UNITED STATES ANIMAL HEALTH ASSOCIATION

2026 Resolution
130th Annual Meeting
October 15-21, 2026
Madison, WI

RESOLUTION NUMBER: 3 APPROVED

SOURCE: JOINT COMMITTEE ON NAHLN

SUBJECT MATTER: Adoption of Standardized Fixed-Unit Pricing and Utilization of the National Animal Health Laboratory Network Coordinating Council for Indefinite-Delivery/ Indefinite-Quantity (IDIQ) Diagnostic Testing Contracts

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RESOLUTION:

The United States Animal Health Association and the American Association of Veterinary Laboratory Diagnosticians urge the United States Department of Agriculture, Animal and Plant Health Inspection Service, Veterinary Services, in coordination with the Office of Contracting and Procurement, to:

1. Transition National Animal Health Laboratory Network (NAHLN) Indefinite-Delivery/Indefinite-Quantity (IDIQ) diagnostic testing procurement from individual laboratory cost-based bidding to a standardized fixed-unit-rate schedule;

2. Authorize and engage the NAHLN Coordinating Council, comprising state animal health officials, laboratory officials, and industry representatives, to evaluate operational costs and propose a standardized fixed-price fee schedule for contracted IDIQ testing, based on input from the Joint Committee on the NAHLN and other relevant stakeholders;

3. Incorporate mechanisms into fixed-rate IDIQ schedules to account for inflation and regional differences in labor costs; and

4. Streamline contracting procedures to eliminate administrative backlogs, ensure timely contract execution, and maintain uninterrupted diagnostic readiness across the network.

BACKGROUND INFORMATION:

The National Animal Health Laboratory Network (NAHLN) plays a vital role in protecting United States livestock, wildlife, and public health through rapid diagnostic testing, early disease detection, and surge capacity during foreign animal disease (FAD) outbreaks and national surveillance efforts. To support these critical activities, the United States Department of Agriculture (USDA), Animal and Plant Health Inspection Service (APHIS)

utilizes Indefinite-Delivery/Indefinite-Quantity (IDIQ) procurement contracts under the Federal Acquisition Regulation (FAR) to reimburse state and university diagnostic laboratories.

Under current practice, requiring individual NAHLN laboratories to submit unique, competitive price proposals for each test creates substantial administrative delays and burdens for both state laboratories and USDA contracting officers. The review and negotiation of individual laboratory pricing proposals create significant administrative bottlenecks, delay contract execution, and introduce operational uncertainty ahead of peak surveillance periods and disease incursions.

Under existing federal procurement regulations, specifically FAR Part 12 (Acquisition of Commercial Products and Commercial Services) and FAR Part 16 (Types of Contracts), USDA-APHIS has the legal authority to establish a standardized, fixed-price fee schedule. Rather than requiring individual bid evaluations, USDA-APHIS could issue solicitations with pre-established unit rates derived from baseline USDA-APHIS, National Veterinary Services Laboratories (NVSL) operational costs, allowing accredited laboratories to opt in to the predetermined fee schedule.

The NAHLN Coordinating Council, comprising state animal health officials, laboratory directors, and industry representatives, possesses the necessary subject matter expertise, operational knowledge, and stakeholder perspective to evaluate diagnostic requirements and baseline operational costs. Allowing the NAHLN Coordinating Council to propose standardized fixed prices and a recommended reimbursement schedule would help ensure that testing rates are fair, fiscally responsible, transparent, and reflective of actual diagnostic costs. The reimbursement structure could also incorporate mechanisms such as economic price adjustments and premium fees, as appropriate, to support laboratory readiness for low-volume FAD investigations.