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Commentary

The Public Affairs Research Council of Louisiana

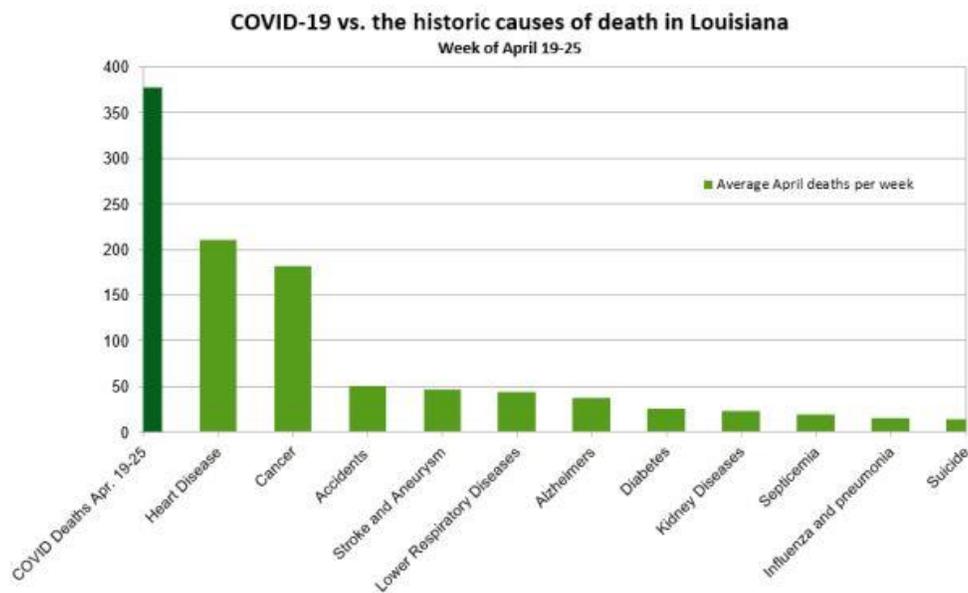
The Reopening

The seven key questions for putting Louisiana back in business

The White House, various governors and the Louisiana business community have offered guidelines for reopening the economy following the substantial shutdown of lifestyles and commerce to combat the COVID-19 outbreak. Now, all eyes are upon Gov. John Bel Edwards and political leaders across the state for their next set of recommendations to safeguard public health while widening business and human social activity.

The looming question is what will happen after the extension of the governor's emergency executive order to May 15th, which seeks to control the virus's spread by confining public interactions and business activities. That strategy so far has contained the number of Louisiana COVID-19 cases into a manageable, de-escalating trendline in some regions of the state.

Deaths have begun to decline after increasing at an alarming rate. The novel coronavirus was by far the leading cause of death in Louisiana for four weeks straight up through April 25, based on averages from past years derived from Centers for Disease Control data and analysis by the Public Affairs Research Council of Louisiana. From April 19-25, the number of COVID-19 deaths in Louisiana reached 377, far more than the average number of deaths from heart disease, cancer or strokes in a typical week in April. * COVID-19 deaths exceeded all other categories of mortality in Louisiana for the three prior weeks, also.



The hope is that the trend in declining mortalities will continue. COVID-19 deaths trail the trend of diagnosed cases by about two weeks, meaning that a decrease in cases one week should result in a decline in deaths two weeks later. As of April 28, the number of Louisiana deaths was 1,802, the 9th highest among states nationally. On a per capita basis, Louisiana's deaths rank 5th.

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Meanwhile, Louisiana's economic constraints, combined with similar shutdowns around the globe, have swung a scythe through large swaths of business activities and rendered unimaginable joblessness. The Louisiana Workforce Commission reported that continued unemployment claims have risen to more than 217,000, compared with about 13,000 at the same time in 2019. With each passing day, the hope for a rapid or robust recovery dims further, along with people's confidence in the future. The desire to get back to work is especially keen in areas of the state where the disease has been less pronounced.

Recently, governors in Georgia, Tennessee and South Carolina accelerated their reopening plans to reinvigorate their retail and even leisure entertainment sectors. These are states where the coronavirus so far has not hit as hard as in Louisiana. In Texas, retail stores and restaurants have been allowed to open under tight rules beginning in May and barbers, salons, gyms and bars can reopen May 18 if the trendlines are favorable. How the actions of these southern states should influence or reflect on Louisiana's reopening remains to be seen.

We should keep in mind that even if a governor's or a mayor's order fully reopened the marketplace tomorrow, the result would not instantly be business as usual. Many members of the public would likely still exercise caution to protect themselves and their families from contagion. Many of the elderly would remain locked down. Those with compromised conditions would keep sheltered.

A lot of people have lost or reduced their means of income. Consumer spending will not revitalize local businesses overnight. Some businesses already have been too damaged to return. Others will need a long time to rebuild, evidenced by a new nationwide survey in which one-fourth of small businesses said the economy will not return to normal until 2022 or later. Businesses might curtail their work over concerns about liability. And then there's the state's oil and gas industry, suffering the double whammy of the coronavirus impact and low — or even negative — oil prices.

There could hardly be a worse set of choices for the authorities in charge, especially those with a strong sense of humanity. Gov. Edwards says he is using the guidelines from the White House's "Opening Up America Again," a well-articulated plan that moves carefully forward in measured stages while monitoring the direction of trends with the illness. For May, we can expect a continuation of social distancing, limited gatherings, wearing masks and cloistering those who are sick or at high risk. Disease and immunity testing will be expanded and contact tracing will be part of the effort. The state's readiness to move from one stage to the next will be evaluated according to trajectories

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for health care metrics mapped over 14-day periods. The new normal will not seem normal, and we should be ready to adapt as we go along.

But what business activities will be reopened or expanded? Under what conditions? Will business have a say in that? What are those metrics, exactly, and who's counting them? Will local leaders eventually have any real authority? These are questions that remain about how the state will proceed in the near future.

The best route is to take the reopening in stages and to do so in a posture that is decidedly forward moving. Explain the conditions for further reopening in plain language and numbers, as best one can. By setting understandable criteria and being open and transparent about the benchmarks, our leaders can establish a clear link between citizens' actions and the health and economic outcomes. From that comes order, progress and restored hope.

This commentary outlines the key decision points ahead in the near term. In a background section at the end, we provide links for you and summarize the recently issued guidelines of the White House and the Louisiana business community. We also highlight the latest moves by neighboring Texas and other states.

Key Questions

Our ability to move forward in the near-term will depend on how well we can address these questions:

Testing. *Is Louisiana's coronavirus testing infrastructure and supply base sturdy enough to keep up with the tracking necessary to stay ahead of the epidemic?* Widespread advice from experts say this is the leading criteria for stemming a resurgent coronavirus while reopening the economy. This is tactical warfare. It requires equipment, logistics and that people and institutions know what to do. It is especially vital if immunity testing and contact tracing are part of the reopening plan, which the governor says will be the case. Decision-making for policies and procedures will be hampered so long as questions remain about the reliability of immunity tests and whether people can catch COVID-19 a second time.

Federal testing support could contribute to the goal, but the governor is counting on ramping up an in-state capacity for broader and speedier testing. The success of that plan will be crucial. Universities, private sector health care companies and major retailers are playing a role. The public will need to know whether we have what it takes to do the job. The administration already has offered specifics by stating that at least 140,000 tests per month will be needed and that 200,000 would be preferable. The state health department has dedicated staff members to assist with contact tracing but says it needs many more. Sometimes "you go to war with the Army you have," so we must prepare that Army as rapidly as we can.

Benchmarks. *What markers in the disease trendlines will we use to base our decisions to move further ahead or pull back from the reopening?* The state has focused on the number of reports of people with COVID-19 symptoms, the number of confirmed COVID-19 cases and measures of hospitalizations. These metrics are based on the White House and Centers for Disease Control guidelines. Other measures could be considered. When the time came for the

governor and his health care advisers to decide the state's direction after May 1, the trendlines for Louisiana were improving statewide. But the governor noted three regions – the Baton Rouge area, Acadiana and the northeast region around Monroe – where the disease was growing. The regional trendlines – not just the state trendline – had become determining factors.

Looking forward, government leaders will need to clearly articulate where they draw the lines and how the measured control of the disease will influence decision-making. This approach should be transparent and give people a sense that decisions are not arbitrary and that the situation is not unending. Having clear criteria will allow people to see how their cooperation with social distancing or contact tracing has a direct impact on how quickly we can get back to work fully. The Louisiana Department of Health has been publishing useful data online. As of the end of April, the public still needs a better articulation and a more accessible gauge of the data and trendlines that are guiding the state's decisions. Regularly updated data for the trendlines needs to be more transparent. Further, these trendlines should be provided for each of LDH's nine regions, because the governor has made it clear that he is looking at the trends by region and not just statewide.

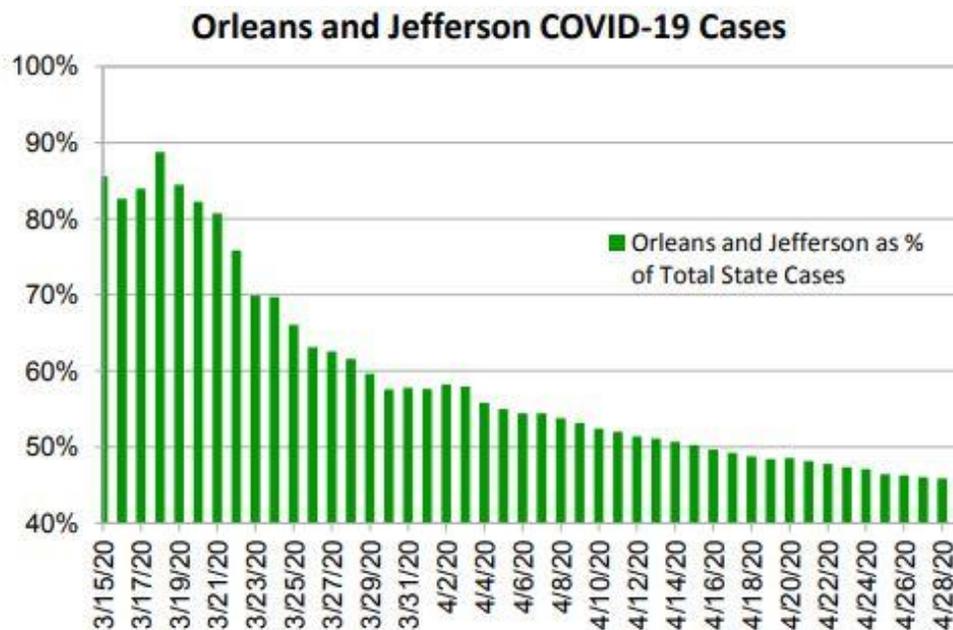
Resurgence. *How will we cope when the state or a local area experiences a second wave of COVID-19 outbreak?* Similar to the benchmarks question above, this circumstance should be anticipated. Many U.S. communities saw second waves during the nation's battle against the 1918-20 flu epidemic. The key will be to manage expectations honestly and overcome discouragement.

Health care businesses. *Can the health care industry assume the forefront of the reopening?* The health care system is important not just to individual and community wellness. It is big business and a dominant employer in Louisiana. Its resurgence would stoke an economic boost. Many health care workers are on the frontlines battling COVID-19, but many others are idled or have reduced patient loads due to the postponement of routine and voluntary surgeries or treatments. They also can be sidelined by scarcities of equipment and facilities due to the need to focus resources on the epidemic. The health care industry is in a strong position to appreciate and implement a sanitary plan for safety at work. Several guidelines for reopening the economy call for the health care field to be addressed distinctly and foremost. The state has taken a step in this direction. Beginning April 27, medical and surgical procedures for time-sensitive conditions were allowed in Louisiana, putting great numbers of professionals back to work and patients back in their care. The next higher step would be to allow more routine care and check-ups.

Liability. *Will businesses be able to get back in operation without significant legal liabilities regarding the health of their employees or customers?* This may be the most underestimated problem in getting commerce and industry going again. Even if the government reopens the economy widely, businesses will have to consider a formidable constraint: the possibility of getting sued for playing a role in making someone sick or dead. That's a reason guidelines for handling the workplace environment can be useful to a business. A company that follows the rules reduces its legal exposure and the risk of incidents. Some may prefer to tailor their safety procedures to their particular industry or worksite, and the government should be cooperative

with business in this respect. The business groups' plan calls for expanded protection from COVID-related lawsuits. Workers compensation is a complex but critical addition to this discussion, and one the Legislature has shown an interest in considering.

Local control. *Should mayors and local leaders decide when and how their economies should open up?* In extending his restrictions until May 15, the governor has said his order should continue to apply statewide. Although some regions have seen improving trendlines, some have not. Some local leaders in Louisiana want to assert some autonomy from the state. The guidance from the White House specifically says local communities may be the best authorities to address their own conditions. But that guidance also says communities must be subject to gateway criteria determining what level of openness they can pursue. The advice seems to be: With autonomy comes responsibility, so act independently if you wish, but you still must meet the benchmarks determining the direction of the reopening. It's important to note that Orleans and Jefferson parishes, where the disease first concentrated in Louisiana, have started to see declines in new cases while other regions of the state have seen increases, an indication that most of the state has not yet seen the worst of the epidemic.



Small business. *Will the recovery and relief system prove beneficial to small businesses, especially those with only one or a few employees?* Concerns have been raised by the National Federation of Independent Business and others that the multitude of small-scale entrepreneurs, who collectively form a vast fabric of goods and services in the economy, have been left behind by the lockdown and the government relief efforts. The greatest share by far of minority-owned businesses are single-employee or small operations, creating a special concern for the Urban League and chambers of commerce. A reopening plan that encourages their early participation is critical to success.

The questions don't stop there. **Sufficient child care** is a major reopening goal for the business community, and yet it's a resource difficult to provide safely in the coronavirus age. **Public transportation**, taxis and ride share services are used by many workers in normal times; the

availability of these vehicles to get to and from the workplace safely will make a difference in employment.

Old normal, new normal

We could talk about bigger and even bolder plans, such as using this crisis as an opportunity to redefine the workplace, the education system and workforce development. Or to revamp the role of state government and our universities. That conversation needs to take place soon. But for this commentary and for the paramount purpose of defining the very next steps for reopening, it is important to have a plan to proceed toward normalcy. That by itself seems like a herculean goal requiring a lot of effort and cooperation.

The business community is promoting a “Stay at Home, Safe at Work” plan that highlights the private-sector role in drafting workplace rules and motivating a way forward. The governor is focused on an evolving strategy to protect the public health while reopening the economy. Both foresee a phased approach. With effort, they can and should collaborate successfully.

Ultimately, the biggest players in the reopening will be individuals and their decisions of how and when to stay at home or return to their normal life, work and joys. At least for a little while longer and especially in populated areas, those decisions will be guided by government or business-driven rules, which we hope will be eased adeptly and assuredly in the near term. Clear guidance from government and business leaders will be the key to instilling confidence and compliance among individuals participating in the reopening. That’s where we’ll find our restored hope for progress.

**Methodology: The non-COVID-19 deaths are averages based on deaths in April in past years. Data on COVID-19 mortality are from the Louisiana Department of Health. This chart illustrates the comparison of documented COVID-19 deaths to what would be expected by other leading causes of death in Louisiana during the same period, according to data from the Centers for Disease Control. The CDC’s actual figures for non-COVID deaths during this period will be reported at a later time and could differ substantially from these numbers, which are based on averages in April from past years. Actual deaths during this period from other causes could increase or decrease from the norm depending on the effects of stay-at-home orders, lack of usual health care and other factors. Also, some causes of death such as heart failure or strokes during this period might be attributed officially to COVID-19 if the victim suffered from the disease. Data is drawn from monthly averages from 2014-2018 and converted to weeks. Very similar results can be found by using yearly averages. The causes of death included here are the largest categories and are not a full list.*

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PAR Background Information

Recent examples of guidelines for reopening

The White House

The President's team announced guidelines for Opening Up America Again, a plan that moves carefully forward while monitoring the direction of trends with the illness. It leaves the decisions up to states or local areas. The plan outlines three stages, with the economy opening further with each stage. Advancement is based on a state or local area's ability to satisfy the "gating criteria" and to show no evidence of a rebound. The guidelines rely on data and readiness, focus on mitigating the risk of resurgence and seek to protect the most vulnerable. It warns of any downward trend for symptoms or cases of illnesses and COVID-19. It advises robust testing and monitors the capacity of hospitals to treat all cases without falling into crisis conditions. The program's website has been designed to make the plan easy to digest.

[WhiteHouse.gov](https://www.whitehouse.gov)

Louisiana business approach

Several representatives of business interests have released an executive summary of an initial framework for reopening the state. The Louisiana Association of Business and Industry (LABI) and the Baton Rouge Area Chamber (BRAC) are behind the plan, which has been endorsed by more than 35 chambers of commerce, economic development groups and industry associations. While the detailed plan is still being developed, they business groups convey a real sense of urgency while respecting the potential dangers. Called "Stay at Home, Safe at Work," the plan is based on input from business leaders around the state. It foresees a "new normal" as businesses of all kinds reopen but with safety measures in place. It emphasizes the protection of workers, small business, child care and liability issues.

LABI: [LABI.org](https://www.labi.org)

BRAC: [BRAC.org](https://www.brac.org)

The National Federation of Independent Business (NFIB) and its Louisiana chapter have released a multi-point plan that seeks an extension of the federal government's Paycheck Protection Program with the desire to make the program easier for small businesses to participate, especially those with 12 employees or fewer. An NFIB national survey showed that one-fourth of small businesses believe that the economy will not be back to normal until at least 2022.

[NFIB.com](https://www.nfib.com)

Louisiana Department of Health

Dashboard: ldh.la.gov

Other states

Citing what he claims is an increased capacity for testing, Georgia Gov. Brian Kemp will soon allow business with limitations at public retail centers, fitness clubs, hair salons, theaters and restaurants, while also reopening beaches. In Tennessee, Gov. Bill Lee announced he will lift his stay-at-home order in 89 of the state's 95 counties on May 1.

South Carolina Gov. Henry McMaster has launched a program called "Accelerate South Carolina," which includes a team of key leaders in the state including mayors, college presidents, business owners and health care professionals. He is allowing the reopening of department stores and retailers selling sporting goods, furniture, books, flowers, clothing and other items, so long as they admit no more than five people per 1,000 square feet of floor space, or 20 percent capacity. The state's popular beaches may reopen under local option. McMaster intends for his state's economy to "recover more quickly than any other states in the country" from the coronavirus outbreak.

To our west, Texas Gov. Greg Abbott has formed a "Strike Force" team to steer the state's reopening. Gov. Abbott signed executive orders to allow cautious moves forward in commerce and health care. One executive order calls for the "safe, strategic opening of select services" that would continue to "minimize social gatherings and minimize in-person contact with people who are not in the same household." It says "people shall avoid eating or drinking at bars, restaurants, and food courts, or visiting gyms, massage establishments, tattoo studios, piercing studios, or cosmetology salons." However, the order "does not prohibit people from accessing essential or reopened services or engaging in essential daily activities, such as going to the grocery store or gas station, providing or obtaining other essential or reopened services, visiting parks, hunting or fishing, or engaging in physical activity like jogging or bicycling." Nursing homes remain off limits and schools and colleges are closed for academic year.

Gov.Texas.gov

Another Texas executive order would open health care facilities if no burden is placed on the state's COVID responses. Health care professionals may conduct "any procedure that ... would not deplete the hospital capacity or the personal protective equipment needed to cope with the COVID-19 disaster." Health care facilities can operate but must "reserve at least 25% of its hospital capacity for treatment of COVID-19 patients, accounting for the range of clinical severity of COVID-19 patients." They also must not "request any personal protective equipment from any public source, whether federal, state, or local, for the duration of the COVID 19 disaster."

Gov.Texas.gov

Utah: Utah Leads Together Utah.Gov

Tennessee: Reopening Tennessee Responsibly TN.gov