

COVID-19 Daily Update

April 20, 2020

Summary

The United States has 766,212 confirmed COVID-19 cases and 40,905 reported related deaths. The Trump administration is close to finalizing a deal with congressional leaders to add roughly \$300 billion to the Paycheck Protection Program, which underwrites bank loans to small businesses. Shake Shack, the fast-food chain, is returning a \$10 million loan it received from the program, following criticism that the stimulus program had favored large chains. Early evidence suggests that the initial loans have disproportionately helped manufacturers and construction firms at the expense of the hospitality businesses — including restaurants, bars and hotels — that have suffered the highest rates of job loss.

More protests against stay-at-home orders are expected across the United States this week in Maine, Maryland, Wisconsin, and Pennsylvania. Several hundred protesters gathered in Colorado and Washington State over the weekend. Walmart and Sam's Club will require all employees to wear masks or other face coverings starting Monday to prevent the spread of the coronavirus. The employee policy applies across all stores, distribution and fulfillment centers, and corporate offices. Local officials in Boston warned would-be marathoners not to run the route of the Boston Marathon, previously scheduled for Monday, April 20. Marathon organizers published an open letter stating that “groups of runners would divert valuable, urgent resources from the cities and towns along the course.”

New York, New Jersey and Connecticut all reported their lowest number of deaths in days on Sunday. The tri-state death toll was 680, almost 50 percent lower than the deadliest day of the outbreak just four days before, when 1,300 deaths were reported. New York State reported 478 COVID-19 related deaths on Monday, the lowest single-day toll in more than two weeks. In New York City, there were 3,485 medical-emergency calls to 911 on Saturday. Calls have fallen by more than 50% since the peak of the outbreak in late March, when there were more than 7,000 Emergency Medical Services calls in a single day. New York City canceled all non-essential events in June, including the Puerto Rican Day Parade, the Salute to Israel Parade, and the Pride March.

General/Employer Guidance

Presidential updates

- [Remarks by President Trump, Vice President Pence, and Members of the Coronavirus Task Force in Press Briefing](#), April 19
 - President Trump plans to use the Defense Production Act to compel an unspecified U.S. facility to increase the production of test swabs by over 20 million per month. The President insinuated that the governors should have been able to secure the swabs themselves.
 - Protests demanding the end of stay-at-home orders are [spreading](#) across the United States. President Trump commented that some governors “have gone too far” with their measures. On Friday, President Trump’s tweets called on protesters to “LIBERATE” [Virginia](#), [Michigan](#), and [Minnesota](#). The governors of Maryland and Virginia [criticized](#) Trump for encouraging protests that contradict the President’s social distancing and reopening guidelines. Trump said the protesters are showing a “love of our country.”
 - The President played a series of press clips in which Governor Cuomo praised the federal response to the crisis. Trump said he played the clips to celebrate bipartisan unity in response to the crisis. The President also read an excerpt from a Wall Street Journal column which praised Trump and the federal response.
- [Executive Order on National Emergency Authority to Temporarily Extend Deadlines for Certain Estimated Payments](#), April 19
 - President Trump issued an executive order directing the Secretary of the Treasury to consider temporarily extending payment deadlines for importers suffering from financial hardship because of COVID-19.
 - Pursuant to the order, Customs and Border Protection (CPB) and the Treasury Department issued a [joint temporary rule](#) offering a 90-day deferment period on certain payments for importers. This payment flexibility is available for importers with a significant financial hardship due to COVID-19 and will apply to goods imported in March and April.

World Health Organization (WHO)

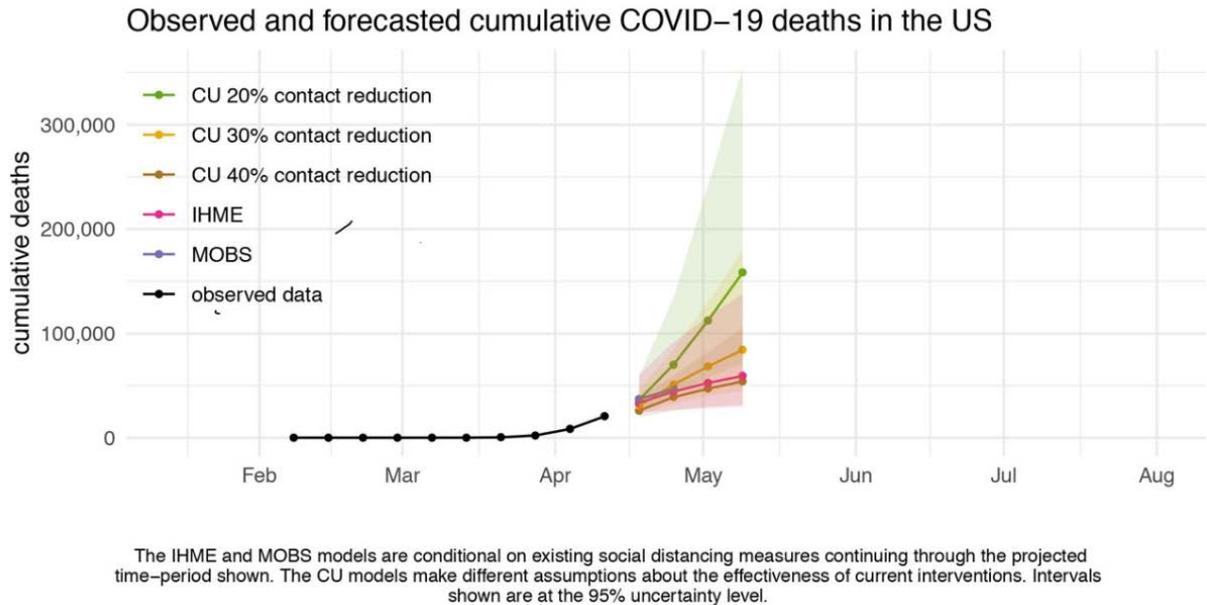
- [Ethics and COVID-19: Resource Allocation and Priority-Setting](#), April 20
 - WHO issued a [policy brief](#) to assist health systems in making ethical decisions when setting priorities for the allocation of resources during times of scarcity. WHO outlines an ethical framework on how to allocate access to hospitals, ventilators, vaccines and medicines during the pandemic.
- [Use of non-steroidal anti-inflammatory drugs in patients with COVID-19](#), April 19
 - A recent study, published by WHO, assessed the effects of non-steroidal anti-inflammatory drugs (NSAIDs) on patients with acute viral respiratory infections.
 - Researchers reviewed 73 studies to examine whether NSAID use affected patients’ quality of life, acute severe events (such as death or organ failure), or acute health care utilization (such as hospitalization, ICU admission, or mechanical ventilation).
 - The study found that there is no evidence to suggest that NSAIDs are associated with an increased risk of adverse effects when used in patients with acute viral respiratory infections.

U.S. Centers for Disease Control and Prevention (CDC)

- [COVID-19 Death Forecasts for the United States](#), April 19
 - CDC synthesized four independent models to forecast the cumulative death toll across national and state levels. Forecasting teams predict the number of deaths using different types of data

(i.e. COVID-19 data, demographic data, mobility data), methods, and estimates for the impact of interventions (i.e. social distancing, use of face coverings).

- The chart, excerpted below, contains models from the Institute for Health Metrics and Evaluation (IHME), the Laboratory for the Modeling of Biological + Socio-technical Systems (MOBS), and Columbia University (CU).



New York State

- [478 more people died in New York, the lowest single-day toll in two weeks](#), April 20
 - New York State reported 478 COVID-19 related deaths on Monday, the lowest single-day toll in more than two weeks. The State’s overall death toll is 14,347.
 - Governor Cuomo expects more New Yorkers to leave their homes as the weather improves, and suggested that the infection rate is likely to increase as a result.
 - New York State plans to deliver more than 500,000 cloth masks and 10,000 gallons of hand sanitizer to public housing communities.
 - Governor Cuomo repeated calls for federal aid and noted that the State’s economy “did not close down” for essential workers. Additional federal funding could be used for hazard pay for front line workers, who are disproportionately women and disproportionately from low-income households.
- [Governors Announce Appointees to Multi-State Council](#), April 19
 - The governors of New York, New Jersey, Connecticut, Pennsylvania, Delaware, Rhode Island, and Massachusetts announced appointees to a regional council designed to gradually ease social distancing restrictions and restart the economy. The appointees include one health expert, one economic development expert, and the respective Chief of Staff from each state.
- [Shortage Of Dialysis Equipment Leads To Difficult Decisions In New York ICUs](#), April 19
 - Many hospital workers in the New York metropolitan area report shortages of ICU dialysis machines. Like ventilators, dialysis machines are mechanical substitutes for an incapacitated organ system. Ventilators take over breathing functions for the lungs, and dialysis machines cleanse the blood of salts and toxins when the kidneys are incapacitated.

- ICU doctors report that one-third of their most severely ill patients are developing acute kidney injury, a rapid decline in kidney function. Doctors are seeing kidney problems in patients without advanced diabetes or chronic renal conditions. Some doctors report having to ration dialysis care due to machine shortages.

New York City

- [*Mayor de Blasio Provides Updates on COVID-19 in New York City*](#), April 20
 - New York City canceled all non-essential events in June, including the Puerto Rican Day Parade, the Salute to Israel Parade, and the Pride March.
 - There were 3,485 medical-emergency calls to 911 on Saturday. Calls have fallen by more than 50% since the peak of the outbreak in late March, when there were more than 7,000 Emergency Medical Services calls in a single day.
 - NYC hospitals have enough masks, gloves, and ventilators to meet current demand. Mayor de Blasio warned that the City's health system does not have a sufficient number of surgical gowns or suitable alternatives to meet clinical demand through the week. The Mayor called on the federal government to obtain more gowns or the supplies required for local producers to make them.
- [*New York's Subway Faces Its Biggest Crisis*](#), April 20
 - The Metropolitan Transit Authority (MTA), which operates New York City's subways, buses, and two commuter rails, is facing an \$8.5 billion shortfall – even after temporarily scaling back services and receiving a \$3.8 billion federal bailout. MTA officials made an emergency request for another \$3.9 billion in federal aid.
 - During the pandemic, the subway lost more than 90% of its ridership and critical fare revenue. The City projects that money meant for system improvements will likely be used to keep the subway and buses running. As of April 16, 2,400 transit workers tested positive for the virus and 4,000 were quarantined. At least 68 workers have died.

Other Related Updates

- [*Small-Business Aid Funds Run Dry as Program Fails to Reach Hardest Hit*](#), April 20
 - The Small Business Administration announced that the Paycheck Protection Program has run out of funds. Congress initially allocated \$349 billion for the program which provides bank loans to businesses with 500 or fewer employees.
 - Early evidence [suggests](#) that loans have been granted disproportionately to manufacturers and construction firms at the expense of the hospitality businesses — including restaurants, bars and hotels — that have suffered the highest rates of job loss. The loans are allocated on a first-come, first-served basis, an approach that has favored businesses that have existing relationships with lenders and the resources to navigate the government application process.
 - Shake Shack, the fast-food chain, [returned](#) the \$10 million loan it received from the program, following criticism that the stimulus program had favored large chains. Shake Shack, with 189 outlets and nearly 8,000 employees in the United States, said that it had secured the additional capital it needed through an equity transaction on Friday.
 - Shake Shack was eligible for the loan as a result of a heavily lobbied [exemption](#). Under the exemption, businesses in the accommodation and food services industry could participate so long as they do not exceed 500 employees per physical location.
- [*FEMA and HHS Share Best Practices for Coronavirus Pandemic Response*](#), April 19
 - FEMA and the Department of Health and Human Services (HHS) created a new [resource](#) summarizing COVID-19 best practices across the government, private sector, academic institutions, professional associations and other organizations.

- [CMS Announces New COVID-19 Recommendations](#), April 19
 - The Centers for Medicare & Medicaid Services (CMS) announced new [regulations](#) that require nursing homes to inform residents and their families of COVID-19 cases in their facilities. Residents and families must be notified within 12 hours of a confirmed single case of COVID-19, and within 72 hours of three or more individuals developing respiratory symptoms. Nursing homes must also report COVID-19 cases directly to the CDC.
 - CMS issued [recommendations](#) to re-open health care systems in areas with low incidence of COVID-19. CMS encourages health care providers to coordinate with local and state public health officials, and to review the availability of personal protective equipment, workforce availability, facility readiness, and testing capacity when making the decision to re-start or increase in-person care.

- [In Pursuit of PPE](#), April 17
 - A letter published in the New England Journal of Medicine highlighted the extraordinary measures needed to secure the delivery of personal protective equipment (PPE) in Massachusetts.
 - The letter describes how, after several unsuccessful bids, physicians secured a deal for PPE for five times more than the hospital would normally pay for a similar shipment. Supplies were transported in two semi-trailer trucks marked as food-service vehicles and took two different routes to avoid being detained or redirected. FBI officials investigated and considered redirecting the shipment, leading to intervention by a congressional representative to prevent its seizure.

Other recent events covered in detail elsewhere:

- [Director Oversight Duties Amidst COVID-19](#), April 20
- [COVID-19: Available Extension for BEA Form BE-10](#), April 20
- [Understanding the Challenges of Workplace and Business Re-Opening](#), April 20

Send questions to COVID-19-Implications@ropesgray.com