

POLICY NOTE

Policy recommendations for fighting the COVID-19 virus

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Key Findings

1. Washington was the first state hit with COVID-19, so we are in a unique position to learn from this crisis and present effective policy solutions.
2. Let doctors and nurses work across state lines. Lawmakers should repeal licensing restrictions that prevent fully-trained doctors and nurses from helping people in other states.
3. Relax restrictive re-certification laws to attract more trained medical professionals.
4. Expand scope of practice laws to increase the number of health care providers.
5. Repeal Certificate of Need laws that restrict medical supplies and services.
6. Expand telemedicine and allow interstate use. Doctors should be allowed to diagnose and advise patients at a distance, without political barriers.

Introduction

The first case of COVID-19 disease in the United States, reported on January 19 in Snohomish County, was a man who had returned to Washington state after visiting family in Wuhan, China. He recovered in the hospital and was sent home. Tragically, the first reported COVID-19 death in the U.S., announced on February 29th, was a man in his 50s with underlying health conditions linked to the Life Care Center in Kirkland.

As the earliest state to be hit, Washington is in a unique position to learn from these experiences and present effective policy solutions so we are prepared to reduce or avoid harm now and the next time a public health crisis arises.

The basic government recommendations to fight the virus – thorough hand washing, stay-at-home practices and social distancing – are well known. What follows are effective public policies that will not only strengthen our health care infrastructure but will improve economic growth and work opportunities for all Washingtonians.

Policy recommendations

Based on current findings, researchers at Washington Policy Center have assembled key policy recommendations to help elected leaders, health officials and the general public fight the damaging effects of the virus, prevent its spread, reduce its impact on the economy, and be better prepared for threats to public health in the future.

Relax strict state licensing regulations to allow doctors and nurses to work across state lines

Infectious diseases do not recognize political borders. Lawmakers should repeal arbitrary licensing restrictions that prevent fully-trained doctors and nurses from helping people across state lines. This policy would be particularly important to people living in border communities like Spokane and Clark counties when local health services threatened to become overwhelmed.

7. Limit malpractice and expand Good Samaritan laws. Doctors, nurses and members of the public should not fear attracting a lawsuit because they tried to help another person.
8. Provide access to affordable health care insurance.
9. Maintain a strong private sector in health care services, supplies and medical research.
10. Allow homeowners to defer property taxes, lower tax rates and repeal late-payment penalties.
11. Help small businesses by suspending B&O taxes and by repealing the new tax on services.
12. Protect construction as an essential service, and ensure that public and private workers are treated equally.
13. Help small business owners by temporarily suspending B&O taxes, and by repealing the legislature's recent tax increase on service employers.
14. Make sure that broadband internet services are not cut off.
15. Give COVID-19 education aid directly to students

Relax restrictive re-certification laws to attract more trained medical professionals

Lawmakers should relax re-certification laws to increase the supply of qualified health care providers in the areas of most need. This policy would increase available trained medical staff by encouraging retired doctors and nurses to return to practice, and increase the ability of advanced medical and nursing students to serve patients in times of public crisis.

Expand scope of practice laws to increase the number of health care providers

Current state laws severely limit how doctors, nurses and other medical providers can treat patients. Broadening scope of practice laws would allow more providers in trained medical fields to treat patients with a wider range of health conditions.

Repeal Certificate of Need laws that restrict medical supplies and services

The rapid spread of COVID-19 has raised urgent concerns about the number of critical-care beds available to treat very sick patients. For decades Washington's strict Certificate of Need laws have blocked clinics and hospitals from adding beds or building new facilities without getting express permission from state regulators first. The rules process is long, complicated and expensive, and in the end applications for more beds are often rejected. By repealing wasteful and bureaucratic Certificate of Need laws, as most states have already done, shortages could be avoided, and Washington would be better prepared for the next outbreak of infectious disease.

Expand telemedicine and allow interstate use

Lawmakers should repeal regulations that limit the use of telemedicine and allow patients to speak with a doctor easily and at a distance. Telemedicine not only expands patient access to health services, it reduces the need for patients to crowd clinics and emergency rooms during a crisis, reducing the spread of infection. For the same reasons lawmakers should repeal Washington's arbitrary ban on doctors talking to patients across state lines.

Limit medical malpractice awards and expand the use of Good Samaritan laws

We live in a litigious society. Most people, including trained health professionals, are often reluctant to take certain steps in a crisis for fear of being sued later. Washington lawmakers should enact medical malpractice reform, as other states have done, to limit the damaging effects of extreme lawsuits, and expand Good Samaritan laws so that

and families, not to school administrators.

16. Allow parents to access the \$5,300 per-child in state education funding that remains for the 2019-20 school year.
17. Allow the use of clean plastic grocery bags, and repeal the fee on the use of sanitary paper grocery bags.

people can honestly help each other without fear of legal consequences. Doctors, nurses and members of the public should not fear attracting a lawsuit because they tried in good faith to help another person.

Provide access to affordable health care insurance

Lawmakers should reduce state mandates, service limits, taxes on policies and insurance regulations that make health coverage so expensive. Lawmakers should allow the sale of low-cost individual and family Health Savings Accounts, Direct Primary Care arrangements, and high-deductible plans. By allowing access to affordable coverage, families will not be ruined financially by surprise medical bills, and will feel more confident that they are prepared for the next public health crisis.

Promote long-term preparedness based on a strong private sector in health care services, supplies and research

As COVID-19 spread globally from China, the United States was in a stronger position to respond due to a thriving private health care system that can react quickly. The U.S. has the most advanced and most responsive health care system in the world. This is a system based on a vibrant private market, supported as needed by robust government action, that can deal with such a wide-spread medical event.

No other country has as large and advanced a pharmaceutical industry as the United States, or as many high-tech research labs and testing facilities. These private facilities, backed by government support, are in place and available to shift resources quickly to creating effective treatments for COVID-19 and, ultimately, develop a vaccine.

Countries with socialized health systems already have long wait times even for routine care, are quickly overwhelmed in a crisis, and are far behind the U.S. in basic research and in developing new therapies.

The United States used socialized control to limit testing. The U.S. relied on the government's Center for Disease Control and Prevention to provide test kits. The CDC lacked a sufficient supply and consequently wide-spread testing for the virus was delayed. Compounding this shortage was the government's Food and Drug Administration. The FDA would not allow private companies or states to develop their own test kits without agency approval.

Lawmakers should not impose arbitrary limits on the private sector's ability to respond quickly in a crisis.

Allow homeowners to defer payment of taxes, lower tax rates and repeal late-payment penalties

As the economy collapsed due to the state's stay-at-home order, many homeowners are struggling to pay their monthly mortgage and pay property taxes.

The added financial stress could not have come at a worse time. In the last few years the legislature and the governor have increase property taxes significantly. In 2017, the legislature passed a 22% increase, to \$2.40 per thousand dollars of home value. In 2018 they raised it another 12%, to \$2.70. In 2019 the legislature authorized an increase in local property taxes of 40%, to \$2.50, on top of the state-imposed tax.

With economic damage done by COVID-19, lawmakers should reverse course, and allow homeowners to defer tax payments, return rates to 2017 levels, and cancel penalties they impose on homeowners for late payments.

Protect construction as an essential service, and ensure that public and private workers are treated equally

When Governor Inslee shut down the state economy, he ordered all private sector construction work to stop, but he specifically exempted public-sector projects.

The risk of COVID-19 infection is low in construction as many job functions, including inspectors, operate either in isolation or well within social distancing guidelines. In fairness and to protect jobs consistent with public health, the governor should recognize construction as an essential industry, and ensure that private and public construction workers are treated equally.

Help small business owners by temporarily suspending B&O taxes, and by repealing the legislature's recent tax increase on service employers

Small business owners are doing their part by providing remote working arrangements and by closing offices and stores to stop the spread of COVID-19. Many face bankruptcy in doing so.

Lawmakers should recognize these sacrifices by allowing a temporary suspension of the Business and Occupation (B&O) tax, as was proposed by HB 1861 in 2015, and by repealing the 18% B&O tax increase lawmakers imposed on service business owners just as COVID-19 surged in the state (HB 2614, signed by Governor Inslee on March 25th).

The tax hike hits businesses with as little as one million dollars in total sales; firms so small they typically have just five employees.

A short-term suspension of B&O taxes and a reasonable reduction in tax rates would help small businesses stay afloat and pay salaries, and would allow the economy to rebound quickly once the health crisis is over.

Cut regulations that keep people from going back to work

Even in good times, government rules make it harder for people to find jobs. In the current crisis, once-hidden regulations and barriers have become obvious. Recognizing the need to speed up our response, the president and governors have waived hundreds of rules.

The quarantine is causing families across Washington to experience job loss and economic hardship. Once the quarantine is lifted, lawmakers should reduce the barriers they impose and allow businesses to create jobs without regulatory hurdles.

These barriers cause widespread harm. For example, a trained nurse in Tacoma was blocked from helping because of state license rules. People skilled as medical aides, manicurists, hair stylists, dieticians, escrow officers and dozens of other trusted professions should not be forced to put in 600 or 900 hours of training before being allowed to earn a living in a new profession as the economy recovers.

Earlier this year a legislative committee passed HB 2355, which would have allowed people who demonstrated competence in their profession to work. The bill died due to union opposition.

To get the economy going again, lawmakers need to let people innovate and take advantage of their full range of skills. Recovery will be hard enough; government officials should not make it worse by hindering private-sector efforts to create jobs and find work.

Make sure that broadband internet services are not cut off

The chairman of the FCC has announced that broadband companies should “keep Americans connected” by ensuring all households maintain a working connection to the internet. Companies should pledge not to terminate any residential or small business service due to inability to pay. Further, all late fees and penalties should be cancelled for residential and small business customers during the period of the crisis.

Washington lawmakers should contribute to this vital effort by providing utility tax reductions equal to additional costs for cancelled late fees and billing losses broadband companies incur as part of the national effort to keep everyone connected. No one should be expected to live in complete isolation at a time when co-operation and up-to-the-minute communication is so essential in overcoming the crisis.

Give COVID-19 education aid to students and families, not to school administrators

President Trump has designated \$13.5 billion in federal aid to help students during the current health crisis. Ordinarily this added money would be funneled into school bureaucracies. These are not ordinary times. All schools are closed. Parents are now the primary educators, and they are seeking alternatives to access educational services for their children.

Florida is giving \$500 Reading Scholarship to each elementary student who reads below grade level. The funds are used by parents for a wide array of learning resources, including tutoring and buying education materials.

Similarly, COVID-19 relief funding in Washington state should go to families. There is no point in sending federal money to schools that are closed. State lawmakers should provide this funding in the form of flexible Education Savings

Accounts controlled by parents, who would then have the learning resources to keep children on track, so kids are ready to learn when schools re-open.

In higher education, government assistance goes directly to students, who then use it to access education. The same standard should apply equally to students learning at other grade levels.

Allow parents to access the \$5,300 per-child in state education funding that remains for the 2019-20 school year

On March 13th, Governor Inslee closed all the public and private schools in the state in response to the COVID-19 virus. On April 6th he extended the closure to the end of the school year. As a result some 1.2 million students are not able to attend school.

Parents are struggling to keep their children from falling too far behind. Homeschooling is a good solution for some, but most families are not equipped to teach at home.

As a caring response, the governor and other state leaders should allow families to access the \$5,300 in per-student state funding that remains for the 2019-20 school year.

The money could be used for online classes, books and other learning supplies so that children can continue their education. By keeping at least one aspect of home life on track – children’s education – this timely aid would go a long way in helping families weather the present crisis.

We are often told it is the state’s paramount duty to provide for the education of every child. Providing direct assistance to families would show that Washington’s leaders take this duty seriously, and are willing to provide practical solutions that directly help children.

Allow the use of clean plastic grocery bags, and repeal the fee on the use of sanitary paper grocery bags

A recent bill (SB 5323) signed by Governor Inslee bans the use of clean plastic grocery bags in Washington state and imposes a new, higher fee on the use of sanitary paper bags.

At the same time, for health reasons, some cities are discouraging the consumer use of re-usable shopping bags and are cancelling fees on the use of clean paper bags. Officials in the cities of Olympia and Kent have already taken that step.

Re-usable bags are well known as transports for disease and they have much greater negative impact on the environment than plastic bags. To protect the health of workers, QFC, Safeway, Save-On-Foods and other supermarkets have prohibited the use of re-usable bags. Not using re-usable bags also prevents exposure to children and other family members when grocery shoppers return home.



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To protect workers and families, lawmakers should repeal the ban on the consumer use of clean plastic grocery bags and should end the fee imposed on the use of sanitary paper bags.

Conclusion

Since its arrival from China, the COVID-19 infection is imposing unprecedented illness, mortality and economic hardship on the people of Washington state and across the country. The primary lesson for policymakers is that unleashing an innovative and responsive private sector, especially during a time of crisis, quickly provides the necessary tools to combat a deadly threat to public health. Private industry is also available to ramp up production of basic medical supplies, medicines and treatment equipment as needed.

Later, once a practical vaccine is developed, private medicine will be essential in delivering protection to everyone who needs it, to guard all population groups and to keep future outbreaks under control.

Tapping the skills and resourcefulness of private companies is the model the U.S. used successfully in World War II. Lawmakers should ensure that vibrant private health care, medical research and key economic sectors are available and prepared when in the next crisis strikes.