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# Beyond the Health Impact of COVID-19

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**Moderator:** Tom Leonard  
**Featured Speaker:** Rep. Shane Hernandez

## Today's Presenters


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# Rep. Shane Hernandez

- Represents 83<sup>rd</sup> District – Sanilac County and Burtchville Township, Fort Gratiot Township and City of Port Huron
- Chair – House Appropriations Committee and member – House Fiscal Governing Committee
- Lawrence Tech graduate
- Resident of Port Huron, Michigan



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### LOCAL NEWS

**Derrick Hutchinson**, Senior Web Producer

Published: April 13, 2020, 9:20 am

Tags: Jim Stamas, Lansing, Michigan, Senate, Michigan Senate, Budget, Layoffs, Careers, Jobs, Coronavirus, Coronavirus Cases, Coronavirus Event Changes, Coronavirus Outbreak, Coronavirus Crisis, Coronavirus Pandemic, COVID-19, Michigan Coronavirus

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## Michigan senator calls for nonessential state workers to be laid off due to budget concerns

Jim Stamas worried about budget due to coronavirus (COVID-19) crisis



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**OPINION**

## Finley: Start cutting the state budget

Nolan Finley, The Detroit News Published 11:00 p.m. ET April 20, 2020

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Legislative leaders and Gov. Gretchen Whitmer found it impossible to agree on a budget last year, when Michigan was enjoying prosperity and state coffers were full.

That doesn't create a lot of optimism for their ability to meet the enormous fiscal task ahead of them this year, with tax revenues collapsing due to the COVID-19 shutdown, the budget shortfall reaching astronomical heights and time for finding a solution running short.

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## Financial doomsday: State, local governments face layoffs, service cuts, projects derailed

The coronavirus crisis "will be even worse than the Great Recession by a factor of at least two," one mayor said.

April 22, 2020, 7:11 AM EDT / Updated April 22, 2020, 3:34 PM EDT

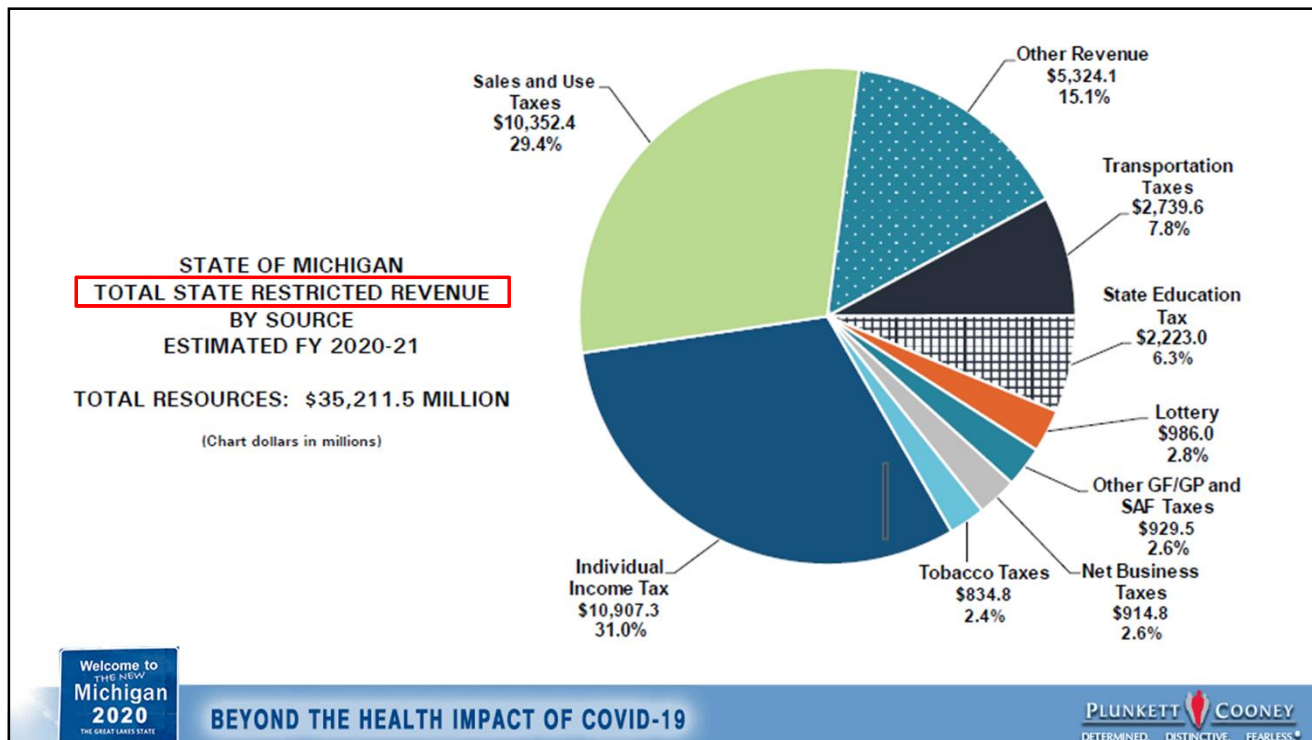
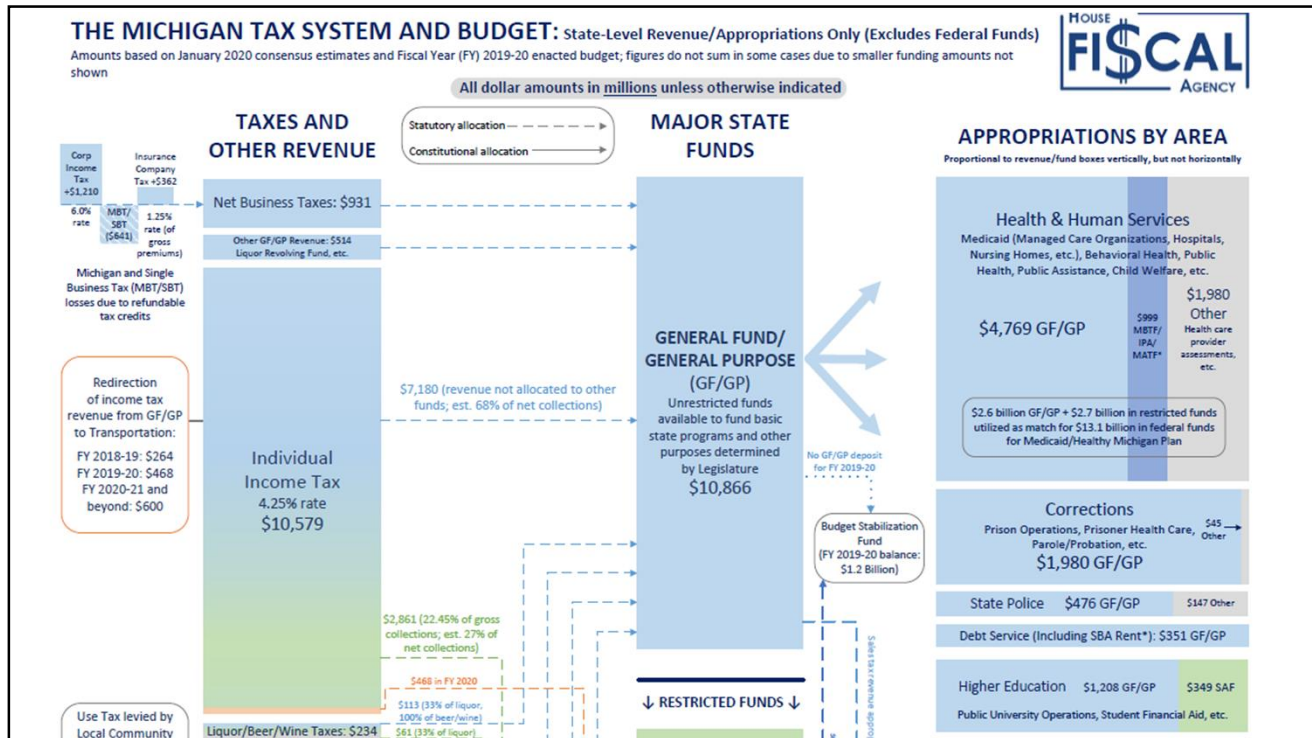
By Allan Smith

Across the country, state and local governments are clamoring for the federal government to rescue them from what could quickly become a fiscal catastrophe, saying that they may need as much as three-quarters of a trillion dollars as the coronavirus pandemic dries up many of their revenue sources.

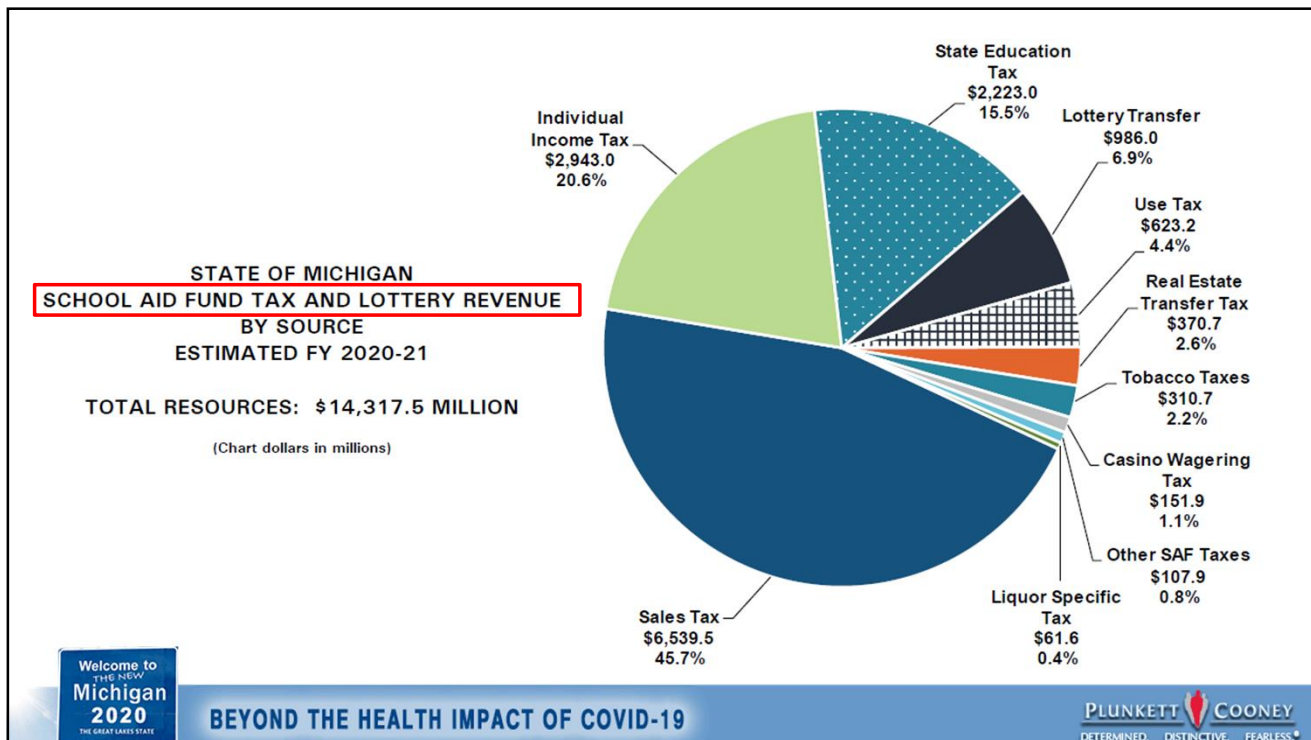
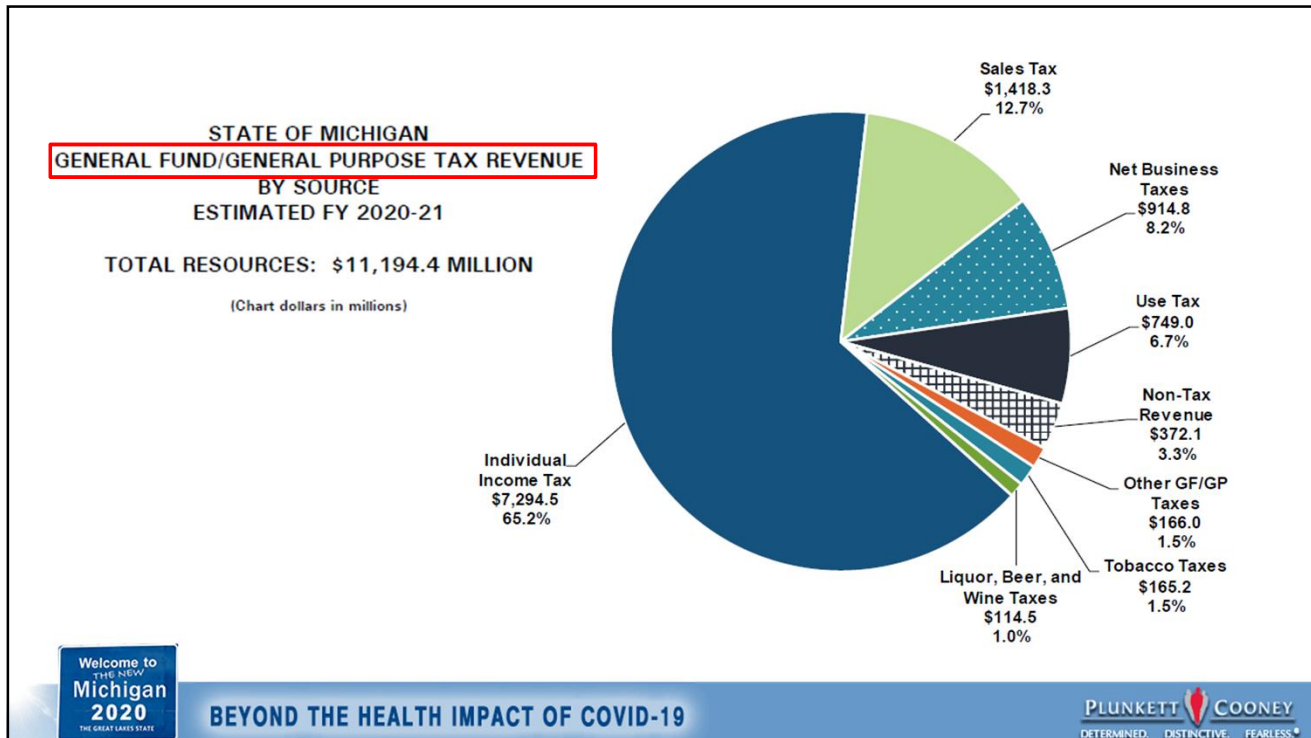
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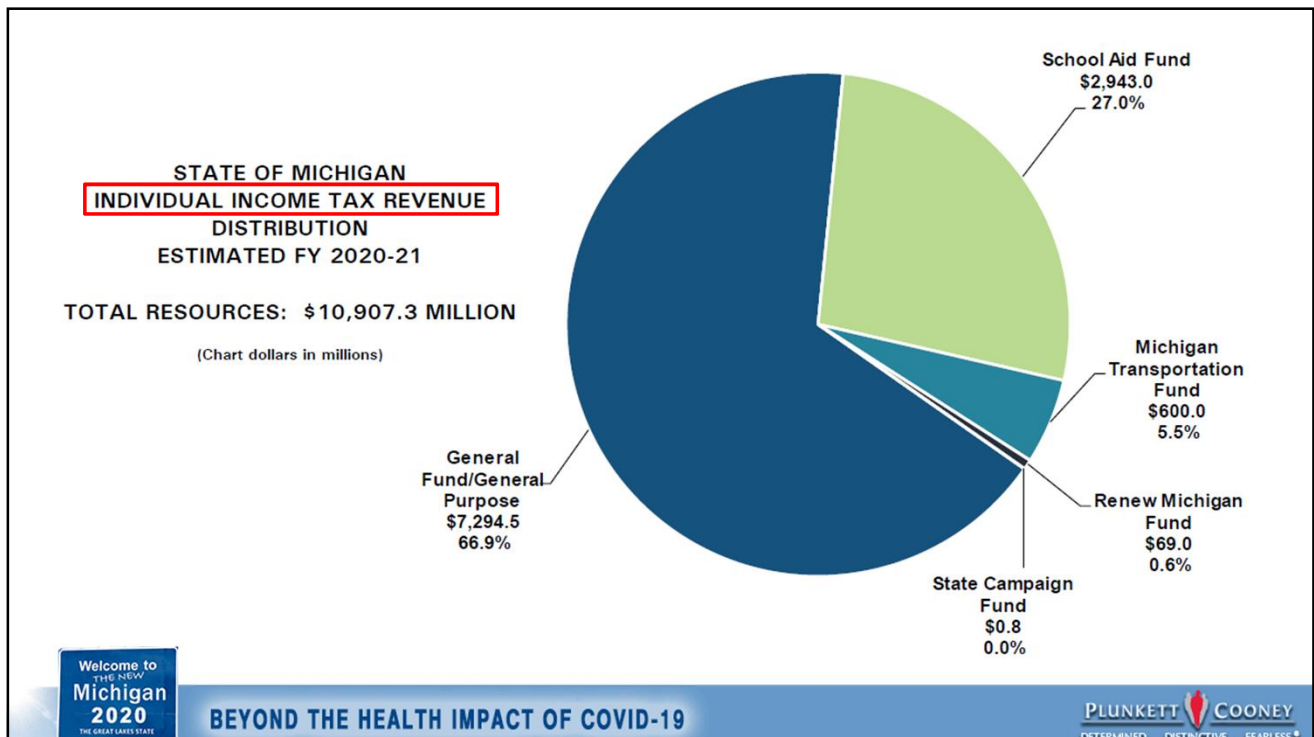
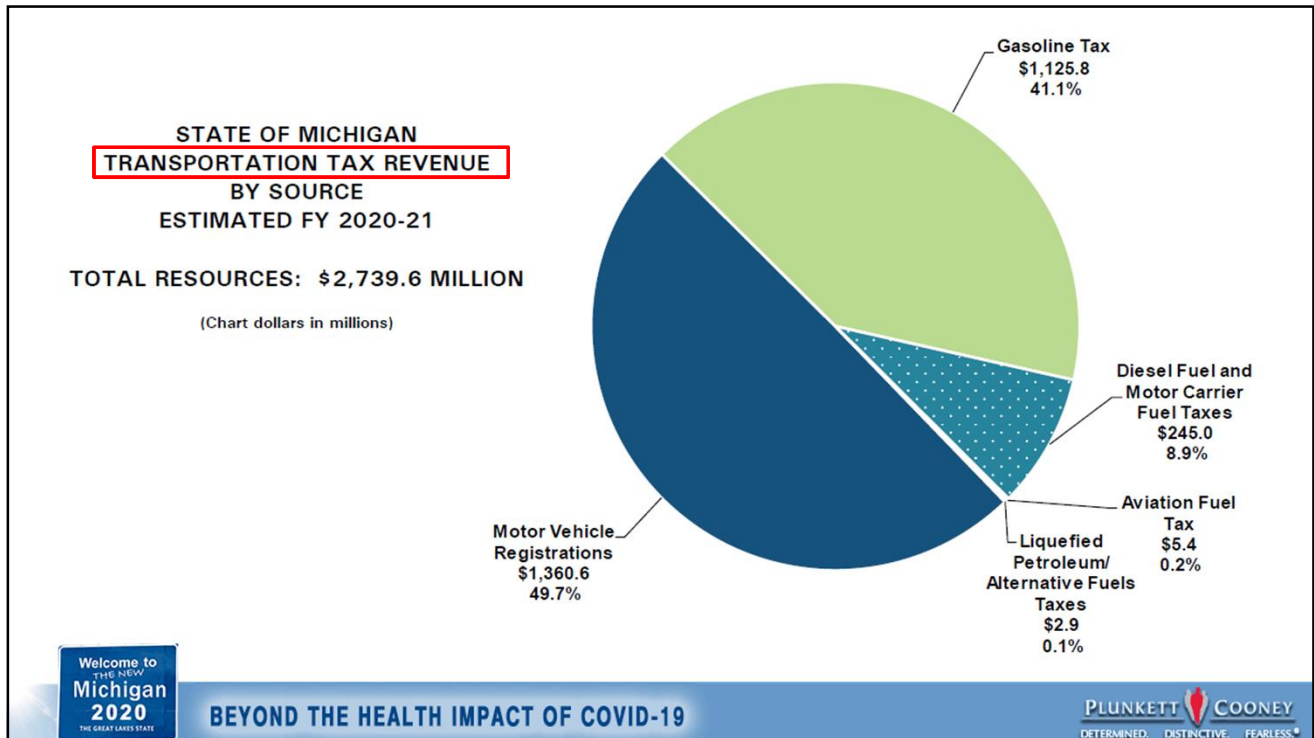
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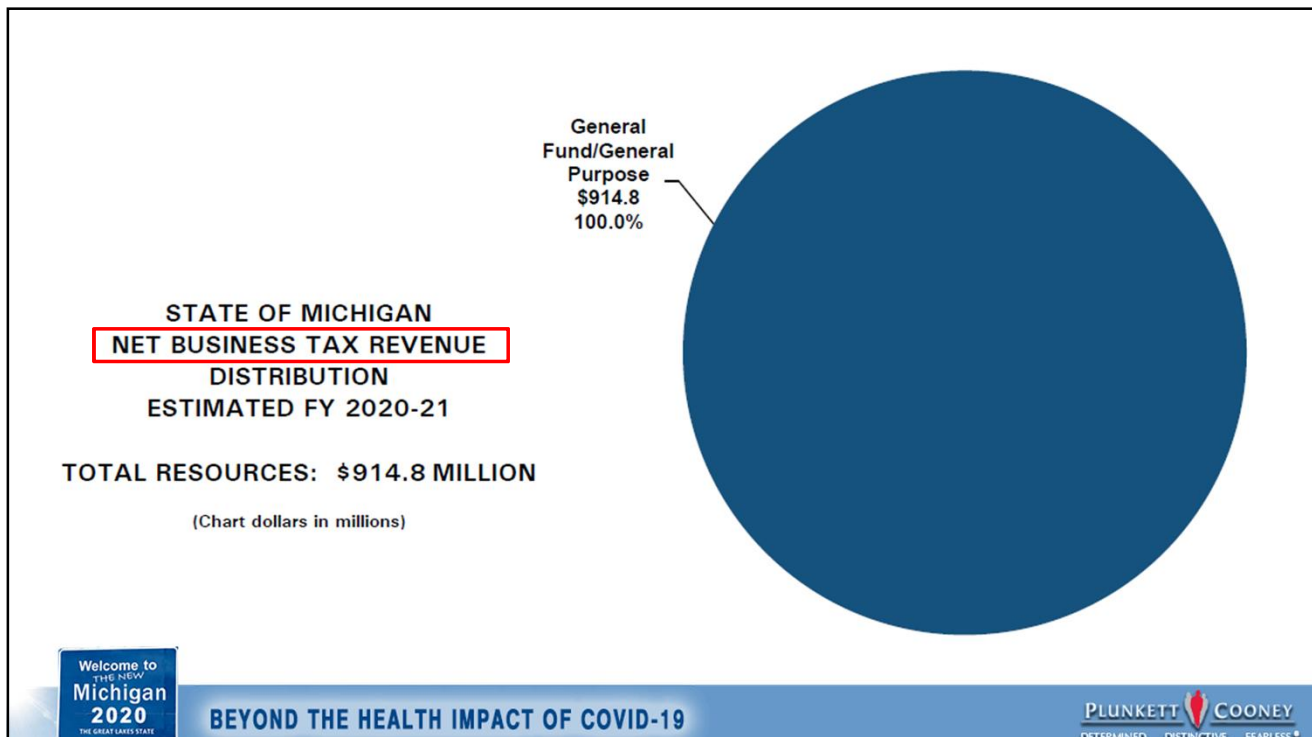
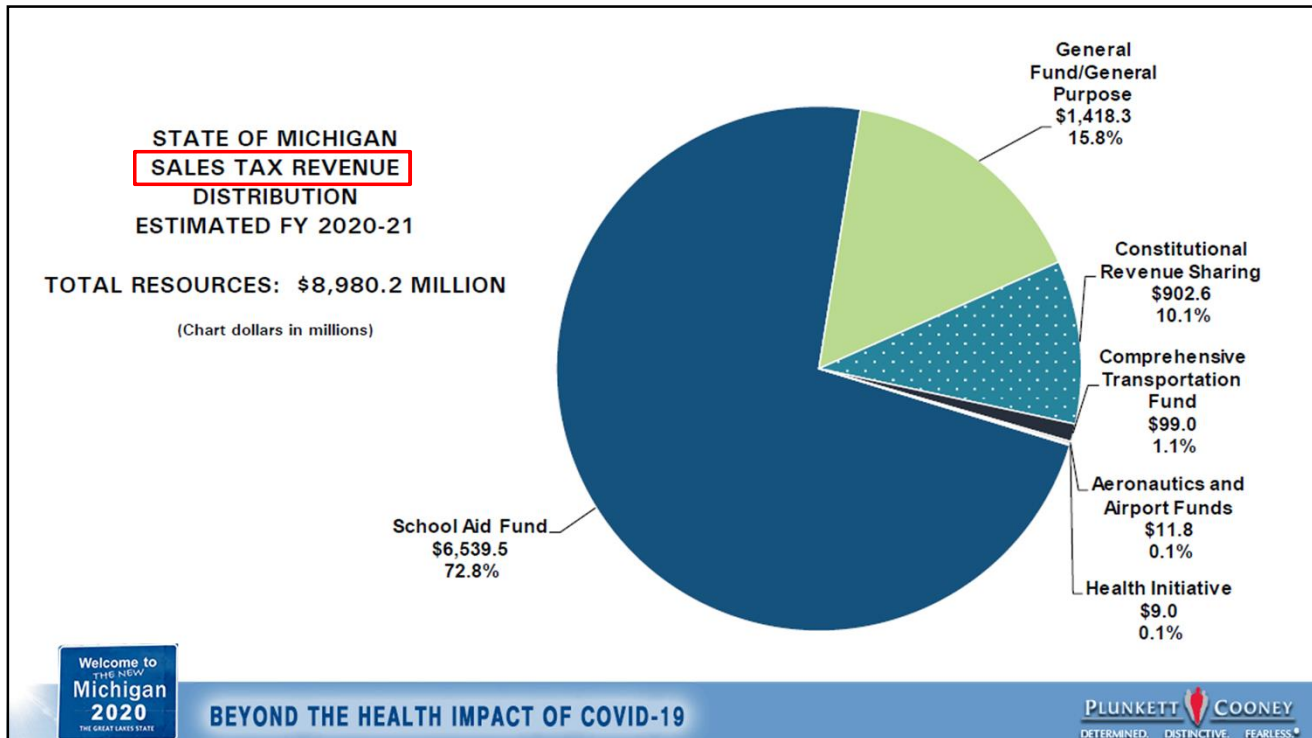
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## OBJECTIVE

Thousands of Michigan families are suffering from the results of government action in response to the threat of COVID-19. Many of them are struggling unnecessarily due to an arbitrary, one-size-fits-all approach and the absence of best practices adopted by other states. We must transition to a risk-based, regional approach with a priority on safety. A more nuanced and data-driven direction would give those impacted by recent actions an opportunity to recover and help the state as a whole begin to find the stronger economic and social footing necessary to move forward into the future.

## STEP 1 Transitioning to a risk-based, regional approach

### — THREE TIERS OF COUNTIES —

#### TIER 1 - HIGHEST RISK (Macomb, Oakland, and Wayne counties)

- The same restrictions as EO 2020-42 but with the most current CISA guidance and without the restrictions on retail stores above 50,000 square feet
- Authorize the DHHS Director to do the following when necessary to protect the public health:
  - Revert to the prior CISA guidance for a particular county; and
  - Reassign any Tier 2 or Tier 3 county to Tier 1.

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#### TIER 2 - HEIGHTENED RISK

The same restrictions as Tier 1 but with the following changes and safety protocols:

- A heightened cap on necessary gatherings (e.g., for immediate family members at funerals)
- Relaxed travel restrictions (e.g., permit travel between residences) but continue to strongly urge residents to limit non-essential travel
- Allowance for businesses to perform remote and curbside sales with enhanced safety protocols
- Relaxed ban on elective, outpatient healthcare procedures so long as there is an adequate supply of personal protective equipment and personnel at regional facilities, as well as adequate testing for at-risk personnel
- Reduced restrictions on outdoor recreation so long as there is social distancing compliance

#### TIER 3 - STANDARD RISK

- "Stay Home, Stay Safe" provisions would not apply to the non-vulnerable, but public accommodation limitations (similar to EO 2020-43) would remain in effect with occupancy-based restrictions for "safe" businesses that are open to the public. Restrictions on outdoor recreation and non-essential travel would be lifted so long as proper protocols are followed.
- Any sectors or subsectors of industry that are not deemed "safe" by the Transition Task Force (see below) would be prohibited from opening to the public beyond remote and curbside sales with enhanced safety protocols
- The ban on elective healthcare procedures would not apply so long as there is an adequate supply of personal protective equipment and personnel at regional facilities, as well as adequate testing for at-risk personnel

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**— TRANSITION TASK FORCE —**

**THREE RESPONSIBILITIES**

1. Determine which sectors or subsectors of industry are presently "safe" for Tier 3 counties based, in part, on OSHA risk classifications;
2. Recommend assignments/reassignments of counties as Tier 2 and Tier 3 to the Governor in a weekly, public report, including a recommendation of when to move to steps 2 and 3 (see below); and
3. Assist industry and trade groups in their development and dissemination of enhanced workplace safety protocols and best practices

**NINE VOTING MEMBERS (in addition to four quadrant legislators as non-voting members)**

- Chief Medical Officer
- MIOSHA Director
- One economist
- One epidemiologist
- One representative of a regionally diverse hospital system
- One representative of labor
- One representative of a small business owner
- One representative of a manufacturer headquartered in the state with operations in other states and or countries
- One representative of the public who became unemployed because of an executive order requiring the person's employer to close or limit operations

**COUNTY ASSIGNMENT CRITERIA**

- Hospital admissions rate
- Rate of spread (e.g., doubling time)
- Positive tests relative to total tests and population density per county
- Ability to contain spread/contact tracing
- Reported deaths
- Percentage of growth in positive cases above positive case thresholds
- Preparedness (ICU bed capacity, overall bed capacity, ventilator capacity, PPE inventory, testing capacity, etc.)
- Rate of ICU patients being placed on ventilators
- Immunity rate (based on antibody tests, once available)
- Implementation of workplace best practices



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**STEP 2 Safely Reenergizing the Economy**

Reassign Macomb, Oakland, and Wayne counties as "heightened risk" (i.e., Tier 2)

Reassign all other counties as "standard risk" (i.e., Tier 3) but with:

- Limited reopening of places of public accommodation (e.g., restaurants, gyms, and movie theaters) that can implement strict safety protocols;
- Elimination of the ban on parts of the travel industry and other tourism-related businesses so long as hosts/businesses implement enhanced safety protocols; and
- A broader list of "safe" sectors or subsectors of industry to reflect the further development of enhanced safety protocols by industry and trade groups

**STEP 3 Returning to a New Normal**

Transition from mandating to encouraging proper conduct and behavior as a general rule, and from governing by executive order back to legislation

- Codify necessary protections, like liability protections, unemployment provisions, education policies, and others
- Consider temporary continuations of certain commercial crowd control measures



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**BREAKING NEWS** Whitmer expects short-term extension of stay-at-home order [Read Story](#)

## Michigan begins 2,900 temporary layoffs amid COVID-19 pandemic

Beth LeBlanc, The Detroit News Published 10:47 a.m. ET April 22, 2020 | Updated 3:11 p.m. ET April 22, 2020

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A day after Michigan Attorney General Dana Nessel confirmed the layoffs of more than a quarter of her work force, Gov. Gretchen Whitmer is taking similar action within state government as tax revenues plummet in the wake of the coronavirus pandemic.

Temporary layoff notices were sent to more than 2,900 of the state's 48,295 employees who are handling less than full capacity to save the state roughly \$5 million, said Tiffany Brown, a spokeswoman for Whitmer.

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Michigan Government

## Government layoffs, service cuts start as coronavirus guts Michigan budgets

LANSING — Local governments across Michigan are beginning to lay off and furlough workers as they brace for a “perfect storm” of increased spending demands and revenue shortfalls resulting from the coronavirus pandemic that has ground the state economy to a halt.

Detroit Mayor Mike Duggan, citing an estimated \$348 million budget hole in Michigan's largest city, on Tuesday announced plans to [lay off 200 part-time workers](#), cut hours for 2,200 full-time employees, freeze planned pay increases and cut top official salaries by 5 percent.

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# Detroit Free Press

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## University of Michigan makes cuts, forecasts losses of up to \$1 billion

Frank Witsil, Detroit Free Press Published 3:35 p.m. ET April 20, 2020 | Updated 5:24 p.m. ET April 20, 2020

The University of Michigan announced cuts Monday to all three campuses — Ann Arbor, Dearborn and Flint — and Michigan Medicine, include reductions in hours, pay and nonessential expenses.

In addition, President Mark Schlissel said Monday in an open letter addressed to colleagues, there would be hiring and salary freezes, and if the financial situation worsens, even deeper cuts, including layoffs, may be necessary.

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Public Interest

## Michigan healthcare system lays off 2,475 due to 'dire financial effects' of coronavirus

Posted Apr 21, 9:28 AM

By [Justin P. Hicks | jhicks3@mlive.com](#)

One of Michigan's largest and busiest health care systems during the coronavirus crisis is announcing layoffs, permanent terminations and other budget cuts due to the "dire financial effects" of the COVID-19 pandemic.

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# Questions?



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# Resources

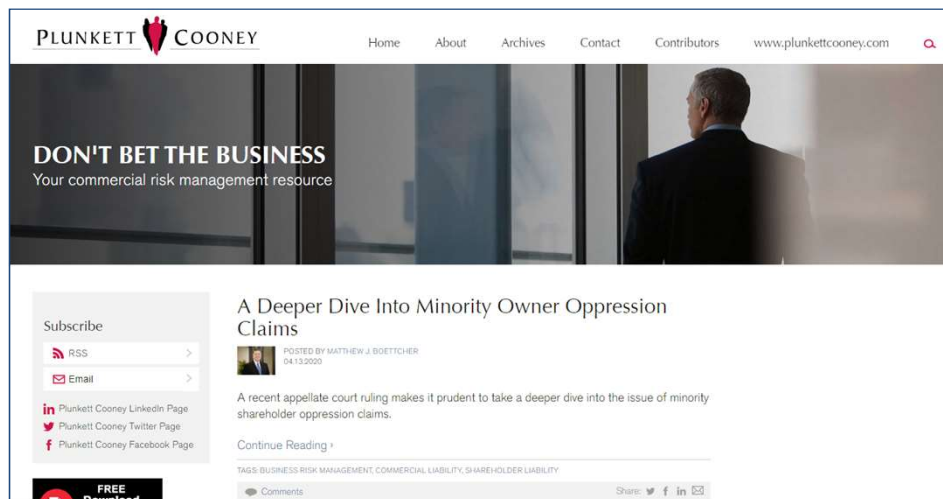


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# Don't Bet the Business Blog



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## Thank You!



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