

Motivation

Gov to allocate scarce hospital supplies across 50 states

given many (probabilistic) forecasts of need, which should they use?

Raises question: how will chosen forecast be used?

One possibility: to minimize $E_F \sum_{l=1}^{50} \max(0, Y_i - x_i)$

- $ightharpoonup Y_{1:50} \sim F$ are future needs (F unknown)
- $ightharpoonup x_{1:50}$ are allocated quantities
- lacktriangle only K units of supplies are available