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Remdesivir for the Commercial Marketplace

What You Need to Know

On Sunday, June 28, 2020, the U.S. Department of Health and Human Services (HHS) signed a Memorandum of Agreement with Gilead Sciences, Inc. (the manufacturer of remdesivir) and AmerisourceBergen (the distributor of remdesivir) to secure approximately 500,000 treatment courses of remdesivir for use in American hospitals. This represents 100 percent of Gilead's projected production for July (94,200 treatment courses), 90 percent of production for August (174,900 treatment courses), and 90 percent of production in September (232,800 treatment courses), in addition to an allocation for clinical trials. At the end of this three-month period, the federal government will assess the COVID-19 environment to determine the best path forward relative to future distributions.

In alignment with the [current terms of the Emergency Use Authorization \(EUA\) for remdesivir](#), HHS will oversee the drug's allocation and distribution process.

Allocation and Distribution Strategy

To achieve the federal government's priority of distributing the limited doses of available remdesivir in a fair and equitable manner to locations in the country that need it most, the HHS Office of the Assistant Secretary for Preparedness and Response (HHS/ASPR) will oversee the allocation of the commercially available drug. If states and territories have remaining amounts of donated remdesivir, they should continue allocating the drug to hospitals in their jurisdictions at no cost.

Step 1: HHS/ASPR determines state and territory allocations for each distribution period using information from TeleTracking, CDC's National Healthcare Safety Network, and HHSProtect to determine allocations for each distribution period. Note: As of July 10, 2020, hospitals no longer have the requirement of inputting data into the TeleTracking system specifically for remdesivir allocation calculations.

Step 2: HHS/ASPR notifies state/territorial health departments regarding their allocated amounts of remdesivir for the given distribution period.

Step 3: Health departments determine how much remdesivir hospitals within their respective jurisdictions may purchase based on the state/territory's overall allocation. Health departments communicate information regarding receiving hospitals and allowable purchase amounts to AmerisourceBergen. Neither AmerisourceBergen nor Gilead Sciences, Inc. are involved in allocation decisions for the remdesivir.

Step 4: AmerisourceBergen coordinates shipping details with hospitals identified by their state/territorial health department to receive an allocation of remdesivir. AmerisourceBergen generates invoices for hospitals upon shipping.

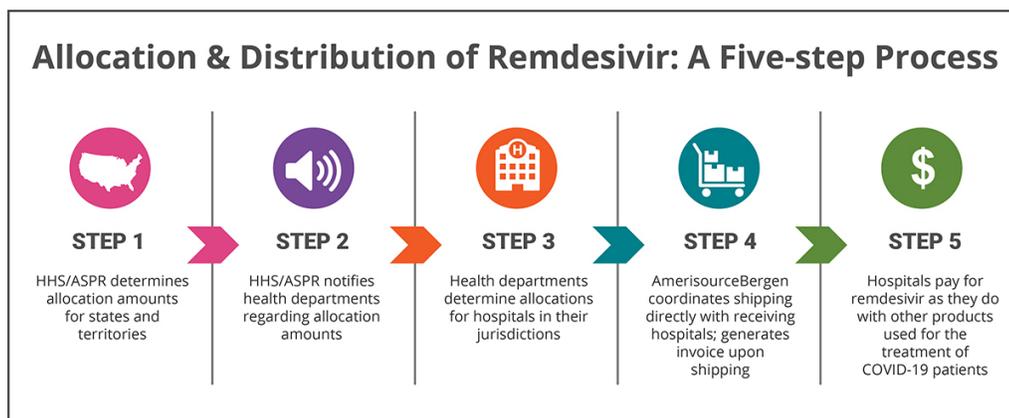
Step 5: Hospitals are responsible for payment of remdesivir just as they are for other products used for the treatment of their COVID-19 patients.

Remdesivir Related Resources

[Remdesivir Overview](#)
[Allocation of Donated Remdesivir by Jurisdiction: May 4 – June 29, 2020](#)
[Allocation of Commercial Remdesivir by Jurisdiction: July 10 - July 19, 2020](#)
[Remdesivir for the Commercial Marketplace Fact Sheet](#)
[Frequently Asked Questions about Remdesivir for the Commercial Marketplace](#)

COVID-19: Coronavirus Disease 2019

[BARDA's Novel Coronavirus Medical Countermeasure Portfolio](#)
[ASPR's Portfolio of COVID-19 Medical Countermeasures under Investigation](#)
[Working with BARDA on COVID-19 Medical Countermeasures](#)
[Strategic National Stockpile Healthcare Provider Resources from ASPR](#)
[TRACIE](#)
[HPP and Health Care System Preparedness and Response](#)
[Emergency Declarations and Waivers](#)
[Mental and Behavioral Health Volunteering and Community Service](#)
[Federal Nutrition Programs for At-Risk Individuals](#)
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Payment and Reimbursement

Hospitals will pay no more than the wholesale acquisition cost (WAC) set by Gilead, which amounts to approximately \$3,200 per treatment course. A treatment course of remdesivir is, on average, 6.25 vials.

The drug will be billed per the standard relationship between AmerisourceBergen and the receiving hospital. Hospitals that do not have an account with AmerisourceBergen should [email sales@asdhealthcare.com](mailto:sales@asdhealthcare.com) to complete this process.

Generally, patients do not pay directly for hospital administered drugs like remdesivir; rather, for Medicare and most private insurers, the drug's cost is incorporated into payments made by the insurer.

HHS is using a portion of the \$100 billion [CARES Act Provider Relief Fund](#) to reimburse healthcare providers, at Medicare rates, for COVID-related [treatment of the uninsured](#). [Hospitals can apply for reimbursement of hospitalization costs through this program](#). Private insurers (including Humana, Cigna, UnitedHealth Group, and the Blue Cross Blue Shield system) have committed to waive cost-sharing payments for treatment related to COVID-19 for plan members.

About Remdesivir

Under the EUA, the investigational drug remdesivir is approved for distribution and use by licensed health care providers to treat adults and children hospitalized with severe COVID-19. Severe COVID-19 is defined as patients with an oxygen saturation (SpO₂) \leq 94% on room air or requiring supplemental oxygen or requiring mechanical ventilation or requiring extracorporeal membrane oxygenation (ECMO), a heart-lung bypass machine.

Remdesivir as a treatment for COVID-19 continues to be evaluated in clinical trials and is available through [expanded access](#) and compassionate use mechanisms for certain patient populations. [Preliminary results](#) of a clinical trial supported by the National Institutes of Health suggest that the drug may be associated with faster recovery compared with patients in the study who did not receive the drug.

For more information about remdesivir and the EUA, [visit www.phe.gov](http://www.phe.gov). This site will be updated regularly to reflect the current state-by-state dashboard of allocations.

This page last reviewed: July 13, 2020

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