

**April 8, 2021**

### **Summary**

The United States has 30,923,522 confirmed COVID-19 cases and 559,117 reported related deaths. As of April 7, 64 million Americans have been fully vaccinated and 110 million have received their first dose. On Tuesday, President Joseph Biden announced he is accelerating the deadline by which states must open vaccine eligibility to all adults from May 1 to April 19.

CDC Director Rochelle Walensky announced that the coronavirus variant first discovered in the UK is now the most dominant strain in the United States, driven in part by indoor youth sporting events. After last week's news that 15 million Johnson & Johnson vaccines had accidentally been ruined, another 62 million undistributed doses must be checked for contamination, as well. NIH announced a new clinical trial to study rare allergic reactions to the Pfizer and Moderna vaccines, while European regulators added a new warning about extremely rare blood clots to the AstraZeneca vaccine's label. Meanwhile, one quarter of Americans continue to report that they will not get vaccinated.

On April 7, the United States reported 73,200 COVID-19 cases. Though infection levels remain low in much of the South and West, cases in the Northeast remain persistently high and parts of the Midwest are spiking. Michigan continues to struggle with COVID-19 infections, reporting the highest positivity rate in the United States. As of April 8, Georgia will lift all remaining COVID-19 restrictions, no longer requiring businesses to enforce social distancing or gathering limitations.

As of April 7, New York reported 47 deaths, 4,422 hospitalizations, and 947 COVID-19 patients in intensive care. Approximately 8,379, or 3.18%, of the 263,737 tests administered in New York were positive for COVID-19. New York has administered 11,092,454 doses of the vaccines to patients, and 35.1% of New York residents have received at least one dose and 22.3% are fully vaccinated. On April 7, Governor Cuomo announced that New York State would restore \$600 million in retroactive general salary increases for State workers, who had previously foregone contractual raises because of the COVID-19 pandemic. On April 6, New York State launched the "Vaccinate NY" ad campaign to encourage all New Yorkers to receive a COVID-19 vaccination.

## **U.S. Government Updates**

- [\*Biden Says All Adults Will Be Eligible for Vaccines by April 19\*](#), April 6
  - On Tuesday, President Joseph Biden announced he is accelerating the deadline by which states must open vaccine eligibility to Americans ages 18 and older. Though last month he directed states to open vaccines to all adults by May 1, they must now do so by April 19.
  - Already, most states have either opened vaccines to all adults or plan to do so by mid-April. It is unclear how Biden will persuade the remaining states to accelerate their respective timelines.
  - Biden also announced that the United States has administered 150 million COVID-19 vaccine doses in his first 75 days in office, which puts him on track to meet his goal of 200 million doses in his first 100 days.

## **Vaccines and Therapeutics**

- [\*62 Million Doses of Johnson & Johnson's Vaccine Need to be Checked for Contamination and May Need to be Thrown Out\*](#), April 6
  - In February, workers at an Emergent BioSolutions factory in Baltimore unknowingly cross-contaminated approximately 15 million Johnson & Johnson COVID-19 vaccines with AstraZeneca vaccine ingredients, ruining the batch. Now, another 62 million doses made at the factory since then must be checked to ensure they were not also contaminated.
  - None of the doses have been used to vaccinate patients, as regulators have not yet certified the factory to distribute vaccines to the public.
  - The Emergent factory has been the subject of ongoing safety and compliance [concerns](#). It was [reported](#) yesterday that Carlo de Notaristefani, a manufacturing expert who has overseen production of Covid-19 vaccines for the federal government since last May, had penned a memo to the Trump Administration's Operation Warp Speed in June 2020 flagging staffing and quality control concerns at the factory. The previously undisclosed memo warned that addressing the problems "will require significant effort" and that the factory should be "monitored closely."
- [\*EU Medicines Regulator Finds Possible Link Between AstraZeneca COVID Vaccine and Blood Clots\*](#), April 7
  - Several countries in Europe and elsewhere suspended use of the Oxford-AstraZeneca vaccine last month amid reports of safety concerns about blood clots, or thrombosis. Now, European Medicines Agency (EMA), the continent's top regulator, says that unusual blood clotting with low blood platelets will be added as a "very rare" side effect to the vaccine's production information.
  - The warning follows a review by EMA's safety committee showing that the extremely rare clots occurred mostly in women under 60 within two weeks of the shot. EMA has not yet identified specific risk factors that contribute to the phenomenon.
  - Separately, UK's Medicines and Healthcare Products Regulatory Agency (MHRA) also identified a potential link between the shot and rare blood clots. Britain's Joint Committee on Vaccination and Immunisation [advised](#) that people under 30 who do not have any underlying health conditions should get a different vaccine, if possible. The UK government noted that through March 24, there had been 22 reports of cerebral

venous sinus thrombosis (CVST) and eight reports of other thrombosis events with low platelets out of a total of 18.1 million AstraZeneca doses administered.

- EMA, MHRA, World Health Organization (WHO), and International Society of Thrombosis and Hemostasis have all emphasized that the benefits of administering the vaccine far outweigh the risks.
- Some experts, including doctors specializing in treating blood clots, are [speaking](#) out because that they are not convinced of a cause-and-effect relationship between the vaccine and the reported blood clots. Instead, they are more concerned about the impact on potential vaccine hesitancy.
- [\*U.S. Begins Study Assessing Allergic Reactions to Pfizer and Moderna COVID Vaccines\*](#), April 7
  - National Institutes of Health (NIH) [announced](#) that it has begun to study why some people have suffered from severe allergic reactions shortly after receiving the Pfizer and Moderna COVID-19 vaccines.
  - NIH will enroll 3,400 adults nationwide in its clinical trial and divide them into four groups. One will receive the Pfizer vaccine and one the Moderna vaccine. The other two groups will each receive a placebo followed by either the Pfizer or Moderna vaccine.
  - According to CDC, allergic reactions are rare, but some severe allergic reactions have occurred in people with a history of allergies. The reactions usually happen within four hours of receiving the vaccine and may include symptoms like hives, swelling, and wheezing.
  - CDC [recommends](#) that health care providers monitor patients for 15 minutes after vaccination and for 30 minutes for those with histories of allergic reactions. If someone has a severe reaction to a dose, CDC recommends that they do not receive the second dose, even if the reaction was not severe enough to require emergency care.
- [\*Vaccine Refusal May Put Herd Immunity At Risk, Researchers Warn\*](#), April 7
  - Millions of Americans have been vaccinated safely, yet vaccine hesitancy remains, fueled largely by false or misleading information [online](#).
  - A recent NPR/Marist poll found that one in four Americans say they would refuse a COVID vaccine if offered. Another 5% are “undecided.” Refusal numbers are highest among Republican men and residents of rural areas, but there is a significant number of people across all ages and demographic groups who report that they will refuse a vaccine.
  - This increasingly worries researchers, who say these numbers threaten the country’s ability to reach herd immunity by fall, when infections are expected to increase absent a successful vaccination effort. The exact threshold needed to reach herd immunity is not known, but is likely around 80%. Roughly 20% of the population is children under the age of 16, who are not yet eligible to be vaccinated.
  - The NPR/Marist poll began asking this question in August 2020. Since then, the number of respondents who reported that they would refuse a vaccine has dropped.

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

- [\*CDC Interpretation of Forecasts of New Deaths and Hospitalizations\*](#), April 7
  - CDC [consolidated](#) data from 39 models projecting the COVID-19 death rate. Predicted rates differ among the forecasts, depending on assumptions about the prevalence and rigor of social distancing behaviors. CDC’s national ensemble forecast indicates that the number of newly reported COVID-19 deaths will likely remain stable or have an uncertain trend over the next four weeks. It predicts between 2,300 and 10,100 new deaths and between 568,000 and 588,000 cumulative deaths by May 1.
  - CDC [consolidated](#) data from 12 models projecting the number of daily COVID-19 hospitalizations. The forecast predicts daily hospitalizations will remain stable or have an uncertain trend nationally over the next four weeks, with between 2,400 and 11,000 new hospitalizations per day by May 3. It predicts that hospital admissions will increase in seven jurisdictions, decrease in ten jurisdictions, and remain stable or be uncertain in all others.
- [\*B.1.1.7 Variant Now Most Common Virus Strain in U.S.\*](#), April 7
  - CDC Director Rochelle Walensky said this week that B.1.1.7, the coronavirus variant first discovered in the UK, has now overtaken the initial strain of the virus and is the most common strain in the country.
  - The variant is more easily transmitted and appears to also be more harmful once contracted, CDC has said.
  - “These trends are pointing to two clear truths,” Walensky cautioned. “[O]ne, the virus still has hold on us, infecting people and putting them in harm’s way, and we need to remain vigilant, and two, we need to continue to accelerate our vaccination efforts.”
  - Walensky and other officials [warned](#) that close-contact indoor youth sporting events (including the carpools, sleepovers, and celebrations associated with them) are likely contributing to the variant’s rise.
  - There has been a rise in youth infections nationwide. Although this rise in infections has not resulted in a surge in pediatric hospitalization, officials worry that vulnerable adults who interact with children may contract the virus from them.

## **New York State**

- [\*New York State COVID-19 Updates\*](#), April 8
  - New York reported 47 deaths, 4,422 hospitalizations, and 947 COVID-19 patients in intensive care on April 7, 2021.
  - Approximately 8,379, or 3.18%, of the 263,737 tests administered in New York on April 7 were positive for COVID-19.
  - As of April 7, New York has administered 11,092,454 doses of the vaccines to patients. 35.1% of New York residents have received at least one dose of the vaccines and 22.3% are fully vaccinated.
  - On April 7, Governor Cuomo [announced](#) that New York State would restore \$600 million in retroactive general salary increases for State workers, who forewent their contractual raises because of the COVID-19 pandemic.
  - On April 6, New York State [launched](#) the “Vaccinate NY” campaign to encourage all New Yorkers to receive a COVID-19 vaccination. This campaign will run advertisements across television, radio, the internet, and print statewide, to raise

awareness for New York's expanded vaccination eligibility and the benefits of inoculation.

### **New York City**

- [New York City COVID-19 Updates](#), April 8
  - On April 7, New York City [unveiled](#) two mobile vaccine buses, which will travel around the five boroughs to administer vaccinations. This program aims to bring vaccines to residents in hard-to-reach areas and specifically inoculate restaurant workers, undocumented New Yorkers, and the City's homeless population.
  - On April 6, New York State [created](#) an advisory committee to develop recommendations for the design and location of an essential workers monument in New York City. The monument will honor the service and sacrifice of New York's essential workers throughout the COVID-19 pandemic.
- [New York City Prepares for Return of Government Workers](#), April 4
  - Last month, Mayor de Blasio set May 3 as the target date for 80,000 New York City government workers to begin returning to City buildings. The City government is the largest employer in the City, and Mayor De Blasio believes that returning to offices will signal to companies that their employees can also return safely.
  - In advance of this return, each City agency will submit a reopening plan to Mayor de Blasio's office, which must include strict health and safety measures.
  - Some New York City government workers contend that it is unsafe to return to offices, citing the City's high positivity rate and health officials' warnings that COVID variants have accounted for a high percentage of new cases in the City.

### **International**

- In the wake of the [WHO](#) report on the origins of the coronavirus, a group of scientists have penned a letter requesting WHO further investigate the possibility that the coronavirus originated from a lab in Wuhan, China. The letter asks that a new inquiry include biosecurity and biosafety experts.
- Following a surge in COVID-19 cases that has overwhelmed hospitals, officials in [Osaka](#), Japan have canceled the Olympic torch relay events scheduled for next week and have declared a medical emergency. [Tokyo](#)'s governor has also asked the government to impose emergency measures in the city as cases rise.
- [North Korea](#) will not attend the Olympic Games, citing coronavirus concerns. The country claims to have no COVID-19 cases.
- A shipment of 880,000 Moderna vaccines destined for [Germany](#) has been cancelled, further exacerbating an already slow vaccine rollout in the country.
- A 28-year-old [Philippine](#) man has died after police forced him to do 300 squats for violating lockdown rules.
- [Brazil](#) saw nearly 4,200 COVID-19-related deaths on Tuesday, nearing the U.S. daily record of 4,476. Brazilian President Jair Bolsonaro said there would be no nationwide [lockdown](#).
- In the wake of India's COVID-19 surge, [New Zealand](#) has banned arrivals from the country, including arrivals of its own citizens.

## **Other Updates**

- [\*Department of Labor Unemployment Insurance Weekly Claims Report\*](#), April 8
  - Department of Labor (DOL) reports that another 744,000 workers filed initial claims (seasonally adjusted) for unemployment benefits last week.
  - The number of new claims had trended downward since March 2020, when nearly seven million people filed for unemployment insurance in a single week. However, claims began spiking again around December of last year.
  - Last week, 151,752 people filed new claims for Pandemic Unemployment Assistance, the federal program intended to help freelancers, gig workers, the self-employed, and others not eligible for state jobless benefits.
  
- [\*A Dwindling Need for Office Space Could Trounce Building Owners and Cities Even After the Pandemic\*](#), April 8
  - Because of the pandemic, office vacancies have climbed to their highest levels in decades, and many experts believe some workers may never return.
  - Businesses have discovered that they can maintain productivity, even when all or nearly all of their workers are remote. Many are thus considering maintaining avenues for remote work even after the pandemic abates.
  - These plans could mean big economic losses for property companies that own office buildings, as well as a sharp drop in office building construction.
  - A move away from city centers may also lead to lower rents in those areas, fewer restaurants and stores, and declines in city tax revenue.
  - In the past year, the market value of office towers in Manhattan has plummeted by 25%, which contributed to an estimated \$1 billion decrease in property tax revenue. JPMorgan Chase, Ford Motor, Salesforce, and Target have all moved out of high-rent office space in the city. In a letter to shareholders, JP Morgan's chief executive wrote that for every 100 employees, the bank "may need seats for only 60 on average" post-pandemic.
  - The phenomenon is not limited to New York; the average vacancy rate for office buildings in downtowns across America is 16.4%.

Other recent events covered in detail elsewhere:

- [\*American Rescue Plan Act \(ARPA\) Phase 5 Stimulus Package – Highlights of Certain Key Tax-Related Provisions in ARPA\*](#), March 26
- [\*American Rescue Plan Act of 2021 – Summary of Key Provisions\*](#), March 25
- [\*Key Employee Benefit Provisions of the American Rescue Plan Act of 2021\*](#), March 19

Send questions to:

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