



May 8, 2020

To: All Domestic Employees

From: Pandemic Working Group

Re: COVID-19: Alabama Update ~ What's in a Plateau ~ Mickey & Friends

Straight from the Heart of Dixie. Kelly Willmott reports that Alabama Governor Kay Ivey (photo from the Montgomery Advertiser) began a partial reopening of the state on May 1 and today expanded the list of activities and businesses that may open. The amended “safer at home” order, effective May 11, removes restrictions on group size, including churches and beaches,



provided that a 6-ft distance between people from different households can be maintained. Retail shops are open with 50% occupancy; elective medical procedures have resumed; salons and gyms may open subject to social distancing and sanitation guidelines; and restaurants and bars may open with limited seating.

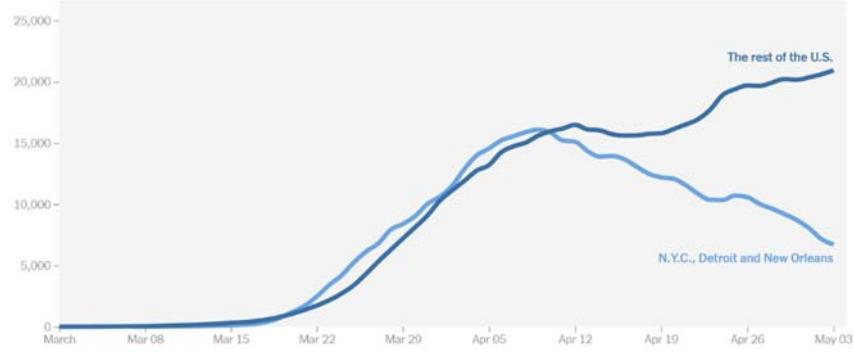
On May 8, the Alabama Department of Public Health (ADPH) reported a daily increase of 349 confirmed COVID-19 cases, with 38 of the cases in Mobile County, the highest number in the state. A total of 9,046 cases have been confirmed in the state, with 1,356 cases in Mobile County, and the average number of confirmed cases over the past 7-days and 14-days has been increasing. As reported by AL.com, the increase in confirmed cases is partially due to the increase in state-wide testing capability. And while this expanded testing capacity satisfies one of the requirements to begin reopening the economy, State Health Director Dr. Scott Harris notes that a problem lies in the uneven distribution of tests and that rural residents have limited access to tests.

ADPH also announced that the state laboratory will now test certain non-symptomatic people with high-risk, underlying medical conditions. Dr. Harris also stated that the Department has about 50 staff to trace the contacts of people who test positive for COVID-19 – but they may need as many as 150 contact tracers in the coming months. For each person who tests positive for COVID-19, 10 to 100 phone calls to such contacts are necessary to track where the person has been – and when the economy completely reopens, that number will be closer to 100 calls.

On a related note, ADPH announced today that health care providers may send their used N95 respirators to a Battelle facility in Birmingham to be decontaminated for reuse. This free service can decontaminate up to 80,000 respirators a day by utilizing concentrated hydrogen peroxide vapor to remove biological contaminants. The facility is one of 60 sites deployed in the U.S., is

operating under an Emergency Use Authorization from FDA, and is funded by FEMA and U.S. Health and Human Services. Gov. Ivey said the State does not believe there will be an overwhelming number of ICU patients needing ventilators, as once believed, but stressed that Alabama is “not yet out of the woods.” Both Gov. Ivey and Dr. Harris urged residents to take precautions, avoid unnecessary travel and large gatherings and continue to wash hands and wear masks in public.

What's in a Plateau? As many (including we) have reported, the US, on average, has reached a plateau with respect to the daily number of new COVID-19 cases. As reported by the New York Times, however, the plateau looks quite different when one removes New York, Detroit and New Orleans (all of which are trending downward) from the average. As depicted in the NYT graph, with the removal of those cities, the trend of the virus for the rest of the US is actually increasing. This is also true within states such as Texas and Oklahoma, where the overall trend appears to



plateau, until one removes Houston and Tulsa from the average, which causes the curve to trend up. What is happening now is that the epidemic is shifting away from certain urban areas (particularly those that had early infection) into other regions, in many cases, those having lower population density. These factors may explain why some governors are taking a conservative approach toward reopening. If they follow a single approach for reopening based upon statewide averages, they could find that they would be aggravating the contagion in more rural areas where the rate of infection continues to climb. We are seeing, then, that this is a very nuanced analysis and that the best plans for reopening will be those that are based on the most complete data.

Mickey & Friends. If you have a hankering to go to Disneyland (just 15 minutes away from our corporate offices), for your annual photo with the usual gang of suspects (as captured by Disneyland.com), you will have to shelve those plans for now, as the parks are still closed due to the pandemic. However, as reported by the Orange County Register, you can make a reservation to stay at one of the theme park hotels starting July 1. Granted, there is no guarantee that the parks will be open by then, so you could find yourself paying \$400 per night to eat delivered food and look out the window, which is kind of like what you may be doing already, except way more expensive. So, save some money for yourself. Remember, pizza is cheap, you can stream Disney movies for next to nothing, and you can always drain your bank account after Mickey returns from seclusion. For now, on behalf of the entire cast at the Sleeping Beauty Castle, we wish you a Happy Mother’s Day!



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