Why a frayed safety net tests the U.S. coronavirus response

WHY WE WROTE THIS - While partisan debate over health care has become deadlocked, the coronavirus has exposed the public health challenge in testing and treating individuals, as well as the hardship of workers who lack paid sick leave.


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Mohammed Salarzai is part of the vanguard in Seattle’s fight against coronavirus. A minimum-wage airport worker, he greets passengers arriving on international flights.

“The virus has not stopped us from working,” says Mr. Salarzai, even though, he says, “it’s the frontline, and we are very scared.”

But without sick leave or benefits, Mr. Salarzai worries that if he fell ill and had to stay home for more than two weeks he couldn’t pay rent. Worse, he fears he would lose his job at Seattle-Tacoma International Airport.

“If I miss [work] for too long, they won’t keep me there,” says the father of five from Kent, Washington.
About a third of U.S. workers in the private sector do not have paid sick leave, according to the U.S. Bureau of Labor Statistics. That adds up to tens of millions of workers who face a trade-off between their health – and the nation’s virus containment efforts – and their financial security.

But the fast-spreading virus and the plight of workers such as Mr. Salarzai may be changing attitudes about access to health care. The subject is already top of mind for voters. While the big questions about America’s health care system will be debated in this year’s presidential campaign, more targeted changes, such as paid sick leave, look to be gathering more support.

Major companies such as Walmart and McDonald’s that rely heavily on hourly workers are adjusting their time-off policies because of coronavirus concerns. Both Uber and Lyft, for whom Mr. Salarzai works part-time, have announced help for drivers affected by the virus. This week, the nation’s major health insurers said they will cover the entire cost of testing for the virus – though not treatment – as will Medicare, Medicaid, and insurance plans under the Affordable Care Act.

State and local governments have swung into action, and Washington is also getting to work on a second tranche of virus-related federal assistance – much as it would respond to a natural disaster.

“There’s been a greater awareness now about people who either don’t have health insurance or have very-high deductible health insurance and might hesitate to get tested or seek care if they get sick,” says Paul Ginsburg, director of the USC-Brookings Schaeffer Initiative for Health Policy in Washington. The lack of sick leave also “makes it harder to control the epidemic.”

Will the outbreak – now declared a pandemic by the World Health Organization – break through the partisan gridlock over the cost and availability of health care? Probably not, says Mr. Ginsburg, given fundamental differences between the parties over health care.

But Mr. Ginsburg and others say the crisis could be a catalyst for real change in sick leave, one reason being cost. Unlike health insurance, paid time off for illness is a proportional expense for employers, depending on wages and hours worked. Paid leave generally is inching forward: Congress agreed in December to provide paid family and medical leave for federal employees. Twelve states and the District of Columbia now require employers to offer paid sick leave (though other states have specifically forbidden such mandates).

“The big issue we have is that many people are ... not full-time employees where there is paid leave, so unless you’re literally at death’s door, people don’t take time off,” says Amanda Glassman, a senior fellow at the Center for Global Development in Washington.

Mr. Salarzai is taking precautions to stay well. He wears gloves while at work, but says face masks are often not available. “They train us to keep away from people, but when you talk with them, you need to be close,” he says, explaining how he assists travelers with scanning their passports, as well as those with disabilities.

Companies roll out policies

Restaurants rely on part-time and hourly workers. Darden Restaurants, which owns Olive Garden and Longhorn, is among those companies that have responded to the virus by announcing paid time off. Its policy covers all of its hourly workers with 1 hour of leave for every 30 hours worked.
Spokesman Rich Jeffers said the new policy was in the works for the better part of a year and was rolled out early. Feedback from managers and employees was “overwhelmingly positive,” he says.

But help can’t come fast enough for workers such as Bridgette Robertson, a part-time employee at Café on The Ave in Seattle’s University District. Usually, this is a bustling eatery, but this week its tables are mostly empty, as they are at other local restaurants.

“It’s a lot slower than usual,” says Ms. Robertson, a part-time employee, in between wiping down tables with Lysol and washing her hands. “If we don’t get hours and tips, it’s bad for us,” says Ms. Robertson, who has no sick leave.

Small businesses in Seattle, which employ more than 200,000 people – many without sick leave – are being hit hard by virus-related disruptions. The area is one of several concentrations of the coronavirus outbreak in the U.S.

Revenues for restaurants in Seattle’s Chinatown International District are down between 20% and 50%, and some hotels that normally have 70% occupancy now are down to less than one-third, says Bobby Lee, director of Seattle’s Office of Economic Development.

Emergency federal aid

That’s why lawmakers and the White House are gearing up to help.

Last week, Congress passed and the president signed $8.3 billion aid package to pay for vaccines and treatment and to help state and local health officials fight the virus. Now they are working on an economic stimulus that includes a stronger safety net for individuals who may be affected by the virus – though whether Republicans and Democrats can quickly agree on a package remains to be seen.

On Wednesday evening, President Donald Trump announced a 30-day ban on most travel from Europe beginning on Friday.

Asked Thursday about the Europe travel restrictions, Mr. Salarzai says his schedule is set for the next two weeks but he expects very limited hours after that period. “It will definitely effect everyone,” he wrote in a text message. “I hope this crisis doesn’t last long. The airport looks dead.”

House Democrats on Thursday are expected to pass a bill that includes temporary paid sick leave, food aid, unemployment insurance, and widespread free testing for the virus. It’s not clear what will actually become law.

Nor is it clear whether this emergency response is a sign that federal lawmakers will eventually take long-term steps that bring the U.S. up to speed with other wealthy countries that provide broad health care coverage as well as paid sick leave.

G. William Hoagland, senior vice president at the Bipartisan Policy Center in Washington, thinks a second rescue package would be less a remedy for what ails America’s health care system and more “like a natural disaster” response. Indeed, he hopes that epidemics will be added to the list of urgent crises that qualify for federal emergency aid.

As with natural disasters, state and local officials are on the front lines. Late Wednesday, Democratic Gov. Gavin Newsom of California announced new statewide health guidelines
canceling or postponing nonessential gatherings of more than 250 people through at least the end of March. It followed an announcement by Washington state Democratic Gov. Jay Inslee that morning, legally prohibiting such gatherings under the authority of a state of emergency.

“These changes will cause real stress – especially for families and businesses least equipped financially to deal with them,” Governor Newsom said in a statement. But the state is trying to relieve some of that stress by, for instance, encouraging workers affected by the virus to apply for paid family leave, unemployment insurance, or paid sick leave under California law.

Also on Tuesday, Governor Inslee announced an expansion of unemployment insurance for workers whose jobs are impacted by the coronavirus.

**Tech giants step up**

Seattle Mayor Jenny Durkan says that while big local companies are resilient, help is critical for small businesses and their employees who lack paid leave, and she is urging federal relief for those businesses. In the meantime, she unveiled initial recovery measures including a deferral of some business taxes.

Seattle’s tech giants Microsoft and Amazon have recommended employees work remotely if possible and pledged to continue paying normal wages to hourly workers even if their hours are cut back.

Microsoft and Amazon, together with Starbucks, Alaska Airlines, and nonprofit foundations, have donated millions of dollars to a local support fund that will help ensure access to food and housing for needy people in the Seattle area.

But many of the steps that are being taken, both in government and in the private sector, are temporary.

The pandemic has exposed “weak links” in America’s health care system that need to be fixed, says Daniel Derksen, a health policy expert at the University of Arizona in Tucson. For the second year in a row, the number of uninsured people rose to 30 million in 2018. Health costs are the leading cause of bankruptcy in the country, he says. States that have not yet expanded Medicaid could do so, even temporarily, and that would improve access during the coronavirus outbreak, but it looks like the larger issue of access and affordability lie ahead to tackle.

“Once again, in this election cycle, health care is the number one issue on voters’ minds,” says Dr. Derksen. “This is a teachable moment for Americans about why it’s so important to make primary and preventive services widely available.”