that develops solutions to public policy challenges to help make communities throughout the world safer and more secure, healthier and more prosperous. RAND is nonprofit, nonpartisan, and committed to the public interest.

³ Federal Emergency Management Agency (FEMA), "National Response Framework," webpage, July 31, 2020, <https://www.fema.gov/media-library/assets/documents/117791>.

coronavirus disease 2019 (COVID-19), which, as I characterized in my testimony, “has been slow and inconsistent and has deservedly become a target of criticism”⁴—the overall response suffers.

U.S. emergency management traces its roots to the Congressional Act of 1803, which is considered the nation’s first piece of disaster legislation and aided a New Hampshire town following an extensive fire. FEMA—established in 1979—also traces its root back to this original legislation.⁵ Emergency management in the United States is based on the understanding that all initial response is local. When local authorities no longer have the capacity to mount an effective response, states provide necessary support. When the state capacity is exhausted, federal support is invoked through a Stafford Act declaration.

The 1988 Stafford Act describes the process for federal disaster assistance for state and local governments to request assistance. The Stafford Act allows the President to declare a major disaster or emergency and provides access to the Disaster Relief Fund.⁶ The national emergency management system also has established doctrine for reporting information and making requests for support. The structure includes frameworks, critical functions, and training and exercises designed to test systems and ensure proficiency. An important part of the emergency management doctrine involves managing the logistics and supply chains that support the response.

The Department of Health and Human Services (HHS) is designated as the sector-specific lead agency for the health care and public health sectors for all emergencies, including a pandemic. The requirements for HHS are spelled out in Emergency Support Function 8 (ESF 8).⁷ ESF 8 leads the public health and medical response, and the secretary of HHS is responsible for coordinating these assets; this coordination is principally through the Assistant Secretary for Preparedness and Response. ESF 8 resources can be activated through the Stafford Act or the Public Health Service Act.

Additionally, the Strategic National Stockpile (SNS)—which was established in 1999 for response to a bioterrorism event but has been broadened to encompass all hazards—contains

⁴ Daniel M. Gerstein, “The Strategic National Stockpile and COVID-19: Rethinking the Stockpile,” testimony presented before the U.S. Senate Committee on Homeland Security and Government Affairs on June 24, 2020, Santa Monica, Calif.: RAND Corporation, CT-A530-1, 2020b, <https://www.rand.org/pubs/testimonies/CTA530-1.html>.

⁵ FEMA, “Emergency Management Institute (EMI) Overview,” webpage, undated, <https://training.fema.gov/history.aspx#:~:text=FEMA%20can%20trace%20its%20beginnings,town%20following%20an%20extensive%20fire.&text=This%20piecemeal%20approach%20to%20disaster%20assistance%20was%20problemaic>.

⁶ Public Law 93-288, Robert T. Stafford Disaster Relief and Emergency Assistance Act, FEMA P-592, May 2019, https://www.fema.gov/media-library-data/1582133514823-be4368438bd042e3b60f5cec6b377d17/Stafford_June_2019_508.pdf.

⁷ According to the HHS Office of the Assistant Secretary for Preparedness and Response, “Emergency Support Functions (ESFs) is the grouping of governmental and certain private sector capabilities into an organizational structure to provide support, resources, program implementation, and services that are most likely needed to save lives, protect property and the environment, restore essential services and critical infrastructure, and help victims and communities return to normal following domestic incidents” (Public Health Emergency, “Emergency Support Functions,” webpage, undated, <https://www.phe.gov/Preparedness/support/esf8/Pages/default.aspx>).

equipment and medical countermeasures for pandemic response. The SNS was formerly under the Centers for Disease Control and Prevention (CDC) but was moved under the Assistant Secretary for Preparedness and Response in 2018. In the case of an emergency, state governors can request deployment of the SNS, but the federal government ultimately makes the determination to release the stockpile. This process played out in the initial phases of the COVID-19 response as state, local, tribal, and territorial (SLTT) health systems became overwhelmed and states began requesting supplies. However, COVID-19 presented an unusual set of circumstances involving nearly simultaneous requests from all 56 SLTT authorities. The quantities of material in the stockpile were not nearly enough to fill all of the requests, resulting in a heated competition.

The SNS was not intended to satisfy all requirements for the entirety of a pandemic but rather to allow for activating critical supply chains. This would require being prepared to combine direct contracting with manufacturers, having warm production lines for some key commodities, and procuring large quantities at the national level to take advantage of economies of scale.

The federal government also has the role of coordinating a national response. All emergencies are local and should be managed at the lowest level possible, but in the case of a national emergency (and COVID-19 is arguably the first in some time), the only way to have a coordinated national response is for the federal government to play that role. The SLTT authorities also depend on the federal government for information and intelligence, scientific and technical guidance, and leadership, to name a few. For example, the SLTT authorities need the federal government to develop a national strategy for testing, which has yet to be accomplished even five months into the pandemic. In addition, the SLTT authorities need guidance on the use of face masks to reduce virus transmission rates.

Question 2: Pandemic Preparedness

Since January, the Trump Administration has cut funding, ignored critical warnings, and disbanded the pandemic planning office. It also seems that supply chain responsibility has shifted away from the SNS and toward FEMA. What are your thoughts on this and our federal government's preparedness and response to this pandemic?

Answer

In a virtual congressional roundtable with the House of Representatives' Science, Space, and Technology Committee on May 5, 2020, I provided a written statement regarding the federal response to the pandemic.⁸ My assessment remains that the response has been slow and inconsistent and "has deservedly become a target of criticism." Overall, the federal government,

⁸ Daniel M. Gerstein, "The Federal Research Enterprise and COVID-19: A Lesson in Unpreparedness," testimony presented before the House of Representatives Science, Space, and Technology Committee at a virtual roundtable on May 5, 2020, Santa Monica, Calif.: RAND Corporation, CT-A360-1, 2020a. <https://www.rand.org/pubs/testimonies/CTA360-1.html>.

in particular, was between two and four weeks behind on all decisions in the first four months of the pandemic (i.e., from January through April 2020).

Initial reports of the virus were provided to the CDC by Chinese counterparts on January 3, 2020. U.S. intelligence agencies—which had been following events in China since late November—began regularly reporting on the coronavirus spread throughout January and into early February.⁹ By mid-February, global examples of the virus transmissibility and virulence were evident, and a global competition was underway for masks, gowns, ventilators, and reagents and nasal swabs for test kits.

Despite this information, miscues—particularly at the federal level in the early stages—hindered mounting a coherent national response and rapidly energizing the capabilities that would be essential to understanding the progression of COVID-19. These shortfalls undoubtedly resulted in greater mortality and morbidity because they led to decisions that were some two to four weeks later than would have been useful to contain the spread of the disease in the United States in the early stages of the pandemic.¹⁰

To the nation’s peril, decisions and guidance at the federal level were not based on the best science. The result was a response that was largely led by the state governors and that lacked federal support. This absence of federal support cascaded across the response. The 2018 dissolution of the National Security Council staff element responsible for pandemics meant that relationships that had been developed across the government were no longer functioning. The issue was further exacerbated by the failure to employ the pandemic response playbook developed by the Obama administration following the 2014 Ebola pandemic.

The Trump administration was briefed about the playbook, but it was not used for the COVID-19 response. The playbook covered many of the issues encountered during the COVID-19 response, such as early actions in response to credible threats, use of emergency funds and the SNS, and the Defense Production Act.¹¹

The turbulence surrounding the SNS also proved costly. As noted earlier, in 2018, oversight for the SNS was transferred within HHS, from the CDC to the Assistant Secretary for Preparedness and Response. At the beginning of the COVID-19 pandemic, oversight for the SNS transferred again, this time to FEMA in the Department of Homeland Security. All of this turbulence caused confusion and disconnected relationships that had been practiced during numerous trainings and exercises.

The SNS also was found to be ineffective when managing a national emergency of this magnitude. In congressional testimony, FEMA Administrator Peter Gaynor offered the following assessment of the SNS: “FEMA typically manages abundant resources for disasters that are limited in geographic scope and impact. In responding to COVID-19, FEMA has had a much different and difficult task of managing the lack of critical medical supplies and equipment.

⁹ Shane Harris, Greg Miller, Josh Dawsey, and Ellen Nakashima, “U.S. Intelligence Reports from January and February Warned About a Likely Pandemic,” *Washington Post*, March 20, 2020.

¹⁰ Gerstein, 2020a.

¹¹ Dan Diamond and Nahal Toosi, “Trump Team Failed to Follow NSC’s Pandemic Playbook,” *Politico*, March 25, 2020.

Rather than managing resources, we are managing shortages.”¹² In previous exercises dealing with public health emergencies, the answer has consistently been to request support from the SNS; yet, as COVID-19 demonstrates, this strategy might not be prudent. Additionally, the pandemic is also demonstrating the interconnectedness of the global supply chains, which source personal protective equipment and other supplies, such as reagents for testing.

As noted earlier, activating critical supply chains that support the national response requires being prepared to combine direct contracting with manufacturers, having warm production lines for some key commodities, and procuring large quantities at the national level to take advantage of economies of scale.

Historic underfunding of public health—specifically, not treating public health as a national security priority—has also contributed to the shortfalls in the U.S. response. Funding cuts to the CDC, the National Institutes of Health, and state and local public health programs have left inadequate staff capacity in these organizations and a lack of supplies for use in a pandemic.

The lack of a national strategy for combating the pandemic, mixed messages that confused political leaders and U.S. citizens, and federal failure to lead have resulted in the United States having the most COVID-19 deaths of any country, economic devastation, and an enormous human toll.

My overall assessment is that the response to COVID-19 has exposed key shortfalls in the United States’ preparedness and response capabilities. Going forward, a bipartisan commission should undertake a comprehensive accounting of the COVID-19 pandemic. Basic assumptions—including regarding the role of government at all levels in emergency management and disaster preparedness and response—should be on the table.

¹² “FEMA: Supplies, a Test During COVID and Disasters,” Yahoo News, July 24, 2020, <https://news.yahoo.com/fema-supplies-test-during-covid-173337653.html>.