DOJ and HHS partner to distribute more than half a million medical supplies confiscated from price gougers

The U.S. Department of Justice (DOJ) and U.S. Department of Health and Human Services (HHS) today announced the distribution of hoarded personal protective equipment (PPE), including approximately 192,000 N95 respirator masks, to those on the frontline of the novel coronavirus disease 2019 (COVID-19) response in New York and New Jersey.

The Federal Bureau of Investigation discovered the supplies during an enforcement operation by the Department of Justice's COVID-19 Hoarding and Price Gouging Task Force on March 30 and alerted HHS which used its authority under Defense Production Act to order that the supplies be immediately furnished to the United States. In addition to the N95 respirator masks, the supplies found included 598,000 medical grade gloves and 130,000 surgical masks, procedure masks, N100 masks, surgical gowns, disinfectant towels, particulate filters, bottles of hand sanitizer, and bottles of spray disinfectant.

"Cracking down on the hoarding of vital supplies allows us to distribute this material to the heroic healthcare workers on the frontlines who are most in need," said HHS Secretary Alex Azar. "Thanks to the quick work of the White House, the Department of Justice, and HHS, the seized resources were distributed in days to the doctors, nurses and first responders who need them. President Trump's all-of-America approach to combating the coronavirus involves an aggressive approach to stopping hoarding, and the American public can play a role by being on the lookout for this behavior."

HHS will pay the owner of the hoarded equipment pre-COVID-19 fair market value for the supplies and has begun distributing to meet the critical need for the supplies among healthcare workers in New York and New Jersey.

Specifically, after inspecting the supplies, HHS arranged for the delivery of the PPE to the New Jersey Department of Health, the New York State Department of Health and the New York City Department of Health and Mental Hygiene.

"This is the first of many such investigations that are underway," said Peter Navarro, DPA Policy Coordinator and Assistant to the President. "Our FBI agents and other law enforcement agencies are tracking down every tip and lead they get, and are devoting massive federal resources to this effort. All individuals and companies hoarding any of these critical supplies, or selling them at well above market prices, are hereby warned they should turn them over to local authorities or the federal government now or risk prompt seizure by the federal government."

"If you are amassing critical medical equipment for the purpose of selling it at exorbitant prices, you can expect a knock at your door," said Attorney General William P. Barr. "The Department of Justice's COVID-19 Hoarding and Price Gouging Task Force is working tirelessly around the clock with all our law enforcement partners to ensure that bad actors cannot illicitly profit from the COVID-19 pandemic facing our nation."

Vendors interested in selling PPE to the federal government should contact the Federal Emergency Management Agency at >https://www.fema.gov/coronavirus/how-to-help<. Anyone who learns of hoarding or price gouging of PPE should report it to the National Center for Disaster Fraud by dialing 1-866-720-5721 or emailing disaster@leo.gov.

HHS and the Federal Emergency Management Agency continue to collaborate with private industry to overcome the shortage of PPE across the country amid the COVID-19 pandemic.

The Defense Production Act and Presidential Executive Order March 25 are intended to prevent accumulation in excess of reasonable demands of business, personal, or home consumption, or for the purpose of resale at prices in excess of prevailing market prices, also known as hoarding and price gouging, of medical supplies critical to the COVID-19 response.

202-205-8117
asprmedia@hhs.gov
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