



July 1, 2020

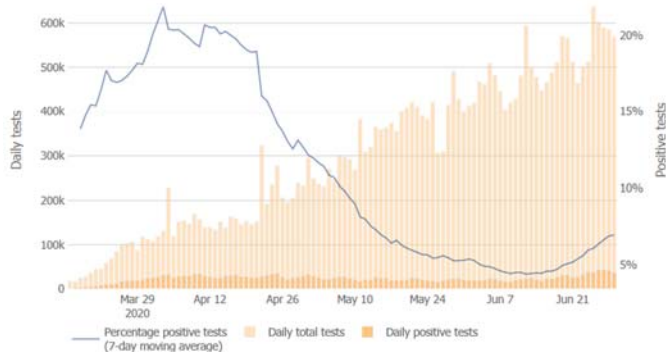
To: Distribution

From: Pandemic Working Group

Re: **COVID-19: Testing Infrastructure ~ Accentuating Positivity ~ Mixed Messages**

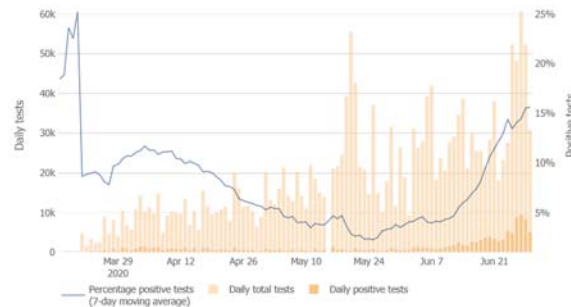
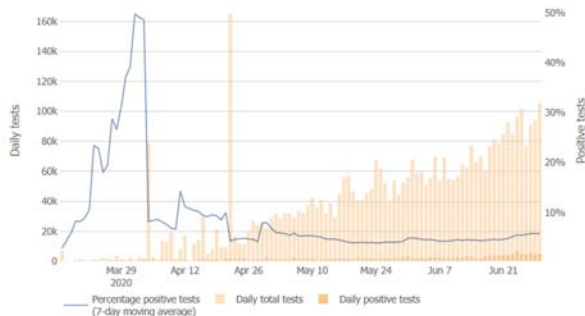
Testing in a Surge. As reported by the Atlantic today, with a surge in cases both domestically and globally, the US is at risk of outstripping its COVID-19 infection testing capacity. While the country's laboratories have added significant capacity over the past few months – we are testing about 550,000 people per day, a threefold increase over early April – the outbreak in the South and West is stretching the supply chain to the limit. Ideally, infection testing is a tool for characterizing the population, particularly with respect to asymptomatic persons who may be contagious, so that infected persons can be quarantined. However, Quest Diagnostics, one of the largest testing companies, has said that its systems are overwhelmed and that they are able to give one-day turnaround test results to persons who are hospitalized, those facing emergency surgery and symptomatic health-care workers; for others, the turnaround is three-to-five days. Locally, Quest does not offer infection tests to the asymptomatic. Other large labs, such as BioReference and LabCorp, tell a similar story of constrained resources. According to the Harvard Global Health Institute, the US should be testing 1.2 million people per day to control the outbreak and 4.3 million per day to eliminate it. As University of Washington's Alex Greninger said, "The testing supply chain wasn't meant for this kind of global onslaught."

How Can We Tell it is Spreading? There has been some back-and-forth in the public forum on the question of whether the increase in coronavirus infections is due to increased testing or to spreading of the disease. The answer lies in one of our favorite subjects – positivity. This, in short, is the number of infection cases per total tests (on a daily or weekly or whatever basis). Below,



from Johns Hopkins University, is the positivity curve for the US through yesterday. Daily positive tests are in dark orange, daily total tests are in light orange, and the seven-day moving average of positives to tests is the gray line. Note how, on average, we are creeping upward toward seven percent. In fact, over the past four days, testing has decreased, yet positivity has risen. This means that the disease is spreading nationally.

Now let's look at two states, California and Florida. Note that California's positivity rate is edging up above five percent, while Florida is on a sharp upward ascent and is now in double-digits.



The modest increase in positivity on a statewide basis in California has led Governor Gavin Newsom (as we will report in detail tomorrow) and local county officials to take more restrictive measures. By contrast, as reported by CBSNews, despite an alarming trend in his state, Florida Governor Ron DeSantis announced that he was “not going back” on reopening.

A Case in Mixed Messages. To make matters more confusing, as reported by MSN, as of two weeks ago, mayors in major Texas cities (including Houston and San Antonio) were pleading with Texas Governor Greg Abbott to mandate statewide use of face coverings. Apparently, early in the pandemic, the state assumed centralized authority for COVID controls, in effect prohibiting counties and cities from imposing measures that were more strict than those of the state. Mayors of cities with adverse pandemic trends understandably bristled against the “one-size-fits-all” approach. This approach contrasts with that of California, where regions are free to impose more strict standards than the state.

Interestingly, as reported by the Dallas Morning News, as cases in Texas rose during June, the governor's office loosened the reins and, as of today, nearly two-thirds of the state is under local face covering orders. Also, yesterday, in light of record-high daily cases (nearly 7,000 on Tuesday), Texas Governor Abbott – while wearing a mask – pleaded with his fellow Texans to wear a face covering, noting that “Every scientific medical study shows that however frustrating it may be to wear a mask, if we all wear a mask – like this – every single day, we can help people to continue to earn paychecks.” At the same time, however, as reported by the Houston Chronicle, Texas Lieutenant Governor Dan Patrick defended his state's reopening and criticized Dr. Anthony Fauci to the effect that “he doesn't know what he's talking about.” It is unclear how frequently Messrs. Abbott and Patrick speak to one another. On a more sublime note, Mayor Steve Adler (pictured above from MSNNews) of Austin (which has one of the worst outbreaks in the state), in an interview with KVUE, opined that three things went wrong in the reopening of Texas, i) launching before proper testing/tracing was in place, ii) proceeding to the next phase without regard to pandemic data and iii) failing to require face coverings and social distancing while reopening. Mayor Adler went on to say that masks and distancing are a “quid pro quo” for the privilege of reopening. In short, we are getting mixed messages from various quarters of the Lone Star state, but among the pundits are a few lone stars, like Mayor Adler.



If you have any questions or comments on this advisory, please contact either kellyw@amvac.com or timd@amvac.com.