



DAILY COVID-19 UPDATE

May 8, 2020

WHAT HAPPENED TODAY

In an [interview](#) yesterday, Speaker Nancy Pelosi announced the House could roll out CARES 2.0 next week, which she claimed will not create "new territory" but rather "dig deeper" to address existing needs in the U.S. She also pushed back on President Trump's demands for elimination of payroll taxes and capital gains taxes in forthcoming COVID-19 legislation, stating, "there are certain things that are urgent," and tax legislation can be postponed for another time.

Additionally, while Democrats in both chambers and the White House have [signaled support](#) for a second round of stimulus checks, Republican senators have expressed opposition to the proposal.

Since our last update, the Centers for Medicare & Medicaid Services, Internal Revenue Service, and Treasury published additional guidance. Please see below for more details.

We have added a new chart highlighting state funding in the CARES Act, a new chart detailing the current state and local pieces of legislation in Congress, and updated our State Reopening Tracker and Drug Shortage and Medical Supply Tracker. All four are linked below under Latest PMJ Resources.

LATEST PMJ RESOURCES

- [CARES Act State Funding](#)
- [State and Local Funding Bills](#)
- [COVID Legislative Update](#)
- [2020 Political Outlook](#)
- [COVID Legislative Tracker](#)
- [COVID State Reopening Tracker](#)
- [Drug Shortage and Medical Supply Chain Tracker](#)
- [COVID-19 Travel Restrictions](#)
- [Global COVID-19 Export Controls](#)
- [Memo - Federal Reserve COVID-19 Announcements](#)
- [Federal Reserve Lending Facilities Deck](#)

ECONOMIC UPDATE

Congressional

• **House**

- House Financial Services Committee Ranking member Patrick McHenry (R-NC) [sent letters](#) to financial regulators urging them to finalize outstanding rules and repeal certain existing regulations.
- Rep. Stephanie Murphy (D-FL), along with a group of bipartisan members, [introduced](#) legislation to enhance the employee retention tax credit (ERTC).
- Reps. Alma Adams (D-NC), Ilhan Omar (D-MN), Ayanna Pressley (D-MN), and 28 other members [sent a letter](#) to Speaker Nancy Pelosi (D-CA) and House Minority Leader Kevin McCarthy calling for a universal, one-time student loan debt cancellation of at least \$30,000 per borrower in next coronavirus relief legislation.
- In a Fox Business [interview](#), House Ways and Means Ranking Member Kevin Brady (R-TX) suggested implementing a 'return to work' bonus.

• **Senate**

- Senators Kamala Harris (D-CA), Bernie Sanders (I-VT), and Ed Markey (D-MA) [announced](#) their Monthly Economic Crisis Support Act, which would drastically expand economic impact payments to most individuals.
- Senate Finance Committee Ranking Member Ron Wyden (D-OR) [announced](#) a proposal to tie unemployment insurance benefits to economic conditions.
- Senator Rick Scott (R-FL) [blocked](#) Senator John Kennedy's (R-LA) legislation aimed at providing state and local governments with more flexibility with spending coronavirus relief funds.

Administration

- Federal Reserve ("Fed")
 - The Fed [released](#) its Supervision and Regulation Report.
- Treasury
 - In a [letter](#), Secretary Mnuchin announced he will consider whether to allow small businesses to deduct payroll expenses and other costs paid for by forgiven Paycheck Protection Program (PPP) loans.
 - In a [letter](#), the Treasury announced it will modify the regulatory guidance for both the production tax credit (PTC) and the energy investment tax credit (ITC).
 - The Treasury and IRS [released](#) updated state-by-state figures for Economic Impact Payments.
- Internal Revenue Service (IRS)
 - The IRS updated and [issued new](#) FAQs regarding the Employee Retention Credit.
 - The IRS [added a new](#) FAQ #79 regarding businesses that repay their Paycheck Protection Program loan by May 14, 2020.

Articles of Interest

- 5/8 The Wall Street Journal published an article titled, "[April Unemployment Rate Rose to a Record 14.7%.](#)"

- 5/8 The Wall Street Journal published an article titled, "[U.S. Budget Deficit Hit \\$737 Billion in April as Taxes Slow, Spending Rises, CBO Says.](#)"
- 5/8 The Wall Street Journal published an article titled, "[IRS Reverses Itself, Allows Tax Credit for Benefits Paid to Furloughed Workers.](#)"
- 5/8 The Wall Street Journal published an article titled, "[Demand for Small-Business Loans Cools.](#)"
- 5/8 The Wall Street Journal published an article titled, "[Businesses Struggle to Lure Workers Away from Unemployment.](#)"
- 5/8 Reuters published an article titled, "[Great Depression-like U.S. job losses, unemployment rate expected in April.](#)"
- 5/7 NBC News published an article titled, "[White House considers measures to boost economy without Congress.](#)"

PUBLIC HEALTH UPDATE

Congressional

- **House**
 - Reps. Pallone and Neal sent a [letter](#) to HHS Secretary Azar and CMS Administrator Verma raising a series of concerns over the methodology used to distribute and the lack of transparency into how COVID-19 relief funds and loans for health care providers are being spent.
 - 34 Representatives sent a [letter](#) to Speaker Pelosi and Minority Leader McCarthy regarding state and local public aid.
 - House Oversight Committee Democrats sent a [letter](#) to FDA Commissioner Hahn regarding blood donor deferral recommendations.
 - Speaker Pelosi indicated that in CARES 2.0, the House plans to include Reps. Eshoo and Brooks bipartisan [legislation](#) to create a national strategy to end U.S. dependence on foreign manufacturing of lifesaving drugs.
- **Senate**
 - Sen. Blumenthal and Rep. Beyer sent letters to [Senate leadership](#) and [House leadership](#), urging congressional leaders to include \$71 million in funding for the Agency for Healthcare Research and Quality under HHS in the next relief package. The boost in funding would give the agency "the capacity to evaluate the U.S. health care system's response to the pandemic, pinpoint shortcomings, and improve national preparedness for future crises," according to a statement.
 - Sens. Warner and Alexander introduced [bipartisan legislation](#) to ensure rural hospitals can keep up with the cost of providing care amid the COVID-19 outbreak.
 - Sens. Loeffler and Sinema introduced [legislation](#) to help more veterans receive telehealth care.
 - Sens. Murkowski, Bennet, and Sullivan introduced [legislation](#) to extend the Rural Community Hospital Demonstration Program for an additional 5 years, ensuring these essential hospitals do not face further budget instability during such challenging times.
 - Sen. Bennet led a group of nine Senate Democrats in writing a [letter](#) to CDC Director Redfield and CDC Foundation President Monroe, urging them to reconsider their decision to require applicants to the CDC Foundation's Contact Tracer position to possess a bachelor's degree, which excludes recent

high school and associate's degree graduates who are entering an unforgiving job market.

Administration

- Department of Health and Human Services
 - HHS Secretary Azar issued a [statement](#) on the Senate confirmation of Brett Giroir to WHO Executive Board.
 - HHS [deployed](#) 50 portable kidney dialysis machines and supplies to New York City and Long Island Intensive Care Units (ICUs) to provide surge capacity for facilities caring for patients with COVID-19, which has caused acute kidney injury and therefore required dialysis in a share of ICU cases.
- Centers for Medicare & Medicaid Services
 - CMS issued a [final rule](#) that continues the Trump Administration's efforts to promote affordability, improve consumer choice, ensure program integrity, and increase market stability. In response to the COVID-19 pandemic, CMS also announced a one week extension of the Qualified Health Plan (QHP) certification and rate review timelines. This additional time will allow issuers and states to better collect and assess data around the effects of COVID-19 and thereby establish more accurate premium rates.
- Food and Drug Administration
 - FDA authorized the first [diagnostic test](#) with the option of using home-collected saliva samples for COVID-19 testing.
 - FDA issued an Emergency Use Authorization (EUA) to Sherlock BioSciences, Inc.'s [Sherlock CRISPR SARS-CoV-2 Kit](#). This test is the first authorized use of CRISPR technology for an infectious disease test.
 - FDA shared the first [test report](#) and detailed data from the independent validation study performed at the Frederick National Laboratory for Cancer Research (FNLCR), a Federally Funded Research and Development Center sponsored by the National Institutes of Health's (NIH) National Cancer Institute (NCI), which data were used to support an EUA request. The results come from a collaborative effort by the FDA, NIH, CDC, and BARDA to evaluate certain serological tests.
 - FDA reissued the EUA for [non-NIOSH-approved respirators manufactured in China](#). The FDA updated the eligibility criteria by making a few main changes, including revising one of the criteria that required an accredited and independent lab test to now require that certain respirators previously listed in Appendix A must pass CDC/NIOSH testing.
 - FDA issued a [letter](#) to healthcare providers on risk of misinterpreting hydrogen peroxide indicator colors for vapor sterilization. The FDA has become aware of the potential for health care facility staff that reprocess and sterilize medical devices to misinterpret the indicators used to validate the sterilization of medical devices because there is no standard indicator color to indicate a sterilized device.
 - FDA also continues to keep its [COVID-19 Diagnostics FAQ](#) up to date.
- Centers for Disease Control and Prevention
 - CDC published the [dataset](#) for the CARES Act provider relief fund COVID-19 high-impact payments.
 - CDC released a new [study](#) finding the U.S. could begin seeing outbreaks of measles and other vaccine-preventable diseases because children are failing to get necessary immunizations during the COVID-19 pandemic.
- National Institutes of Health

- NIH launched a randomized, controlled [clinical trial](#) evaluating the safety and efficacy of a treatment regimen of the investigational antiviral remdesivir plus the anti-inflammatory drug baricitinib for coronavirus disease 2019 (COVID-19) has begun.
- NIH launched a new [online survey](#) that aims to find out how the COVID-19 pandemic is impacting individuals with rare diseases, their families and their caregivers. Results will help the rare disease research community shed light on the needs of people with rare diseases during the COVID-19 pandemic and other potential health crises, in addition to informing future research efforts.

Articles of Interest

- 5/7 Politico published an article titled, "[White House says it ordered CDC to revise reopening guidelines.](#)"
- 5/7 Stat published an article titled, "[A snapshot of coronavirus in the U.S.: A high plateau of new cases portends more spread.](#)"
- 5/7 Health Affairs published an article titled, "[Estimating The Infection Fatality Rate Among Symptomatic COVID-19 Cases In The United States.](#)"
- 5/8 CNN published an article titled, "[How does the government decide who gets remdesivir? Doctors have no idea.](#)"
- 5/8 The New York Times published an article titled, "[This Is the Future of the Pandemic.](#)"

LABOR UPDATE

Administration

- Department of Labor
 - Secretary of Labor Eugene Scalia issued a [statement](#) on the April 2020 Employment Situation report.
- U.S. Bureau of Labor Statistics
 - BLS released its [monthly jobs report](#), showing that the U.S. economy lost 20.5 million jobs last month, increasing the unemployment rate from 4.4% in March to 14.7% in April. Additionally, the healthcare sector lost 1.4 million jobs.

SUPPLY CHAIN/CRITICAL INFRASTRUCTURE UPDATE

- Please click [here](#) to view a readout of today's FEMA-led COVID-19 call.
- Please click [here](#) to view a readout of yesterday's CISA-led COVID-19 call.

Please note this daily update may not encompass all public guidance documents on implementation; as such, we encourage you to review public agency websites. Please let us know of any questions.