March 30, 2021

TRANSMITTED VIA ELECTRONIC MAIL

The Honorable Dennis R. Schrader
Acting Secretary
Maryland Department of Health
201 West Preston Street
Baltimore, MD 21201
Dennis.Schrader@maryland.gov

RE: MDH Consulting Emergency Contracts

Dear Acting Secretary Schrader:

First and foremost, I would like to express my sincere gratitude to you and the employees at the Maryland Department of Health for your leadership and tireless efforts to combat the COVID-19 pandemic. I know that for more than a year now, you and your colleagues have worked round-the-clock to safeguard the lives of our fellow Marylanders, and for that I, and all of our residents, am grateful.

The Board of Public Works, as you know, is charged with approving and providing oversight on Maryland state government contracts. While I appreciate that this extraordinary public health emergency has put significant stress on the workload of your Department, the Board’s role is even more important during this emergency as billions of dollars are expended, and billions more are sent to Maryland. BPW must ensure that taxpayer money is being directed to contracts, programs, and services that yield the best outcomes for our residents.

As your staff may have briefed you, during the March 24 BPW meeting, Treasurer Kopp and I voted to defer three emergency contracts, which the Maryland Department of Health entered into with Ernst & Young (“EY”), Berkeley Research Group, and KPMG, LLC totaling $14 million. I am sorry that previous scheduling conflicts kept you from attending the Board meeting to discuss the 11 emergency contracts, totaling $128.8 million, which your agency presented for our consideration.

The Board of Public Works Office has advised my staff that your Department does not intend to bring these three emergency reports back to the Board of Public Works next Wednesday, April 7th. Since no reason was given for this delay, I urge the Department to bring back these three emergency contracts and be ready to answer any and all questions from Board members.

Specifically, I request that you attend the meeting as is customary for other cabinet secretaries when presenting contracts for Board approval.
Ahead of next Wednesday’s meeting, I am requesting information pertaining to the aforementioned emergency consulting contracts. Some of these inquiries were made during the March 24 BPW meeting, during which Assistant Secretary Webster Ye committed to getting the information requested to the Board members.

I request the Department respond to me, Treasurer Kopp, and Governor Hogan with answers to questions outlined below no later than close of business this Friday, April 2. As these contracts are currently being executed, I trust that the information being requested should be able to be provided without unnecessary delay.

**General Questions**

1. Can you discuss what planning the Department did in preparation for the rollout of FDA-approved vaccines? What, if any, logistical and operational plans were formulated ahead of the state’s first allocation of vaccines to create vaccination sites, examples of coordination with local governments and health systems, and how the Department determined who would be eligible in each phase. Can the Department provide copies of these plans to the Board?

2. As you know, of the 11 emergency contracts the Department brought to the Board for the March 24 meeting, nine were presented beyond the 45-day deadline. Can you provide the number of emergency contracts that are deemed late and have not been submitted to the Board? If there are any, can you provide justification for the reason(s) why they were not submitted within the 45-day deadline?

**Secretary’s Agenda Item A5 - Ernst & Young (March 24 BPW Meeting)**

1. The Department entered into an emergency contract with EY in January 2021 for a three-month (with two three-month renewal options) not-to-exceed contract of $11.9 million. Since entering into this emergency contract with EY, how much has the Department expended on this contract?

2. The agency remarks accompanying this item indicates that EY is “providing improvements to Maryland’s first and second dose vaccine supply chain.” Can the Department elaborate and provide specific examples of what EY has done to accomplish that objective?

3. The agency remarks accompanying this item indicates that EY is providing “specialized staff services for logistics and supply chain management, forensic accounting, and other specific staff augmentation, assistance with the state’s vaccine distribution technology, services to improve public and internal facing data reporting and support, and national benchmarking and continuous process improvements analysis and support.” Can the Department elaborate and provide specific examples of what EY has done to accomplish these objectives?
4. It is my understanding that included in the scope of work of this emergency contract, EY was to produce a seven-day, end-to-end assessment that included actionable recommendations for the Department. Further, my office has been advised this report was also requested by Senate President Ferguson and members of the Senate COVID-19 Workgroup. At the March 24 meeting of the Board, Treasurer Kopp and I made the same request. As this report has already been completed and submitted to the Department, please provide the Board a digital copy of the report by Friday, April 2.

**Secretary’s Agenda Item A13 - Berkeley Research Group (March 24 BPW Meeting)**

1. According to the agency remarks, this 10-month, 15-day, not-to-exceed $330,000 contract to Berkeley Research Group was to provide “consulting services” as part of the Department’s Patient Surge Task Force. Can the Department elaborate on what consulting services the vendor provided?

2. Of the $330,000 not-to-exceed amount, how much of the contract has been expended?

3. How many individuals from the Berkeley Research Group provided consulting services on this contract?

4. What were the deliverables of this contract?

**Secretary’s Agenda Item A15 - KPMG, LLP (March 24 BPW Meeting)**

1. According to the Department, this $1.1 million, five-month extension and three-month renewal option to KPMG, LLC is for “consulting services to provide a staffing plan to address the COVID-19 pandemic.” This modification brings the existing contract with KPMG to $1.8 million. Can the Department provide the Board a list of deliverables expected from KPMG with this contract?

2. In the agency remarks for this item, the Department also indicates that this emergency modification is “the most reasonable option for utilizing high demand rapid antigen tests quickly and strategically to avoid and mitigate COVID-19 transmission through rapid identification of new cases in high transmission populations.” Can the Department comment on what specifically KPMG has done to accomplish this critical objective?

Lastly, unrelated to the questions above pertaining to emergency contracts entered into by MDH, I was very disturbed to hear an interview by CNN with Dr. Robert Redfield, the former director of the Centers for Disease Control. It is my understanding that Dr. Redfield serves as a COVID-19 adviser to the state in a voluntary capacity. Specifically, Dr. Redfield indicated during his astonishing interview that “I am of the point of view that I still think the most likely etiology of this pathogen in Wuhan was from a laboratory, you know, escaped.”
His comments are especially concerning and reckless as hate crimes and bigotry against Asian-Americans and Pacific Islanders have skyrocketed over the last year. There is no scientific evidence supporting his theory on COVID 19’s origination or spread.

It is very concerning that Dr. Redfield is advising the Governor and state health leaders on our COVID-19 strategy, and the process we use and pace to reopen our schools, businesses, and places of worship. As the Governor’s chief health adviser and acting secretary of the State’s Health Department, I would urge you and the Administration to sever all ties to Dr. Redfield and make policy decisions based on the advice of medical professionals and science.

Thank you for your prompt attention to this letter and for your response by Friday, April 2. Your cooperation, and that of the Department, is sincerely appreciated as the Board fulfills its critical mission of providing accountability and oversight on behalf of the taxpayers of Maryland.

Sincerely,

Peter Franchot
Comptroller

CC: The Honorable Larry Hogan, Governor
The Honorable Nancy K. Kopp, Treasurer
The Honorable Adrienne A. Jones, Speaker of the House
The Honorable Bill Ferguson, President of the Senate