HHS Did Not Fully Comply With Federal Requirements and HHS Policies and Procedures When Awarding and Monitoring Contracts for Ventilators

What OIG Found
ASPR did not consistently award and monitor contracts for ventilators for use in responding to the COVID-19 pandemic in accordance with Federal requirements and HHS policies and procedures. Specifically, ASPR did not establish roles and responsibilities for communication with other emergency response teams, did not always accurately report contract data, and did not always properly monitor contractor performance.

As a result, ASPR could not ensure compliance with applicable Federal requirements or that each contract’s terms were economically and efficiently achieved; therefore, ASPR could not determine whether the use of taxpayer funds was reasonable. In addition, the Federal Government may have used inaccurate contract data supplied by ASPR to measure and assess the impact of Federal procurements on Coronavirus Aid, Relief and Economic Security (CARES) Act spending. Finally, ASPR potentially hindered the SNS’s ability to meet anticipated ventilator demand in support of the Federal Government’s COVID-19 pandemic response.

What OIG Recommends and ASPR Comments
We made a series of recommendations to ASPR, including that it establish written policies and procedures for communicating with federally established emergency response team lead agencies, accurately report contract data, and strengthen its policies and procedures to ensure proper monitoring of contractor performance.

In written comments on our draft report, ASPR did not indicate concurrence or nonconcurrence with our findings and recommendations; however, it stated that it looks forward to utilizing our findings and recommendations to strengthen future response efforts. We encourage ASPR to implement our recommendations in these efforts.

The full report can be found at https://oig.hhs.gov/oas/reports/region2/22002002.asp.