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United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
WASHINGTON, DC 20510-6250

November 21, 2011

The Honorable Daniel R. Levinson
Inspector General
U.S. Department of Health and Human Services
330 Independence Avenue, SW
Room 5238
Washington, DC 20201

Dear Mr. Levinson:

I am writing to request that your office review the Department of Health and Human Services' award of a \$433 million sole-source contract to acquire smallpox vaccine.

In May 2011, the Department awarded a five-year, \$433 million contract for smallpox vaccine to Siga Technologies Inc. on a sole-source basis.¹ The Department had earlier awarded the contract to Siga Technologies under a solicitation that was set aside for small businesses, even though Siga Technologies is not a small business.² After this decision was protested, the Department opted to use a sole-source award.³

Under the contract, the Department will acquire 1.7 million doses of smallpox vaccine for the Strategic National Stockpile (SNS). The vaccine is reported to be more expensive and has a shorter shelf-life than the vaccine currently in the SNS and it is unknown whether this product is actually safe for human use.⁴

I request that you review the circumstances surrounding the award of the contract, including whether it was reasonable in light of the risk of a smallpox outbreak and the reported shortfalls with the Siga Technologies vaccine.

¹ Contract Number HHSO1002011000011C.

² Department of Health and Human Services, *Solicitation Number: RFP-11-100-SOL-0007, Justification for Other than Full and Open Competition* (Dec. 6, 2010).

³ *Id.*

⁴ *Cost, Need Questioned in \$433 Million Smallpox Drug Deal*, Los Angeles Times (Nov. 13, 2011).

Please contact Sarah Garcia with the Subcommittee staff at (202) 224-1014 with any questions. Please send any official correspondence relating to this request to kelsey_stroud@hsgac.senate.gov.

Sincerely,

A handwritten signature in blue ink that reads "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" being more prominent and the last name "McCaskill" following in a similar style.

Claire McCaskill
Chairman
Subcommittee on Contracting Oversight