

To: Maryland Governor Larry Hogan, Chair of the National Governors Association (NGA)
New York Governor Andrew Cuomo, Vice-Chair of the NGA

cc: Donald Trump, POTUS
Joe Biden, Former Vice President
Mitch McConnell, Republican, Senate Majority Leader
Nancy Pelosi, Democrat, Speaker of the House of Representatives
Bernie Sanders, Independent, Senator Vermont
Jamie Raskin, US Representative (MD-08)
Ben Cardin, US Senator Maryland
Chris Van Hollen, US Senator Maryland
Trif Alatzas, Editor, The Baltimore Sun Papers
Bob Blubaugh, Editor, Carroll County Times
Chuck Todd, NBC Moderator of “*Meet the Press*”
Sean Hannity, FOX Host of “*Hannity*”
Rick Hutzell, Editor, The Capitol Gazette

From: Andrew J. (A J) Wildman
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Westminster, MD 21157
Independent 2020 Candidate for President of the United States
www.commonsense2nd.com @OurPotus2020

Date: May 1, 2020

Re: Saving State and Federal Budgets from Abusive Covid19 Unit Charges (CUC)

Dear Sirs:

My patriotic and professional intent herein is to publicly declare a severe problem with the Pricing of Covid19 Coronavirus related “Medical Supplies and/or Services (MSS)”. The Pricing markup term used herein for MSS items is “Covid19 Unit Chargers (CUC)” will be explained.

Implementation of the prudent and practical Solution to this Pricing problem will not cost the State or Federal government a nickel. However, it will bring millions of dollars immediately back into their respective Treasury. And best of all, the vast majority of Americans will support, if not demand this fair and corrective action be taken!

I have addressed the letter to you two gentlemen in particular because you are the leaders of the National Governors Association (NGA). This national Crisis has fallen on the 50 State Governors to provide leadership for their states and for the nation. And both of you are leading by professional example and the People is appreciative. I know that I am.

This very timely budget saving proposal is presented by a concerned resident of the Great State of Maryland that was born in Washington, DC. It has been reviewed with numerous citizens in

recent weeks and is seen as a desirable proposal that will help terribly stretched State and Federal budgets in 2020 and 2021.

I must briefly acknowledge, that I am an Independent 2020 Candidate for President of the United States and that this Public finance solution is now part of my 40-part problem-solving Platform.

While a Presidential candidate, I present myself to you as a professional business problem-solver. I worked 30-odd years in the IT Industry in Washington, DC for both corporate and Federal Agency clients, including Marriott Corporation, the Guaranteed Student Loan Program, the former US Immigration and Naturalization Service (INS), and BlueCross BlueShield of Maryland and the District of Columbia (DC). Now to the topic at hand.

The remainder of this letter is my analysis of the currently abusive MSS Pricing problem related to the Covid19 Coronavirus Crisis and our immediate common sense solution to it!

Proposal Summary – Follow the Money to Windfall Profits

This letter is intended for public review and debate, and therefore goes into a detailed practical example of the Purchasing scenario that you already are too aware of. Thus, the following points summarize this proposal:

- In the reaction to the Covid19 attack on our Health System and hospitals in particular, the demand for critical medical supplies went right thru the roof.
- So immediately we had major MSS orders going to Vendor that could not be fulfilled with standard inventory levels. Abnormally high volume orders from States, hospitals, doctors offices, and so on.
- In an example taken from one (1) of Governor Cuomo's first daily Press conferences. His example went very close to this, "The last time we ordered this particular item the unit price was **80 cents** (\$.80). Today the price is **\$4.00**". Check the video!
- At those rates, the last of 1,000 units cost about \$800. At the CUC increased rate of \$4.00 new order of 1,000 units would cost about \$4,000. A 500% increase.
- The standard price \$.80 with the Covid19 Unit Charge (CUC) markup of \$3.20.
- Thus, if the new Covid19 order is for 10,000 units the price is suddenly \$40,000 versus the standard Pricing of \$8,000. This is a budgetary disaster that is playing itself out across our nation and the World for that matter. This financial abuse, intended or not, cannot be allowed to continue.
- In this example, let us say that the Vendor budgeted for the customer to order 1,000 of that unit at \$.80 each in 2020. Now they have an additional sale of 9,000 units and the additional profit it will provide. At \$.80 per unit their profit would be \$7,200 over their budget projections. Good business.
- However, with the \$3.20 CUC markup the first 1,000 units would yield \$4,000 and the 9,000 additional units would profit the Vendor \$36,000 for a total sale of \$40,000.
- In a time of a historic National Health Crisis the fits a War scenario, such Pricing increases are at least Greedy, if not un-patriotic and purely unethical.

- Vendors “should” be satisfied with the sharp increase in Demand and the profits they receive from their standard Pricing rates. That is not what is happening.
- Of course, if a Vendor incurred extra costs in producing a given unit, those could be detailed and an allowance granted from the Customer. In the spirit of patriotism some Vendors would cover those extra costs in-house and not pass them on.
- That said, the Governors in the NGA, the White House administration, and Congressional leaders from both Parties will Demand and legislate as needed, that all CUC markup costs will be immediately refunded to any and all Customers. In this case at a rate of \$3.20 per unit.
- This will not hurt the Vendors planned budget for the year. The refunded CUC amount came in one month and went back out the next!
- That process will take care of all paid Covid19 orders.
- All in-process and future orders will reflect the standard Pricing for a given unit. This applies Medical Supplies and Services.
- The newspapers in every State could list all competed Covid19 orders routinely in their paper and online postings. Showing the Vendor and amount of the invoice to be refunded.
- This will give the Customers e.g., States, hospitals, doctors, FEMA, and countless businesses hard dollars back that they will put to other uses.
- So, there it is. Simple, effective, and to be done immediately.

This needs to be done and now! We the People, do not want this to go on for the year or more and then we will have Congressional hearing about “all that money” that was improperly charged. We are sick of Congressional hearings.

One final note, this CUC markup is very likely finding its way into the Pricing of other products and services such as testing scenarios. The Press is encouraged to investigate Pricing across the full inventory of Covid19 products and services and inform the Public and politicians of any similar situations. They will also be dealt with immediately.

People and corporations that take advantage of such a Crisis are demonstrating the ugly and greedy side of business and profits.

I expect and have already heard some Free Market fanatics whine about this solution, but this is a National Health and Economic War that 325,000,000 Americans are dealing with every day. State and Federal budgets have their limits even if we can print our own money.

In World War II such Pricing games were called *Treason*. Corporations and entire Industries were punished for their free will actions.

This ends the Proposal Summary. I hope that I have adequately presented the Covid19 related Purchasing problems, as well as, our prudent and practical solution.

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The Dark Side of Our Supply and Demand Service-Based Economy

To be clear, this consumer Pricing problem relating to Covid19 purchasing is NOT being characterized as a premeditated act of foul play. Rather it is the mis-placed application of the normal operation and flow of our Supply and Demand, consumer-based economy. Customers are placing orders for Products and Services (Demand) and related Vendors filling those orders from their inventories (Supply). Pretty much business-as-usual.

However, here in March and April of 2020, the Covid19 Coronavirus has arrived in America and we are in the chaotic start of a great National Health Crisis and International Pandemic! So, things are as far from business-as-usual as they can get.

In simple fact, the sudden crush of abnormally high volume orders for critical MSS hit the normal vendor inventory levels – and “naturally” produced what became a horrific “buyer bidding competition” for those critical items.

Governors of all 50 States and DC, hospitals, doctor’s offices, retail stores such as groceries and Home Improvement Centers, and FEMA – all wanting the same MSS that did not exist. Again, this is just the typical flow of Supply and Demand in our economy.

The MSS category typically includes masks, PPE, face shields, gowns, respirators, swabs, etc. However, it also includes things such as lab testing, various types of test kits, testing service workers and facilities, etc. As you probably already know, this issue is the tip of a potential iceberg of Covid19 Pricing “issues”. Issues that must be addressed NOW, in order to prevent the widespread over-charging and the worsening of our financial crisis. And so we will not need to endure another Congressional investigation about it in 2021. We are sick of Congressional after-the-fact hearings on matters that they were or should have been aware of, and did nothing about it!

Consider that the Pricing of “mission critical materials” in a National Crisis. Such as World War II and the *occasional Global Pandemic* – too often requires prudent oversight to avoid what is bluntly called, “Profiteering” leading to “Wind Fall Profits”. History proves that prudent financial oversight of public funding in such turbulent times is warranted.

Incidentally, the common definition of the word (verb), *Profiteering* is,

To make or seek to make an excessive or unfair profit, especially illegally or in a black market.

I do believe that these CUC Pricing problems were caused by the normal reaction to the Supply and Demand Crisis. The Buyers and Vendors were in a frenzy of bidding up the “unit charge” in response to the sudden Health Crisis. However, corrective actions must prudently now be taken to prevent further over-charging.

I will not bother drowning you with the horrific budget problems because you are living with them every day. Factually, State Governors, countless Hospitals, doctor’s offices, FEMA itself, and many others are stretched financially. Those outrageous costs will soon come out once the

Press in various States digs into this Hot Topic! Once the general Public is made aware of this CUC Pricing problem, they will demand it is resolved and immediately.

The Buyer versus Vendor Purchase Scenario

For the common perspective on this situation the following practical example is offered.

The CUC Pricing problem is best exemplified in a comment made by New York Governor Andrew Cuomo in one of his earliest daily Press conferences. He was already addressing the shocking price increases on urgently required medical supplies or MSS.

His example went very close to this, “The last time we ordered this particular item the unit price was **80 cents** (\$.80). Today the unit price is **\$4.00**”. Please see the chart below. Just a simple 500% cost increase per unit. More recently, unit price increases have gone as high as 8 or 9 times the normal pricing. This Health Crisis financial abuse is ridiculous!

Unit Price	# Units	Total \$		# Units	Total \$
\$.80	1,000	\$800.		10,000	\$8,000.
\$4.00	1,000	\$4,000.		10,000	\$40,000.
<u>Covid19 Unit Charge (CUC)</u>		\$3,200.		CUC	\$32,000.

As the example details, the additional CUC markups rapidly became substantial dollars, driven by the high unit volumes. Thus, what we will uniquely call the *Covid19 Unit Charge (the CUC)*, is the common result of multiple Buyers competing for not only limited, but in this case critically needed MSS.

Again, these are *not normal times*. Our nation’s Health and Economic Systems are being assaulted by the lethal Covid19 Coronavirus. On March 11, Covid19 became a certified Global Pandemic. Thus, even the “unintentional bidding up” of life-critical MSS is not appropriate and will not be allowed to continue. As Trump himself once declared, this is a *War*. Therefore, we will treat such financial issues as though we are in Wartime. Because we are...

“*We are now engaged*” in a deadly domestic Health Crisis with MSS items serving as both life protecting and lifesaving weapons. Arbitrarily increasing the price of critical medical supplies during the Covid19 Crisis is no less merciless than charging more for bullets in the midst of a war. Actually, we are only a few months of a national struggle that could last some 18 months. No one really knows. We have many, many millions of MSS to be purchased by the States, hospitals, FEMA, countless retail businesses, and families everywhere well into 2021.

The fair and extremely practical Pricing of all Covid19 related MSS during this extended national Health Crisis is required to insure the Public Health. Those Pricing levels will dictate the buying power of State and Federal budgets. Also, buying power of countless businesses and families that must for some time be protected by at least wearing masks everywhere. The broad economic risk of the over-pricing of countless millions of units of MSS during this extended Pandemic to our economy cannot be under-stated.

All critical Covid19 supplies and services costs must be returned to their normal levels and then capped for some time. Otherwise, there could be a real threat to the financial survival of our nation. That is not being over-stated.

Our Publicly Acceptable Solution to the Covid19 Pricing Problems

It goes without saying that various Industry spokespersons and lobbyists will whine loudly about this Covid19 Unit Charge (CUC) Pricing Correction program. When and if, they do complain that they are being financially abused – we will simply ignore them!

The current CUC Pricing scenario breaks down like this:

- The normal unit Price for given Covid19 related product or service is 80 cents.
- The CUC markup, from the prior example is \$3.20 plus the \$.80 normal unit price, equals the \$4.00 final invoiced price. Only a 500% markup on critical and hard to obtain MSS!
- Now the subject Vendor in this scenario, had budgeted last August or September (2019) for expected unit sales for that particular product, and for that particular customer to be about 50,000 units spread over the 2020 budget year.
- Then comes February/March 2020 and the subject Customer orders 300,000 units and says there could be more orders this year! The Vendor knows why orders are up and that there are already more orders than they can fill from their existing inventory.
- In the buying madness of January thru April, orders piled up, competing clients screamed for product, and the “normal bid-up-the-price” routine kicked in big time.
- Thus, the Vendor:
 - Hit their budgeted annual sales target for that product and client of 50,000 units.
 - They also landed additional sales of another 250,000 units. Great sale\$.
 - If, they sold only the target of 50,000 units at their regular rate of \$.80 per unit, the sales would have been \$40,000. Again, hitting their sales target.
 - Had they sold the 300,000 units at their regular rate of \$.80 per unit, the sale would have been \$240,000. Already gaining \$200,000 in sales increase for the year.
 - However, they actually sold the 300,000 units at \$4.00 per unit, with the \$3.20 CUC markup, for total sale of \$1,200,000. Thus, gaining some \$1,160,000 in sales increase for the year – for that single item and for that customer, only. Possibly a high number example, but the point is made. Greed!
- Even in a non-Crisis scenario that level of markup would be outrageous! However, such CUC Pricing abuses intended or not, will surely continue until Public oversight is applied. And now it will be.
- In this National Health Crisis, the Vendor’s company should be “satisfied” with the additional Revenue gained from the additional 250,000 units sold. And not quietly rake in the “un-earned” CUC markup dollars. So, if anyone wants to complain (and they will) that we are being “anti-free market” or some kind of Socialist – such persons will be ignored.

- A final “normal pricing practice” to consider in this scenario, is when a customer orders an extra 250,000 units it is somewhat normal to offer that customer “Volume Discount” in Pricing. Or, the customer would request such a discount.

This is not rocket Science. It is business and business surely has its dark sides.

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Our Common Sense Solution

Gratefully, the CUC Pricing Correction process is very straightforward and should be equally simple to implement.

This procedure will apply to all Vendors selling any Covid19 supplies and/or services to customers in the US, including Vendors in China and other nations. The governments of all other nations should act and declare the same Pricing corrections to past and current orders with any of their Vendors. That is, if they have not already done so.

- The subject CUC Pricing Correction will be applied to all paid 2020 and current MSS orders related to the Covid19 Coronavirus Crisis in America.
- Customers with Paid orders will receive immediate Refunds from Vendors.
 - o As always there could be an exception or two to this Refund calculation.
 - o The Vendor could have incurred additional expense(s) over and above normal production costs to satisfy orders.
 - o Production costs that they deem to be reimbursable to cover additional production costs could be easily documented and submitted, along with a check to the Customer for review and possible approval. To be considered on a case by case basis. NOTHING that involves lawyers or the courts.
 - o In some cases, Vendors in the spirit of Patriotism will not pass on those additional costs.
- Customers with In-Process orders will have the related Invoice adjusted prior to payment.
- Of course, all future orders in 2020 and 2021 will Priced properly to begin with.

There it is...

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Necessary Actions

The 50 State Governors (and DC), the White House Administration, and the US Congressional Leadership will need to take non-partisan Common Action to correct this situation. Or, will be Expected to explain why not in Public, in detail, and immediately.

- They will first declare that all Vendors immediately begin “refunds to customer” as described above.

- Going forward, all vendors of Medical Supplies and/or Services, will honor their unit price schedules as of January 1, 2020 – prior to any Covid19 Pricing disruptions.
- Unit Pricing schedules will remain capped until further notice.
 - It should be noted that in World War II some entire Industries were “nationalized” for the duration of the war effort. That could happen to certain critical supplies and/or services in the Covid19 War, as well. That approach could equal no corporate profit!
- The base unit price of a given medical item will be compared between the US and Europe. The differences, in any will be explained and adjusted, as appropriate. No more money games with the Medical Industries.
- Pricing could become fixed internationally during the Pandemic, as well.
- It will also be made very clear to all Vendors in all Industries during these Health and Economic Crises, that such future Pricing problems will be considered pre-meditated and will be dealt with swiftly. The Vendor’s Senior Management will be held directly accountable.

This is a Hard Test But We Shall Prevail

This is hard business. This is a lethal Global Pandemic and an Assault on all People in all nations. An event to be remembered in World History.

Covid19 is brutally personal and hurtful, especially for those that have lost someone near and dear to them. It is a most lonely time for our ill loved ones to endure. It is such a lonely passing for those lost. It is painfully difficult for those living thru their loss and not being able comfort their loved one at the end. Such is the devastating inhumanity of the lethal Covid19 Coronavirus.

There is such public admiration and respect those stressed Hospital staff that are risking their lives daily to help their fellow human beings. Doctors, nurses, lab techs, and all of the many job types and people that make the hospitals operate. Next week they could be caring for you or me – or one of the Vendors!! God love and keep them all safe and sane.

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I feel this Open Letter and proposal will serve to inform and alert the general public, business people on Main Street, Wall Street, and lawmakers to bring appropriate pressure to bear in this situation.

This common sense action will certainly save both State and Federal governments many millions of budget dollars this year and in 2021. Funds that can be used in other ways to protect the Public Health.

We must Demand that these National Health and Economic Crises, will not be used by any Industry, company, or person to take in *false profits* and take financial advantage of this horrific human catastrophe. Violators will be called out in public.

In Closing

Stating the obvious, is that if we do not control “Business” in this National Crisis, certain Industries and individuals will act to “take not make” as much as they can from buyers no matter who they are.

Consider, that such inappropriate CUC markups carries through to retail stores to families. Families now required to buy face masks or other protective products. Again, the unit price level needs to be critically managed to benefit the retail consumer. Often Americans with little disposable income.

Because of this program being nationalized, consumers will begin watching related item costs and will begin reporting such problems to their local news outlets. Yes, fair is required in this situation. It is because our people are dying. People that we love and otherwise care about are randomly dying. And with the economic toll the Covid19 has put on our nation, there are now even more Americans struggling to just survive financially month-to-month.

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I sincerely pray that this proposal finds not only acceptance, but rapid acceptance with all Governors and our National leadership in Washington, DC. This aggressive and urgently needed action will bring considerable millions of dollars back into State Treasuries in the form of Vendor refunds and immediately!

I firmly believe the American people will overwhelmingly support this cost recovery program. Why would they not?

I would of course greatly appreciate meeting soon with Governor Hogan or his staff on this proposal. And will follow-up locally with my own US Representative from Maryland’s 8th US District Jamie Raskin, as well as Maryland Senators Ben Cardin and Chris Van Hollen. What actual legislation required on this action, if any, will again be straightforward, easy to propose, and pass through the US House and Senate.

Let me thank you and Governor Cuomo for your leadership. Please keep up your good work on the Covid19 Crisis. True leadership always steps forward in times of Crisis.

Very Respectfully Yours,

A. J. Wildman
Independent 2020 Candidate for President of the United States

Allow me to comment on my underdog 2020 Campaign for POTUS.

As stated, I am an Independent 2020 Candidate for President of the United States. Further, I am the Founder of The Independent Party of America (TIPA) and the developer of the 39+ problem-solving proposals in the TIPA Platform.

While a Presidential candidate, I do present myself to you as a professional business problem-solver. I worked 30-odd years in the Information Technology (IT) Industry in Washington, DC for both corporate and Federal agency clients, including Marriott Corporation, the Guaranteed Student Loan Program, the former US Immigration and Naturalization Service (INS), and BlueCross BlueShield of Maryland and the District of Columbia (DC).

Further, I am the author of the 2008 self-published, non-fiction, 718-page book, *The Second Coming of Common Sense (CS2)*. The book contains 27 problem-solving proposals that form the base of the TIPA Platform. Viable public oriented solutions that are still relevant and needed today!

In recent years, I have focused more upon the Cost-of-Living (COL) problems facing our people. The primary and urgent COL issues revolve around Food and Housing. I was preparing to bring such issues to the Public and use them to bring my campaign to the People. I have already posted proposals on both topics on the Home Page of the TIPA Platform website, www.CommonSense2nd.com.

Then along came Covid19 and things got complicated. The Food and Housing Reform proposals were definitely beneficial to the public and the economy prior to our sudden Health and Economic Crises. Now with the some 30 million of our fellow Americans filing Un-Employment claims in the last six (6) weeks, those viable approaches to securing decent Food and Housing are even more necessary. The Housing program will be enhanced due to the horrific number of families that are not going to be able to pay their mortgage or rent for many months. In 2020, Americans will not be put out of their residences. It will prudently Reform the way we approach the Rental/Lease business and provide a "fixed address" for ALL Americans. No exceptions.

In writing about my campaign and the public acceptability of the TIPA Platform, I have stated that my goal was to provide some benefit to the Public prior to my possible election.

Oddly enough the Covid19 assault on our economy and the abusive MSS Pricing problems have provided me with that opportunity. Thus, as a problem-solver I determined that constructively confronting the MSS Pricing abuses must come before anything else. That is why I wrote this letter to the Public and will push this issue with the Press until it is resolved.

Food and Housing issues became visible problems in April. They will become major Crises of their own as we work our way through May and into June. They are Depression level problems and we will deal with them aggressively to protect every American family.

We are the American People. We can overcome any problem as we work together for the Common Good.

Take care and be safe, A J Wildman