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A new chapter for COVID-19: Transitioning from pandemic to endemic status

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<https://www.chartis.com/insights/new-chapter-covid-19-transitioning-pandemic-endemic-status>

COVID-19 Update

The Buzz This Week

The U.S. is moving into a new chapter in the COVID-19 pandemic. After a surge in early 2022 with more than 1 million new daily cases at times, the daily average for new cases is currently hovering below 30,000. The Centers for Disease Control and Prevention updated its masking recommendations with a new framework to determine “community levels” of the virus, which is translating into an end to mask mandates in most states.

However, as COVID-19 hospitalizations decline, inpatient volume for other patients has not rebounded, and many hospitals are operating at a negative margin due to lack of volume, labor shortages and supply chain challenges, as reported by Modern Healthcare. This week, 10 national hospital and healthcare organizations and associations sent a letter asking the Department of Health and Human Services to extend the government’s public health emergency (PHE), which is set to expire in mid-April. The PHE allows for the waiving of certain requirements for government-sponsored programs such as Medicare and Medicaid, relaxes reporting regulations for healthcare providers, and provides emergency funding. Federal funding allocated for COVID-19 has also covered free testing for the uninsured, which is now being sunset in many places, as reported by National Public Radio.

Why It Matters

As many medical and public health experts have asserted, there won't be a sharp ending to this pandemic, or an eradication of the virus. Rather, COVID-19 will become endemic, existing in some form of variant for the foreseeable future, similar to the seasonal flu. Charting a perfect transition path as the U.S. slowly ramps down from public health emergency to a "new normal" will be a challenge. Many healthcare providers may experience a shaky road to recovery, and local and state governments and public health institutions, as well as business owners, may need to revisit social distancing and masking policies several times until the nation has fully transitioned.

As part of that transition to endemic status, healthcare providers are recognizing that the challenges with reduced volume and labor shortages are very likely to sustain into this next stage. At some point, providers must chart a course to a sustainable operating margin without reliance on PHE extensions, and many are recalibrating their clinical and operating models in a way that treats the shifts in volume and labor as permanent. These changes often are including implementation of flexible staffing models, deployment of team-based care models, and revisited plans for physical space with an eye toward consolidating, repurposing or monetizing as appropriate.

In the meantime, remaining vigilant—despite the collective desire to "move on"—will be important. As physician-researcher and author Eric Topol, MD, wrote in an opinion piece in the Los Angeles Times recently, "Getting prepared for worst-case scenarios is our best defense, with better genomic, wastewater and digital tracking of the virus, and bolstering protection with everything from better air filtration to accelerating efforts for a variant-proof, pan-coronavirus vaccine. Better to be smart against this formidable virus than lucky."

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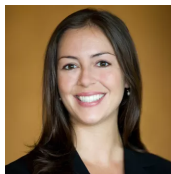
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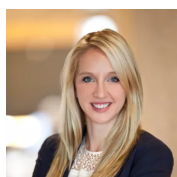
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