

# Responding to COVID-19: Reopening

Information for US state leaders

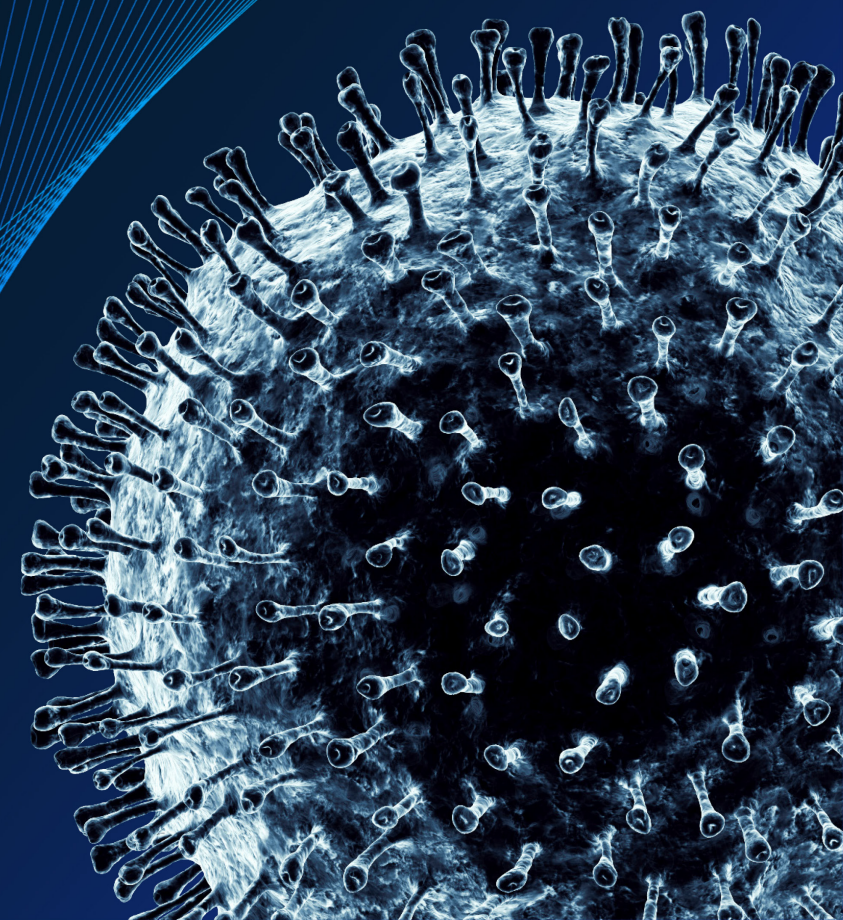
**ALL INFORMATION CURRENT ONLY AS OF 4/17/2020**

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# Introduction

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## **COVID-19 is, first and foremost, a global humanitarian challenge**

Thousands of health professionals are risking their own lives to heroically battle the virus. Governments and industry are working together to understand and address the challenge, support victims and their families and communities, and search for treatments and a vaccine.

## **State and local governments are facing an unprecedented and rapidly evolving situation**

Government leaders, first responders, healthcare workers, and more are displaying heroic leadership in the face of the crisis. State and local governments are facing the extraordinarily difficult task of addressing unprecedented crises in both public health and the economy simultaneously—and the crises continue to evolve daily.

## **This document is based on our work with private, public, and social sector organizations around the world**

It is meant to provide leaders with information as they respond to the unique health and economic challenges posed by COVID-19, and to offer examples of actions that governments have taken as they aim to protect their people and economies. It is not exhaustive, and it necessarily reflects only this moment in time. We will continue to update it regularly in the weeks to come.

# The imperative of our time

## Imperatives

# 1

### Safeguard our lives

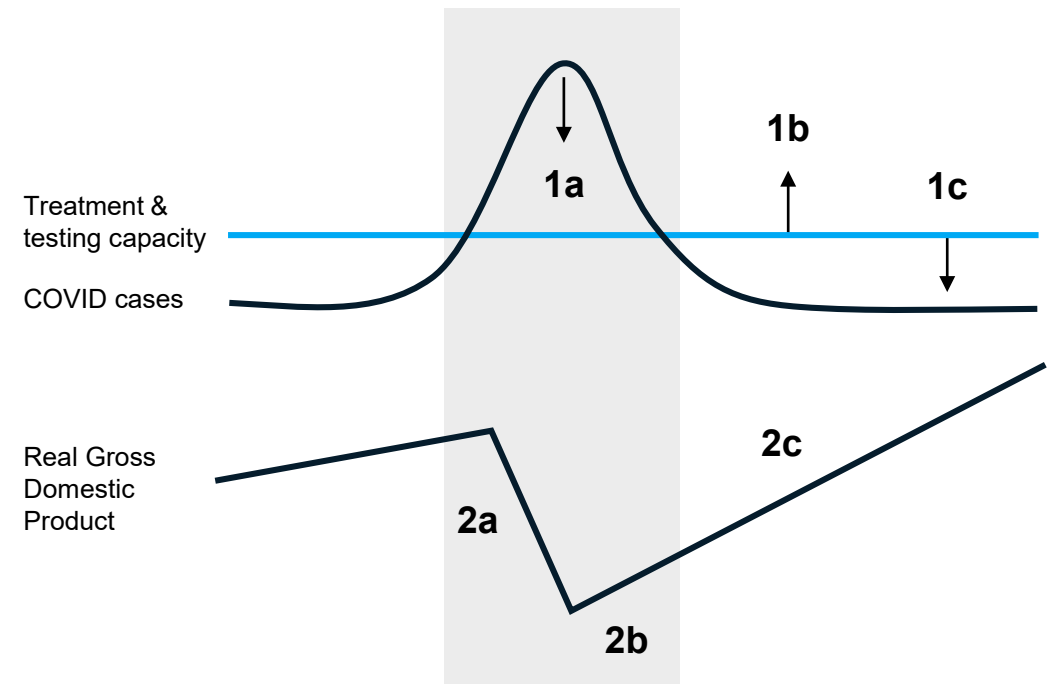
- 1a. **Suppress the virus** as fast as possible
- 1b. **Expand treatment and testing** capacity
- 1c. **Find cures:** treatment, drugs, vaccines

# 2

### Safeguard our livelihoods

- 2a. **Support people and businesses** affected by lockdowns
- 2b. **Prepare to get back to work safely** when the virus abates
- 2c. **Prepare to scale the recovery** away from a -8% to -13% trough<sup>1</sup>

### “Timeboxing” the virus and the economic shock



~ -8% to -13% economic shock

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1. Real GDP

Source: McKinsey analysis, in partnership with Oxford Economics

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# Safeguard our livelihoods: Reopening

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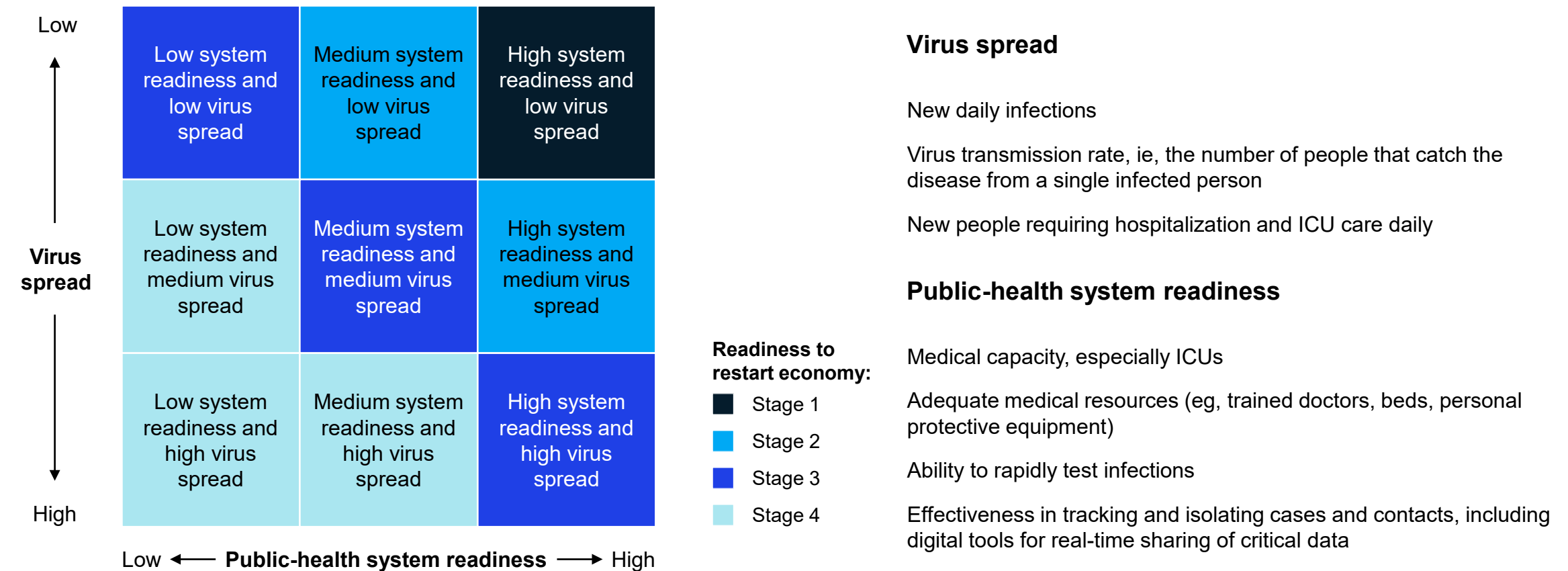
**Against a backdrop of tremendous uncertainty, leaders across the globe are thinking about how to responsibly reopen their economies. Individuals and business leaders understandably want to know when life will return to normal or at least when economic activity can likely resume unencumbered.**

In this section, we share sample frameworks for thinking about how to reopen economies. State leaders may assess the readiness of localities across two dimensions: the number of new cases and the strength of the systems in place for detecting, managing, and preventing new cases. In areas where state leaders can responsibly restart activity, states may adopt a phased approach to reopening sectors to further mitigate the risk of new cases: assessing both the risk of transmission and the relative economic criticality within each sector.

**As state leaders work to protect lives and livelihoods, they will need to work across six domains, pressing hard to safeguard industries and using data to adapt based on “the facts on the ground.”**

The threat of COVID-19 to lives and livelihoods will resolve only when enough people are immune to the disease to blunt transmission, either from a vaccine or direct exposure. Until then, state leaders will need to wage a battle across six domains: (i) foundational public health, (ii) societal compliance, (iii) health-system capacity, (iv) industry safeguarding, (v) protection of the vulnerable, and (vi) economic health.

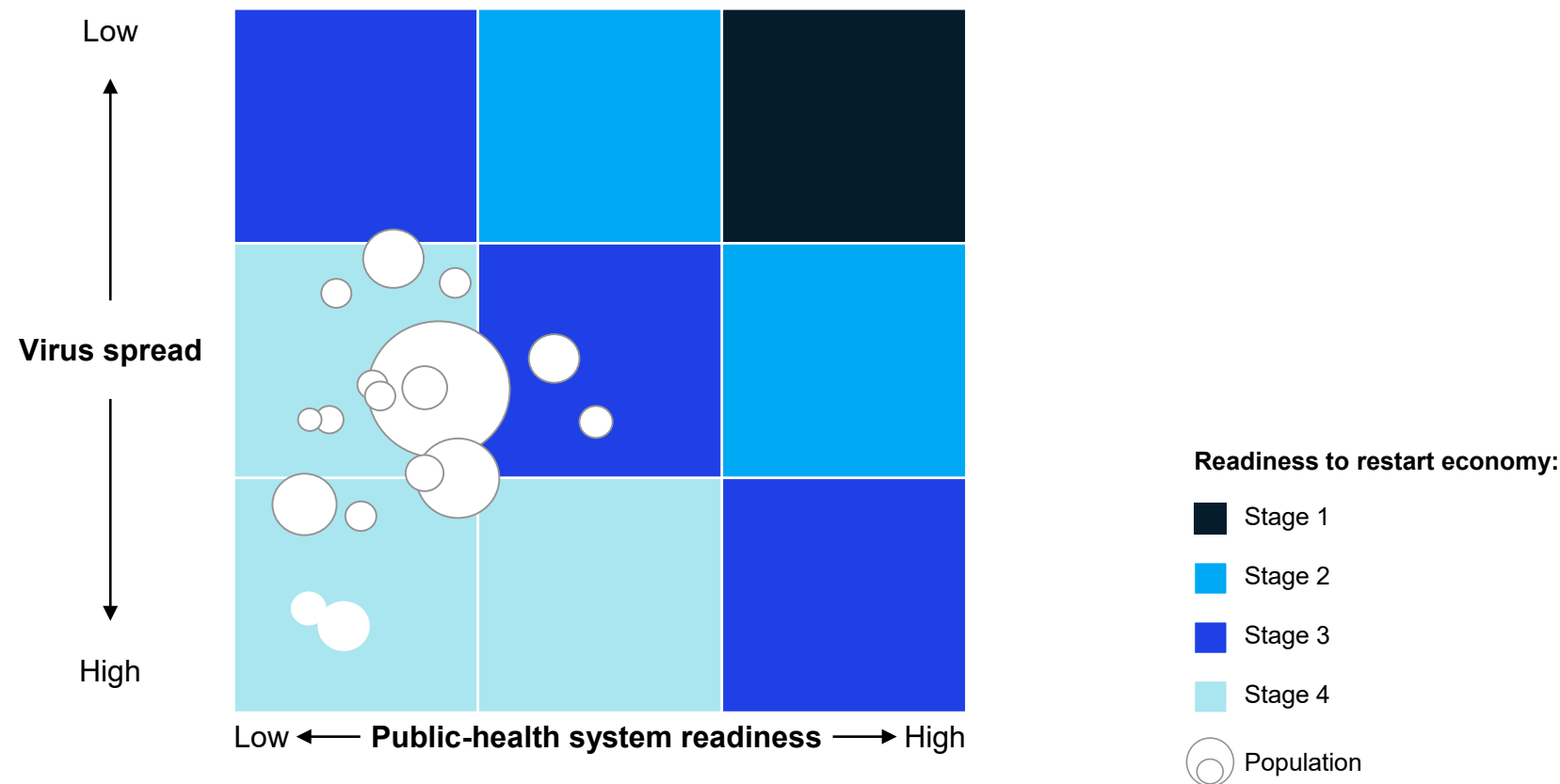
# In assessing a state’s readiness to reopen, leaders may consider virus spread and the strength of the public-health system



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# Leaders may use this approach to track readiness across cities or counties across the state

An illustrative snapshot of one state’s cities or counties, several weeks into the crisis



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# At each stage of readiness, governments may introduce potential public-health measures to slow the spread<sup>1</sup>

Readiness to restart economy

		Stage 1	Stage 2	Stage 3	Stage 4
<b>Population</b>	<b>Higher risk</b>	Guidance against transit in specified zones, times, and days of the week	Stay-at-home guidance in place	Stay-at-home guidance in place	Stay-at-home guidance in place
	<b>Others</b>	No restrictions, but remote work is recommended	No restrictions, but remote work is highly recommended	Guidance provided against transit in specified zones, times, and days of the week	Stay-at-home guidance in place
<b>Economic sectors</b>	<b>Essential</b>	All sectors are allowed to operate, and key supply chains operate on a market basis	Essential businesses remain open with specific social-distancing and health protocols	Essential businesses remain open with specific social-distancing and health protocols	Essential businesses remain open with specific social-distancing and health protocols
	<b>Others</b>	All sectors are allowed to operate	Most sectors are open and operating, but they are encouraged to follow specific social-distancing and health protocols	Only a few sectors are open and operating, but they are encouraged to follow specific social-distancing and health protocols	Non-essential businesses are closed or operating remotely
<b>Transport</b>		Guidance may be in place, but no restrictions against mobility	Some restrictions or guidance against inter-country mobility	Continued restrictions or guidance may remain for inter-state and inter-country mobility, but more flexibility intra-state	Restrictions or guidance against mobility are in place
<b>Assembly</b>		Guidance against events of more than 200 people in public and private spaces	Guidance against events of more than 50 people in public and private spaces	Guidance against events of more than 10 people in public and private spaces	Guidance to enable events limited to household members and caregivers if required in private spaces

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1. These are intended to be actions for consideration rather than a specific set of recommended actions



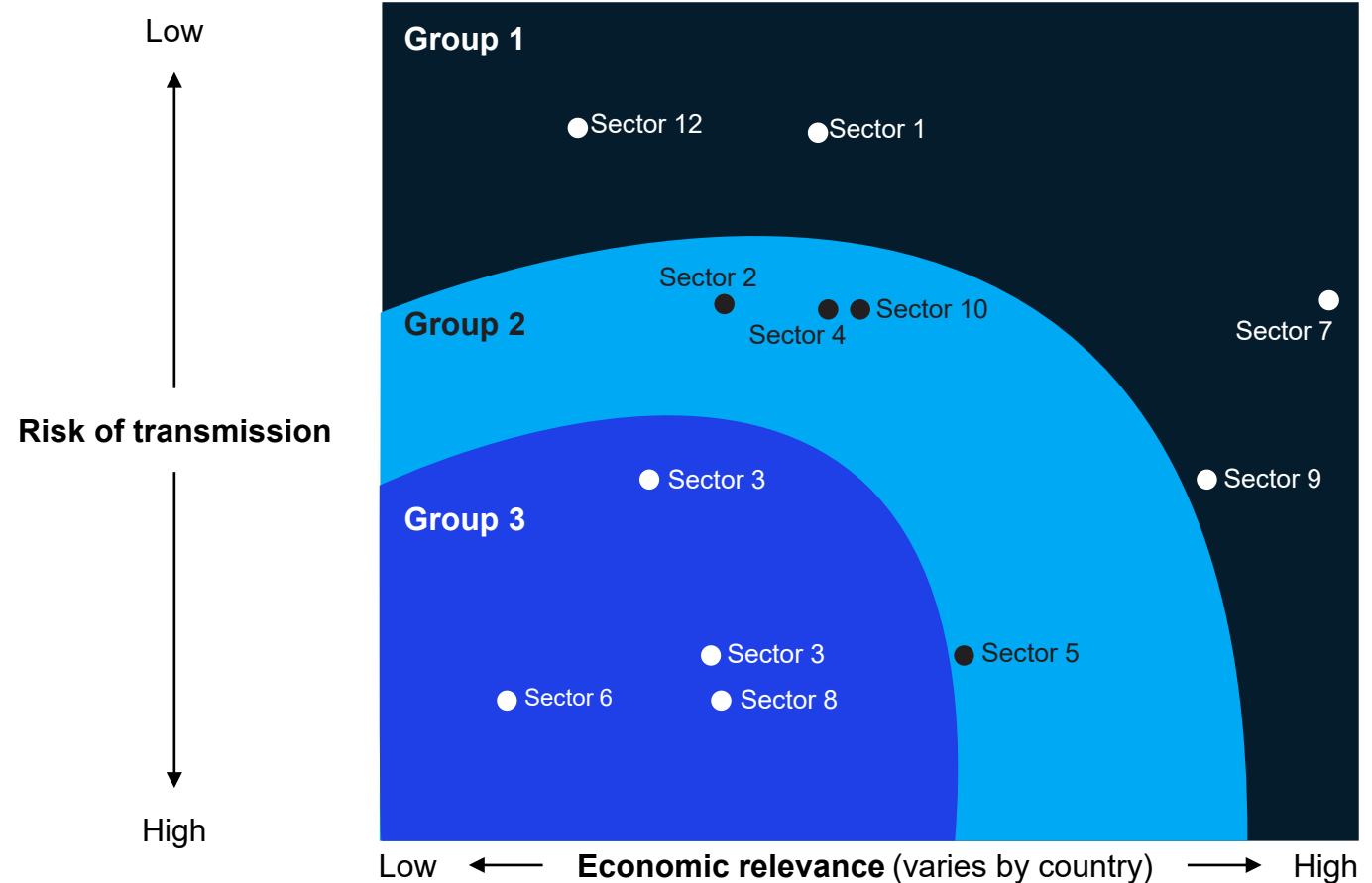
# Sectors with high economic relevance and low risk of transmission could be considered for opening first

An illustration of phased sector reopening

States may phase the reopening of sectors by considering and balancing economic relevance (or essentiality) and risk of transmission

States may start with Group 1: opening sectors with low risk of transmission and considering opening higher-risk but highly essential sectors (with proper safety protocols in place)

In almost every sector, new protocols for safety and health will likely be essential as states reopen and approach the next normal



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1. This analysis might require further granularity at a subsector and job description level



# As economies reopen, states may need to combat COVID-19 across 6 domains<sup>1</sup>

Action area	Example objective and actions	Potential metrics
1 <b>Foundational public health</b>	Mitigate contagion by protecting healthcare workers, scaling testing capabilities, establishing contact tracing, setting effective quarantines, adopting public use of PPE, and other “low regret” approaches	Mortality, hospitalizations, active cases, testing rate, healthcare worker hospitalizations, mask availability
2 <b>Societal compliance</b>	Achieving compliance with public-health strategies among people and institutions, using communication, influencers, segmentation, penalties, enforcement, and support	Compliance by segment (elderly, young adults, low-income) and by intervention (physical distancing, remote work)
3 <b>Health-system capacity</b>	Expand health-system capacity including staff, supplies, and physical infrastructure likely through coordination, direct support, funding, and directives	Resources (beds, ICU, vents, staff, supplies) per 1,000 people; potential expansion once activations
4 <b>Industry safeguarding</b>	Protecting the public at work, in stores, and at school by erecting safeguards to human interaction, helping businesses secure their operations, and creating safe environments for people to work	Portion of each industry confirmed to be safeguarded Consumer confidence to engage safely
5 <b>Vulnerable populations</b>	Ensuring public support for individuals who are recently unemployed or homeless, or have chronic physical or mental health conditions that can be exacerbated by the epidemic	Trends in events (eg eviction rates, suicide rates, depression/anxiety prescriptions, hate crimes)
6 <b>Economic health</b>	Minimize the economic impact and accelerate recovery by distributing federal relief, crafting local programs to supporting business, and incentivizing consumer spending	Unemployment rate, bankruptcies, sales tax, new business formation, state solvency

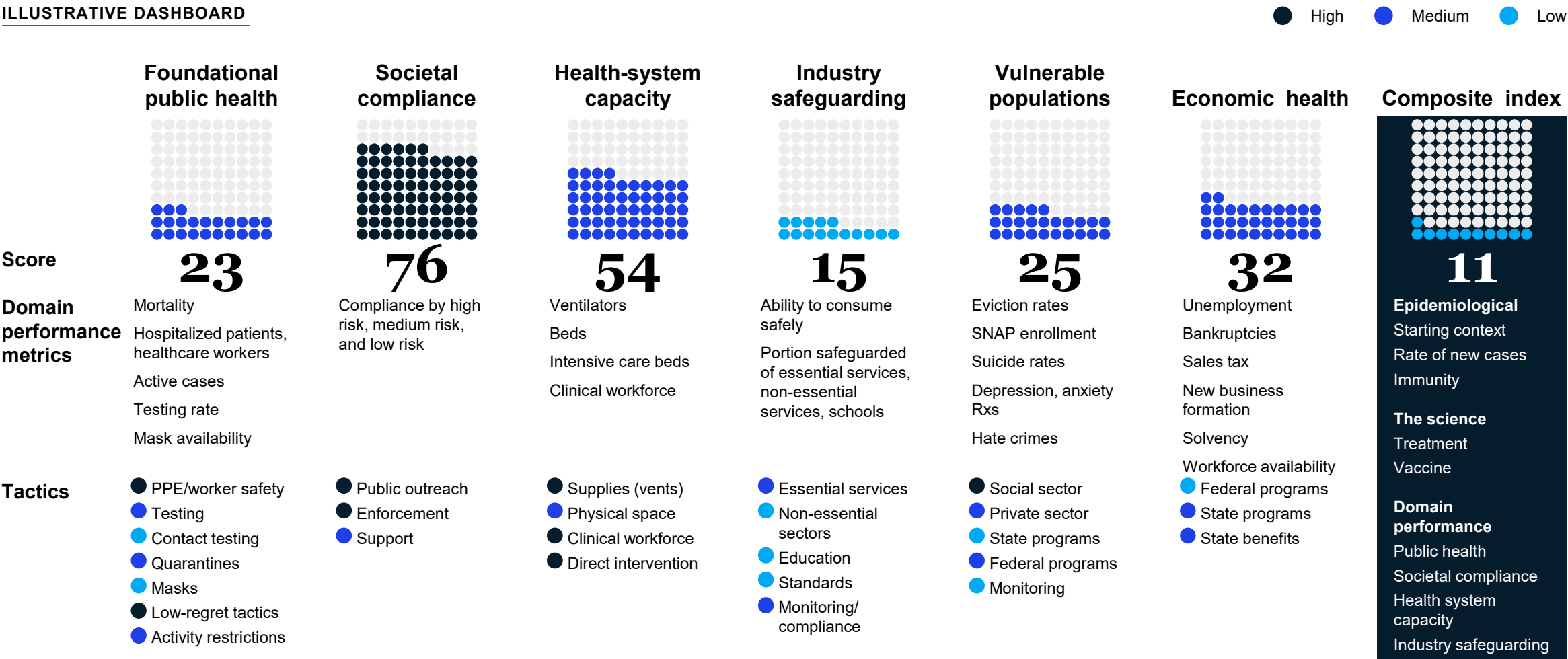
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# Metrics can be monitored on a dashboard and may help ensure responsible operations in a post-pandemic economy

ILLUSTRATIVE DASHBOARD



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## Conclusion

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### **Amidst the chaos and incoming advice, it's hard to know exactly what leaders should do today**

We hope this document provides leaders with actionable information to consider as they respond to the unique health and economic challenges posed by COVID-19. In particular, we would like to point out examples of steps that governments have already taken to protect their people and economies and emphasize that state and local government leaders can initiate immediate actions to save lives while also protecting livelihoods.

### **The next normal will likely look unlike anything we've seen before the coronavirus**

The pandemic that changed everything. We aim to provide leaders with an integrated perspective on the unfolding crisis and insight into the coming weeks and months. On the following page, we've provided a number of additional resources you can access for guidance and information.

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## Additional resources

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For all formal guidance, you can find up-to-date information at CDC's COVID-19 website, with a section specific to healthcare professionals or healthcare organizations:

<https://www.cdc.gov/coronavirus/2019-ncov/healthcare-facilities/index.html>.

You can also visit the WHO, CDC, and FEMA's COVID-19 portal at <https://www.coronavirus.gov/>.

We have developed a broader perspective on implications for businesses across sectors that can be found here: <https://www.mckinsey.com/business-functions/risk/our-insights/COVID-19-implications-for-business>. This supplemental material discusses implications for the wider economy, businesses, and employment. It describes some of those challenges and how organizations can respond to protect their people and navigate an uncertain situation.

Our public-sector specific insights can be found here: <https://www.mckinsey.com/industries/public-sector/our-insights>. This material is targeted towards public sector leaders in the COVID-19 crisis.

There are a number of academic institutions publishing credible, up-to-date information on the spread of COVID-19, such as <https://coronavirus.jhu.edu/map.html>.

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