

January 11, 2021

### Summary

The United States has 22,557,929 confirmed COVID-19 cases and 375,576 reported related deaths. President-elect Biden announced that he plans to release nearly all available vaccine doses to the states, in an effort to speed the vaccine rollout. Biden's announcement sparked criticism from the Trump Administration, which has been holding back millions of vaccine vials to ensure an adequate supply of second doses. Moderna said it expects to produce a minimum of 600 million COVID-19 vaccine doses in 2021, a 20% increase over a prior projection. Pfizer released data indicating that its vaccine is effective against a key mutation present in two highly-transmissible coronavirus variants originally detected in the U.K. and South Africa. Experts hailed Pfizer's announcement as good news but warned that the variants have other mutations that could affect the vaccines' efficacy. The House of Representatives Attending Physician Dr. Brian Monahan said that lawmakers may have been exposed to the virus when rioters stormed the capitol last week. At least one member of Congress has announced receiving a positive COVID-19 test following Wednesday's events.

The post-holiday surge in COVID-19 cases continues across the country, as new cases, deaths, and hospitalizations all rose sharply over the last week. Whereas previous large spikes occurred in continuous geographic regions – the Northeast in the spring, the Sun Belt in the summer, and the Midwest in the fall – states with the worst outbreaks are now spread throughout the country. Southern California's disastrous outbreak continues. The *New York Times* reports that in the coming days, one in ten Los Angeles county residents will have tested positive for SARS-CoV-2. Rhode Island had more cases per capita over the last 14 days than any other state. South Carolina has more than doubled its average cases in the past two weeks, and Oklahoma cases are up 40%. The highly-transmissible variant originally detected in the U.K. has now been discovered in eight states, including 32 cases in California and 22 cases in Florida.

New York reported 170 deaths, 8,645 hospitalizations, and 1,426 COVID-19 patients in intensive care on Sunday, January 10, 2021. Approximately 13,714, or 6.73% of the 203,904 tests administered in New York on January 10 were positive for COVID-19. As of January 11, New York has received 1,410,325 doses of the vaccines and administered 579,532 doses to patients. Today, New York began vaccinating individuals ages 75 and older, educators, police officers, and transit workers following criticism over the State's low vaccination rates and wasted vaccines. Three additional cases of the U.K. variant have been identified in New York. The New York teacher's union has developed a program to connect teachers with available vaccines at participating health care institutions. The Metropolitan Transportation Authority will vote this month whether to approve fare increases.

## Presidential updates

- [\*President-Elect Biden Announces Revisions to Vaccine Rollout Strategy\*](#), January 8
  - President-elect Biden announced that he will release nearly all available COVID-19 vaccine doses and establish federally-run vaccination centers and mobile units, in an effort to vaccinate more Americans more quickly.
  - Biden's plan to distribute all available doses is a break from the Trump Administration's policy of holding back millions of vials of vaccine to ensure there is an adequate supply of second doses.
  - Health Secretary Azar and others criticized Biden's plan, noting that it could jeopardize the timely administration of second doses.
  - Recently, some experts proposed postponing second doses in the interest of administering more first doses more quickly. However, FDA rejected the idea because scientists do not have sufficient data regarding the effect a revised dosing schedule will have on the vaccines' efficacy.
  - Biden's team said he will invoke the Defense Production Act to bolster the supply of second doses if necessary.
  - Some governors have endorsed releasing all available vaccine doses. Eight democratic governors – including Governors Cuomo and Whitmer – recently sent the Trump administration an open [letter](#) calling the policy of holding back doses “unconscionable.”
  - However, experts have [pointed](#) out that the states have done a poor job distributing the vaccines they have received. To date, the federal government has [shipped](#) more than 20 million vaccine doses to the states, but the states have administered only approximately 9 million.
  - FDA Commissioner Hahn recently [suggested](#) that states speed administration by relaxing rules regarding vaccine administration. Hahn explained, “There is no reason that states need to complete, say, vaccinating all health-care providers, before opening vaccinations to older Americans or other especially vulnerable populations.”

## World Health Organization (WHO)

- [\*WHO COVID-19 Updates\*](#), January 11
  - WHO Director-General Tedros warned that rich countries are helping COVID-19 thrive through inequitable vaccine distribution – though 42 countries have begun inoculation campaigns, zero low-income countries have started their vaccine programs.
  - WHO issued two guidance documents on [implementing](#) genomic sequencing as it pertains to rapidly identifying SARS-CoV-2 variants and [maximizing](#) its impact on public health.

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

- [\*CDC to Distribute Funds to Support States' Pandemic Response\*](#), January 6
  - Congress recently appropriated more than \$22 billion for the states in the Coronavirus Response and Relief Supplemental Appropriations Act.
  - CDC will soon begin distributing those funds.
  - More than \$19 billion will be allocated for testing, contact tracing, and other measures designed to curb the spread of the COVID-19. The rest will be allocated to support the states' vaccine drives.

- The funds will be divided between the states in proportion to their populations.
- [COVIDView Weekly Surveillance Summary of U.S. COVID-19 Activity](#), January 8
  - CDC summarized key COVID-19 disease indicators for the week ending January 2.
  - The national average of respiratory specimens testing positive for COVID-19 increased from 12.9% to 15% from December 26 to January 2. The percentage of respiratory specimens testing positive increased in all ten regions of the country.
  - The overall cumulative hospitalization rate through January 2 was 343.4 hospitalizations per 100,000 population. Overall, weekly hospitalization rates reached their highest point at 17.2 per 100,000 during the week ending December 5 and they remain elevated.
  - Based on death certificate data, the percentage of total deaths attributed to pneumonia, influenza, or COVID-19 for the week ending January 2 was 14.5%. The percentage remains above the epidemic threshold and will likely increase as more death certificates are processed.

### **New York State**

- [New York State COVID-19 Updates](#), January 11
  - New York reported 170 deaths, 8,645 hospitalizations, and 1,426 COVID-19 patients in intensive care on Sunday, January 10, 2021.
  - Approximately 13,714, or 6.73% of the 203,904 tests administered in New York on January 10 were positive for COVID-19.
  - As of January 10, New York has received 1,410,325 doses of the vaccines and administered 579,532 doses to patients.
  - On Monday, New York [began](#) administering COVID-19 vaccinations to people age 75 and older, educators, police officers, and transit workers. Before, vaccinations had been available only to health-care workers, emergency responders, and residents and staff of long-term care facilities. Governor Cuomo broadened eligibility after days of pressure from New York City Mayor Bill de Blasio and county executives throughout the State.
  - On Saturday, January 9, Governor Cuomo [announced](#) that three additional cases of the U.K. variant of COVID-19 had been identified in New York. Two of the new cases were related to the first reported infection at a jewelry store in Saratoga Springs. The third infected person resides in Massapequa.

### **New York City**

- [New York City COVID-19 Updates](#), January 11
  - Yesterday, New York City's teachers union [announced](#) a program to accelerate vaccinations for teachers. The union will develop a list of teachers who want to receive a vaccine, and then the union will coordinate with participating health care institutions to enable teachers to receive vaccines when available. The plan is intended to reduce the number of wasted vaccines throughout the City.
  - According to New York City Police Department (NYPD) [data](#), homicides were up 45%, shootings increased by 97%, and shooting victims more than doubled in 2020 while serious crimes overall were down 1% compared to 2019. NYPD stated that it had fewer officers on patrol in the spring, as a large number of officers took sick leave for COVID-19 infections, and the workforce was strained by social justice protests

following George Floyd's death this summer, among other factors that are believed to have resulted in the increase in gun violence and homicides.

- The Metropolitan Transportation Authority (MTA) will [vote](#) this month to decide whether to raise bus, subway and commuter rail fares this spring. A decade ago, the MTA instituted a fare-increase schedule that raised fares by about 4% every two years to keep pace with inflation. Some board members want to delay the next scheduled fare increase this spring because many riders are out of work due to government-mandated lockdowns and the economic consequences of the pandemic.

### **Other Related Updates**

- [Pfizer/BioNTech Vaccine Effective Against U.K. Variant](#), January 8
  - Pfizer and BioNTech announced results from an in vitro study that showed the antibodies from their vaccine are effective against SARS-CoV-2 with the key mutation that is found in two highly infectious variants first spotted in the U.K. and South Africa.
  - The two strains share the N501Y mutation, which affects the SARS-CoV-2 spike protein and results in the virus binding more tightly to its receptor.
  - The in vitro study used serum from 20 people who had received two doses of the vaccine, and showed the antibodies produced from the vaccine neutralize SARS-CoV-2 with and without N501Y equally well.
  - Pfizer commented that “[t]his indicates that the key N501Y mutation . . . does not create resistance to the Pfizer-BioNTech vaccine induced immune response.”
  - Experts hailed the results as good news but [warned](#) that the U.K. and South Africa variants have other mutations that could affect the vaccines' efficacy.
- [Three Quarters of Adults Hospitalized with COVID-19 Report Symptoms at Six Months](#), January 8
  - Three quarters of adults hospitalized with COVID-19 [report](#) at least one persistent symptom six months after the acute infection ends, according to a study in The Lancet.
  - Roughly 1,700 COVID-19 patients with a median age of 57 who were discharged from a Wuhan hospital were evaluated at a median of six months after symptom onset. 63% reported muscle weakness or fatigue, 26% reported sleep difficulties, and 23% had anxiety or depression.
  - Among patients who underwent lung function tests at follow-up, prevalence of lung diffusion impairment ranged from 22% among those with the least severe illness to 56% among those with the most severe.
  - 13% of patients without acute kidney injury who had normal eGFR, a measure of kidney function, had decreased eGFR at six months.
- [FDA COVID-19 Updates](#), January 11
  - Food and Drug Administration issued an [alert](#) to clinical laboratory staff and health care providers that genetic variants of SARS-CoV-2 may lead to false negative results with molecular tests for SARS-CoV-2.
  - FDA posted a new Frequently Asked Questions [webpage](#) covering a variety of topics related to Moderna's COVID-19 vaccine.

Other recent events covered in detail elsewhere:

- [Podcast: COVID-19: Pandemic Fundraising Insights and What Lies Ahead for Private Equity in 2021: Conversation with Tom Burger, Gridiron Capital](#), January 8
- [Podcast: COVID-19: End of Life Fund Issues](#), January 6
- [Coronavirus Relief Legislation Creates Substantial Changes to Copyright and Trademark Law](#), December 28
- [Bipartisan Legislation for COVID Relief Package – Summary of Key Provisions](#), December 23
- [Phase 4 Stimulus Package – Highlight of Certain Key Tax-Related Provisions in the Phase 4 Stimulus Package](#), December 22

Send questions to:

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- [COVID-19RecoveryPolicies@ropesgray.com](mailto:COVID-19RecoveryPolicies@ropesgray.com)