

How COVID-19 is impacting health policy at federal, state and local levels

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As the novel coronavirus pandemic surges in metropolitan areas across the U.S., hospital systems, public health departments and elected officials at every level of government are leveraging policies to save lives and mitigate economic recession. Associate Professor and MPP Program Director Michael Doonan utilizes his expertise in health policy

and federalism to help explain how COVID-19 is impacting health policy at every level of government.

From a public policy standpoint, what are the responsibilities of the federal, state and local governments in terms of coronavirus response?

There's theory behind this, which says in a [national crisis](#)—such as a pandemic that knows no borders—coordination should come from the federal [government](#). The federal government should set policy, the states should manage policy and local governments should implement it. While the U.S. Constitution protects the power of the states through the 10th Amendment, the commerce and the general welfare clauses confer significant power to the federal government. Further, the federal government can assert control by conditioning some of the trillions in federal assistance funds on the application of best public health practices.

That's the theory, anyway. The practice has been much different. We're seeing governors take a lot of national leadership on pandemic response: Governor Baker [of Massachusetts], Governor Cuomo [of New York], and so forth. Whereas we see federal leadership all over the place. We've seen the president push the burden of testing and PPE production onto the states when it's convenient, then pivot to saying that he was the final authority on deciding whether states should open or close, then pivot back the next day. In this national leadership vacuum, states are moving in different directions, possibly putting the nation at risk.

American federalism allows for difference, and this can be good, but in this case there is no substitute for national leadership. As Justice Louis Brandeis famously said, the states can serve as "laboratories of democracy." In this crisis, we're seeing some states lead the way and

others fall behind. States like Washington and California closed down early and bent the curve, reducing deaths, while others lagged. States like Georgia just reopened bowling alleys and tattoo parlors without public health infrastructure to detect and isolate outbreaks. The challenge is that we don't have adequate testing, there are lag times between opening the economy and adverse health effects, and an unidentified outbreak can spread widely during that lag. This lack of coherent, evidence-based national leadership may well jeopardize the success we are seeing in many states and increase the chance of secondary outbreaks that could have been prevented.

What worries you most about the federal and state response to address the financial fallout?

Money has been provided directly to individuals, unemployment benefits have been increased and expanded and there has been some relief for small businesses. One of my biggest concerns is that we know the virus disproportionately impacts communities of color, and we need to be sure resources are appropriately targeted to these groups and communities. Poverty and institutional racism are pre-existing conditions that put particular people and communities at disproportionate risk. Government action needs to reflect this.

My second major concern is the fiscal solvency of states. States are on the brink of a financial disaster. The demand for state services including Medicaid, unemployment benefits, and other social services is growing exponentially, while state revenue from income, sales and other taxes plunges. States, required to balance budgets, will be faced with cutting programs and/or raising taxes. Both options are terrible during an economic downturn and will weaken recovery efforts, not to mention public health.

Washington, D.C. needs to step in and fill in some of these shortfalls, before the pain. Unfortunately the issue has become hyper-political with Senate Majority Leader McConnell now suggesting that states may want to consider filing for bankruptcy.

One immediate option the feds should take is to expand Medicaid funding. There's never been a more important time for all of us to have health insurance. Ultimately the federal government will step in, because they have to. The fear is that their actions will be late and insufficient to the task.

We know that hospital systems are struggling to respond to COVID-19 from a medical standpoint, and to keep their staff healthy and stocked with PPE. What do you see as some of the lesser-known impacts of this pandemic on the U.S. health system?

There's going to be an immediate financial crisis in hospitals; they're not generating their normal revenue because they aren't doing any elective procedures right now. And they call it "elective" surgery, but let's say you're experiencing incredible pain and can't walk because you need a hip replacement: that's considered elective but it's also really important, and it affects your quality of life and your ability to work and maybe even live independently. Not doing elective surgeries is a big deal for hospitals' bottom lines, but it's a huge deal for patients' wellbeing, too.

There's also new focus on telehealth—many physicians and other providers who had previously resisted telehealth are now embracing it, and health plans are reimbursing for it. Mental health and other critical services are now being done remotely, and many are wondering if this is going to have significant long-term impact on how health care is delivered. Telehealth has potential to improve efficiency, primarily

through triage, expanded access to care and in tracking and treating chronic illnesses. But we are going to have to study this closely, particularly how it might impact vulnerable populations, many of whom do not have access to the necessary technology.

For telehealth, some states like Massachusetts reimburse for telehealth appointments even if it's just an audio call, but the [federal government](#) Medicare program only reimburses if it's both audio and video. Not all patients—or even all providers—are set up for that, yet.

Provided by Brandeis University

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