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SPOTLIGHT REPORT

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America's Grand Reopening Looks More Like a Soft Launch: Where and How Public Health, Economics, and Politics Intersect

What's Happening: "I don't know that I've had a bigger decision," President Trump told reporters about his dilemma on when to reopen the United States economy. "And we're going to make a decision, and hopefully it's going to be the right decision. I will say this. I want to get it open as soon as we can." Yet, most legal scholars argue that the real power belongs with the states.

Why It Matters: While Trump has focused on a timeline, the states that are leading the charge to lift their lockdowns and reopen the economy have focused on a framework to first bend their case curve, and then once the caseload is low enough that hospitals are unlikely to be overwhelmed, to institute a program of test, trace, and isolate that will identify newly infected patients and their contacts and ensure any potentially infected individuals remain home for at least 14 days. States have begun rolling out those plans in the past week, including California, which released a six-part framework for determining when to lift stay at home orders. Several states have also begun hiring staffers and putting them to work in tracing programs, including Massachusetts, Alaska, Utah, and Ohio. In the Northeast, seven states that have been among the hardest hit by the virus have formed a coalition that will work together to create a unified reopening plan to ensure the people carrying the disease do not move it easily across state lines, and on the West Coast, three states have agreed to a framework and information sharing to ease the reopening. These plans can become templates for other states, and governors in the Midwest, Mountain Region, and Mid-Atlantic have been considering similar alliances. A [Chicago Booth Survey](#) of economists released in late March found that experts largely agree that the best move for the economy is to expand testing and prevent case resurgence, and these programs could help achieve those goals.

What's Next: Congressional Democrats have begun rolling out legislative plans that would fund and provide technical support for widespread testing and tracing programs, but these are unlikely to gain traction before Phase Four legislation is introduced, which likely won't be until after Congress reconvenes in May. Meanwhile, the decision on whether to remain locked down has become a partisan issue that has pitted red versus blue states, and at times, citizens versus their Democratic governors. Politicians in Texas are already pushing to reopen, despite

some models predicting the state has not yet hit its peak. Protests have rocked lockdowns in Michigan, Kentucky, and North Carolina. With President Trump indicating that he would like to see states reopening sooner rather than later, the opportunities for chaos and case resurgences are high, potentially leading to rolling openings and closings that could cause yet more economic damage for a longer period of time.

Setting the Stage for Opening: What Experts Say Is Necessary to Protect Lives and Ensure a Healthy Return to Normalcy

There has been a clear consensus from the scientific and medical community about what is required to "reopen" the economy.

Former Food and Drug Administration (FDA) Administrator Scott Gottlieb, who has been consulting closely with the White House and ubiquitous on the talk news shows with an expert opinion, released a report in conjunction with the American Enterprise Institute providing a roadmap to reopening. In order to do so, an area must have:

1. a falling caseload for at least 14 days;
2. enough empty hospital beds to treat all patients without crisis standards of care;
3. the ability to test all patients with Covid-19 symptoms; and
4. the capacity to monitor and quarantine all infected patients and those with whom they have been in close contact.

The Johns Hopkins School of Public Health published a plan built on existing public health initiatives, including those to monitor and prevent TB, measles, STIs, and Ebola. The plan calls for:

1. rapid diagnostic testing for all symptomatic cases and those who may have been exposed;
2. widespread serological testing; and
3. the ability to trace all contacts for existing cases.

Similar plans to these have worked in South Korea, Taiwan, and Singapore, although they have at times been forced to ramp up containment measures closer to those currently in place in much of Europe and the United States as caseloads increased. We discussed the struggles even a successful testing system will face in our recent Spotlight Report entitled "Reopening In June?: Welcome to the Start-and Stop Economy."

There are a number of technical issues with how to accomplish such a system. Testing for the coronavirus in the US has slowed down, after expanding for weeks, due to a lack of supplies and stringent guidelines. Western nations are also struggling with how to balance their values on individual privacy with the means other countries have used to successfully halt the spread of the virus.

Additionally any test, trace, and isolate program is work intensive and expensive. Former Centers for Disease Control and Prevention (CDC) Director Tom Frieden estimates the US

will need one contact tracer per four cases. With over 600,000 confirmed cases in the United States as of Wednesday evening, that would require millions of new contact tracers. Once the number of cases drops low enough to begin reopening in many states, Johns Hopkins researchers still estimate that the country will require approximately 100,000 additional contract tracers, costing $3.6 billion.

Yet the number one problem for completing this safe reopening plan is that there is still no clear leadership from the federal government.

White House Response: Focus on Dates Overlooks Need for Roadmap

"It's mind-boggling, actually, the degree of disorganization," Frieden told the *Washington Post* about the White House response to the virus. He questioned if the federal government was actively working on preparing the testing equipment and the tracing guidelines that states could use to begin reopening in May and June.

National Institute of Allergy and Infectious Diseases Director Anthony Fauci expressed the situation more diplomatically in an interview with the Associated Press on Tuesday. "We have to have something in place that is efficient and that we can rely on, and we're not there yet," he said.

The White House has appeared to be behind the curve because the president has been focused on a timeline for reopening. But as Fauci has said, "You don't make the timeline, the virus makes the timeline." The more effective way to ensure a safe reopening is by setting and meeting milestones. Yet Trump is not a detail-oriented person, and he has remained focused on his goals of reopening by Easter and then May 1st, rather than on getting an effective process in place.

To that end, Trump's task force, parts of which were announced Tuesday night, has unclear goals and authorities. At least some White House staffers have suggested the goal of the business aspect of the task force is less to get advice and more to have a long list of names to share the blame if the reopening results in a surge of new cases. That may be harder than it seemed at first — on the first call, executives pressed the president to increase testing.

The *Washington Post* also got its hands on a copy of a "Framework for Reopening America" drafted by officials from the Federal Emergency Management Agency (FEMA) and the CDC that provides a detailed description of how states can safely reopen schools, businesses, and other public places. The plan is reportedly one of several being drafted by federal agencies and White House officials, and covers only the healthcare aspects of the reopening. The final set of plans, which will also encompass economic frameworks as well, all are likely to be workshopped together to meet Trump's goal of beginning to reopen on May 1st. However, the fact that there is a staff-led, detailed healthcare reopening plan is an indication that, as one official said, "there are real efforts to figure out how we could safely

and actually do this."

Yet, Trump himself has not made it clear how much he intends to lean on governors to do their own reopening. On Sunday, he tweeted at governors that they were the leaders of the process. "Governors, get your states testing programs & apparatus perfected. Be ready, big things are happening. No excuses! The Federal Government is there to help. We are testing more than any country in the World. Also, gear up with Face Masks!" [Trump wrote](#).

On Monday, Trump tweeted that he expects states to follow the federal government's lead. "For the purpose of creating conflict and confusion, some in the Fake News Media are saying that it is the Governors decision to open up the states, not that of the President of the United States & the Federal Government. Let it be fully understood that this is incorrect," [he wrote](#).

This has raised questions about whether Trump can force states to open before they believe their plans are in place, and the constitutional and legal answer is that he cannot. "The president can issue reasonable necessary federal-level quarantine orders," [according to Elie Honig](#), a legal analyst and former federal prosecutor in New York. "I don't see any mechanism or constitutional principle that would apply here that would allow the president to come in and overrule the governors."

Trump does have some workarounds, however. For example, he could withhold emergency funding from states that refuse to comply with an order to lift mitigation measures. He could also order federal workers in the region to go back to their jobs.

Nonetheless, it is most likely that, despite the bluster, the president leaves it up to the states to decide when to begin their opening process. If he gets too closely involved, he may have to take responsibility for things that go wrong.

Congress Beginning to Consider Plans, But Unlikely They'll Spend The Money in Time for States

A group of House Democrats proposed [the first legislation with funding for a plan with the Reopen America Act](#). The proposal, led by Reps. Jamie Raskin (D-MD), Hakeem Jeffries (D-NY), Donna Shalala (D-FL), Anna Eshoo (D-CA), and Peter Welch (D-VT), would have states submit plans for reopening that the Department of Health and Human Services (HHS) and other government experts would approve if they can be shown that the transmission rate would stay below R1, meaning if a person caught the disease, they would not pass it on to more than one person. If the plan is approved, then the federal government would also supply the funding needed to implement the reopening program. The bill would also create a federal Health Equipment Production Board to procure medical equipment and personal protective equipment (PPE) for frontline workers.

Senate Democratic leadership [has also released a plan](#) to expand testing to at least 500,000 tests per day by pressing the White House to employ the Defense Production Act

and other centralized procurement measures. Their plan would include $30 billion worth of funding to create widespread rapid testing and to implement new tracing programs.

However, states will struggle to get the funding Democrats have proposed. Congress will not be taking up any meaningful proposals at least until it begins work on its Phase Four stimulus package, which is unlikely within the next two weeks. That means states will need to start their work on their own, likely without significant access to funding for necessary programs, even as they already face budget shortfalls.

Additionally, several Republican members have suggested this week that states should begin reopening now. Senator Ted Cruz (R-TX) sent an email to his supporters Wednesday titled "It's Time to Reopen the Economy and Get Texans Back to Work." Rep. Trey Hollingsworth (R-IN) told a local radio station, "It is policymakers' decision to put on our big boy and big girl pants and say it is the lesser of these two evils." He later added that Americans should be willing to die to protect their freedom to leave their homes. "It is always the American government's position to say, in the choice between the loss of our way of life as Americans and the loss of life, of American lives, we have to always choose the latter," he said.

States, Forced Into Self-Reliance, Take The Lead on Developing Plans

States turned to the federal government at the beginning of the crisis and, frustrated by the level of support they received, began instituting their own mitigation measures and building their own supply chains and relationships with vendors. In the absence of sustained federal leadership, mayors have turned to each other for support, modelling new orders and new ideas off of what has worked in other cities. Several non-governmental organizations now lead weekly calls for mayors to share best practices.

With Congress slow to pass new legislation and President Trump waffling between support for local governments and blame on local leaders, states will continue to fend for themselves as they plan their frameworks to lift mitigation measures. New York Governor Andrew Cuomo (D) spoke for himself and several other Democratic governors — as well as some Republican governors — when he said Trump will not be able to open states unilaterally. "If he thinks he's going to force this state or any state, for that matter, to do something that is reckless or irresponsible, that could endanger human life, literally," Cuomo said. "Because if we don't reopen correctly, you will see those virus numbers go up again, and more people will die."

Perhaps no governor has declared himself more free of the federal government than California's Gavin Newsom (D), who said last week that the Golden State will use its purchasing power "as a nation-state" to obtain PPE, and even promised to try to "export some of those supplies to states in need." Newsom released a plan for reopening on Tuesday that provides a framework, but no timeline. "Let's not make the mistake of pulling the plug too early, as much as we all want to," he said when announcing it.

According to its framework, California will consider six indicators when determining whether to modify its stay-at-home order:

- the ability to monitor and protect communities through testing, contact tracing, isolating, and supporting those who are positive or exposed;
- the ability to prevent infection in people who are at risk for more severe Covid-19;
- the ability of the hospital and health systems to handle surges;
- the ability to develop therapeutics to meet the demand;
- the ability for businesses, schools, and child care facilities to support physical distancing; and
- the ability to determine when to reinstitute certain measures, such as the stay-at-home orders, if necessary.

Contact Tracing Programs Starting to Get Underway

The first key to any reopening plan is to not just flatten the caseload in the area, but to see it begin to fall. Once the number of new cases has dropped significantly and hospital resources are no longer constrained, then states can begin to reopen as long as they have a plan in place to contain new outbreaks through testing, tracing, and isolating any people who have been infected or may have come in contact with someone who was infected.

Several states have already been taking steps to implement workable programs. Massachusetts, which has set aside $44 million for a tracing program, teamed up with the non-profit Partners in Health, a Boston-based organization that has extensive experience providing health and hospital services in low- and middle-income countries. Partners in Health is currently in the process of fielding 1,000 people to serve as contact tracers, with the goal of reaching as many as 20,000 people per day who have tested positive or have had close contact with an infected individual. Everyone who is contacted will be asked to quarantine for 14 days from the point of their contact, and may be given the option of isolating in dormitories or hotels. The state is working on ways to provide essential services to those individuals in quarantine or isolation, such as groceries and childcare.

While Massachusetts is still experiencing a high case load, other states with flatter curves have been able to begin tracing programs that could allow for faster reopenings. Alaska has a relatively low caseload due to its isolation, but that same isolation makes even a small number of cases a significant health risk. There, the state Department of Health and Social Services has developed a track and trace program with local nursing staff to contact individuals who have been in close contact with anyone who has a confirmed case of Covid-19 and to request that they quarantine. Nurses call quarantined and infected patients daily to check in on them and can bring quarantined individuals food.

Utah has begun retraining state employees to conduct contact tracing. In addition to approximately 50 state health workers, the state has now trained 160 others, and has over 1,000 more employees who have volunteered to help. State officials expect to be able to conduct approximately 7,000 tests per day soon, but recognize they will need to conduct a

lot more to manage tracing in a population of approximately 3 million. However, they benefit from a relatively low caseload, of approximately 2,500 identified cases and about 20 deaths that have been attributed to the disease.

North Dakota has never closed, but it has already begun piloting a test and trace program. The state has set up drive through testing sites in two communities that do not require patients to show any symptoms to receive a test. The state will then use the information from the test to begin tracking potential cases.

Ohio, where Governor Mike DeWine (R) shut down the state early, now has far fewer cases than comparable populations in the region and Cleveland is even sending some medical personnel to New York and Detroit to relieve the burdens in those states. Staying ahead of the curve, State Health Director Amy Acton has led medical schools and medical professionals to help train an army of volunteers to conduct a trace and isolate program. When asked about the costs of the tracing program, Dr. Acton noted that it is cheaper than ventilators, explaining, "We really need to do this part professionally and well, so that we don't see a rebound."

While states have taken the lead, industry may play a pivotal role in many cases. As Scott Gottlieb and his former chief of staff, Lauren Silvis, wrote in the _Wall Street Journal_, companies could deploy rapid testing for workers to catch cases of infections that are mild or asymptomatic. He argues the programs could be similar to the deployment of flu vaccines or hand sanitizer that many companies already undertake. These measures could supplement state responses, particularly in those states that do not have the ability or will to expand testing broadly.

Companies are working on plans to make this possible. One Los Angeles, CA-based company is rolling out testing options to several customers this week that will allow the businesses to test their employees with a 24-hour turnaround time. The goal is for employers to test their employees regularly, and send home any workers whose tests come back positive, as well as those who have been in contact with them. It is billed as a way to prevent a spread that forces a company to close down its entire manufacturing line. Amazon has also begun building its own testing capability to protect its warehouse and delivery workers, although the company acknowledges it will take time before the program can be fully rolled out due to lack of testing capability in the US. There have been reports that many workers at Amazon's Whole Foods stores have gotten sick but gone unreported publicly.

Regional Partnerships Develop

The White House has considered a geographic approach to reopening, including defining counties as "high-risk, medium-risk, and low-risk" based on the number of cases and population density, and opening them in waves based on this risk level. "We may take sections of our country," Trump said at a White House briefing on the idea. "We may take large sections of our country that aren't so seriously affected, and we may do it that way."

The White House has not yet released its plan, but states have begun grouping themselves geographically with a different purpose. Where Trump had hoped to allow some areas to open faster than others, these states are working to ensure that citizens aren't bringing the disease across porous borders due to a weaker response from one state than another.

Borders are not secure, so groups of states are working together to create plans to roll out their economies, and then to roll them back if necessary. Two have been announced already in the Northeast and on the West Coast, and we expect more soon. The DC-Maryland-Virginia region is already coordinating, and potentially the upper Midwest region could see coordination as well. Colorado Governor Jared Polis (D) has said he has been discussing a regional coordination with other states, and Iowa Governor Kim Reynolds (R) has said she is coordinating a potential regional reopening with North Dakota, South Dakota, Wyoming, Missouri, and Illinois, although notably several of those states have not put in place full shutdown measures.

Northeast Partnership: "It doesn't do me any good to have a bar closed in Greenwich, Connecticut, and it's open right across the border," Connecticut Governor Ned Lamont (D) told reporters on a call to announce the rollout of the northeast regional partnership. The partnership was initially announced on Tuesday afternoon as an agreement between New York, New Jersey, Connecticut, Rhode Island, Pennsylvania, and Delaware, with Massachusetts joining the group later that day. The states are creating a council including economic and healthcare experts, as well as state officials, to create plans that balance health and economic needs. Several of these states participating have been among the worst hit by the virus, which could slow the speed of reopening.

West Coast Partnership: On Monday, California, Oregon, and Washington, who appear to have collectively flattened their curve of new cases, [announced an agreement for a shared vision](#) on reopening their economies. While each state will implement its own plan, they have agreed to coordinate their respective processes closely and collaborate when developing next steps. The announcement laid out a framework for next steps, including protecting vulnerable populations, particularly those in nursing homes and long-term care facilities; ensuring adequate hospital surge capacity and supplies of personal protective equipment in case of a new outbreak; mitigating the non-direct impacts, particularly for disadvantaged communities; and putting in place a system for testing, tracking, and isolating.

An Uneven Response: Not All States Have Implemented Mitigation Measures and Some May Never Do So

Not everyone believes that closing non-essential businesses and issuing stay-at-home orders is an appropriate balance among the concerns over public health, economic harm, and protection of civil liberties. Five states have not shut down their economies: Arkansas, Iowa, Nebraska, North Dakota, and South Dakota.

While some of these governors have argued that low caseloads and rural populations do not require more stringent mitigation measures, in South Dakota Governor Kristi Noem (R) has said she is aware the modeling indicates that as many as 70 percent of the people in her state could get the virus, but that she cannot impose on people's personal freedoms. "The people themselves are primarily responsible for their safety," she said at a recent briefing. "They are the ones that are entrusted with expansive freedoms." A Smithfield pork plant in her state was forced to shut down by a local mayor after over 300 workers were diagnosed with Covid-19.

In some states that have shut down, particularly where the issue has become partisan, there has been a strong movement to reopen. Texas made headlines in March, when GOP Lieutenant Governor Dan Patrick said he was willing to die for the economy. "No one reached out to me and said, 'As a senior citizen, are you willing to take a chance on your survival in exchange for keeping the America that all America loves for its children and grandchildren?'" he said on Fox News. "And if that is the exchange, I'm all in." Patrick is now the head of a state task force on reopening the economy, and presumably will move faster than supply rollouts are necessarily available.

In Michigan, where Governor Meghan Whitmer (D) has earned attention as a potential vice presidential candidate with former Vice President and presumptive Democratic presidential nominee Joe Biden, conservative protesters created gridlock in Lansing over anger at the governor's tightened stay-at-home orders, which they argue are insufficiently targeted and will cause severe economic harm. Chants of "lock her up" permeated the protest, which included both people in cars, and groups that stood together outside the state capital, despite social distancing measures. These protests came despite Michigan having been one of the hardest hit states — on Tuesday the state confirmed 1,366 new cases of the disease and 166 deaths. Similar protests have sprung up in other traditionally red or purple states with Democratic governors, including North Carolina and Kentucky.

With these anti-mitigation movements growing and with Trump's overt, if at times uneven, support for them, it is likely that some regions will experience significant case resurgence once reopening begins. Because borders between states are porous, this is likely true even in areas with strong public health and track and trace programs.

These surges may not cause new shutdowns, or may lead to delayed shutdowns, depending on where they are located. This could cause disagreements at state borders and uneven economic recoveries in both the short and long run.

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