

Economic Packages for COVID-19 Recovery Must Invest in More Resilient Health Systems

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Cristian Morales, an economist by training, has dedicated his career to improving health and health equity in the Americas through his work with PAHO/WHO. This has taken him from hurricanes, earthquakes and epidemics in Haiti to PAHO's Washington DC offices, where he was instrumental in achieving consensus on a resolution aiming for universal health—coverage plus access—approved by all governments in the Americas. In 2015, he was appointed PAHO/WHO Permanent Representative in Cuba, and in 2018 to the same post in Mexico.

MEDICC Review interviewed Mr Morales in Mexico City on June 19, 2020, when the region was already the COVID-19 epicenter with half the world's confirmed cases and deaths. Cases in Mexico are now expected to peak in August; then comes the question of how to rebuild. Leaders around the globe are grappling with the same question and in Latin America, it is challenging the status quo of health systems, economies and the very underpinnings of society. Mexico alone is now expected to suffer a 6% reduction in GDP, accompanied by rising poverty (to 47.8%) and extreme poverty (to 15.9%). Projections for many other countries in the region are similar. This implies, as Mr Morales emphasizes, that other actions must accompany the fight to bring the pandemic under control.



MEDICC Review: Mexico is facing an increasingly complex COVID-19 situation, as are several other countries in the Americas. What measures are vital going forward to stem the viral spread and move towards a recovery that takes into account the most vulnerable people?

Cristian Morales: The moment is complex for two essential reasons: first, the epidemic's intrinsic dynamic, where the overwhelming majority of Mexican states are confronting increasing community transmission in terms of both number of cases and deaths. This is particularly problematic in Mexico City and the State of Mexico—the so-called Valley of Mexico—where although we're seeing a certain plateau in case numbers, there is still considerable epidemic activity. This puts the area in the orange category in the alert system used here to express levels of epidemic threat, which goes from red (maximum threat) to orange, yellow, and finally, green (a new normal). In fact, all of Mexico's state-level authorities have posted red or orange, indicating a serious epidemic situation.

The second factor contributing to the complexity is that this epidemiologic picture co-exists with the reopening process,

compounded by the country's sheer expanse and its geographic, cultural, economic and social diversity. So you can't really speak of one 'Mexican epidemic'—you have to look at the epidemic and re-opening economic, social and cultural activities through all these lenses. The truth is, half the Mexican population has to go out to work every day in order to eat, and after 110 or 115 days of restrictive measures in terms of social interaction and physical distancing, people are exhausted and facing the possibility of a collapsing economy. The greatest danger right now is diminished risk perception, compounded by economic necessity, which could lead to a contagious spike.

What measures need to be maintained? Once the "safe distancing period" finished on May 31, the color-coded alert system was introduced. This involves specific measures for each threat level, permitting decentralized epidemic management according to regional and local conditions. These include home sheltering, safe physical distancing, hand cleansing and use of masks when safe distancing isn't possible, in order to contain the disease.

MEDICC Review: Can you walk us through the measures Mexican authorities have taken and their results thus far?

Cristian Morales: Mexico took measures quite early, much earlier than other countries. It was the first country in the region to operationalize real-time polymerase chain reaction (RT-PCR) technology following WHO protocols, and it was here in Mexico that personnel were trained from labs in Cuba, the Dominican Republic and all the Central American countries. It's important to have these capabilities—an adequate system for efficient epidemiological surveillance—to be able to apply data-informed public health measures.

Afterwards, and since March, explicit public health measures were taken in an effort to cut the person-to-person chain of transmission. On March 14, it was announced that schools would close the following week. At that time, Mexico had just over 100 cases, and if you recall, Italy closed its schools when it already had more than 2000 cases.

The main result has been to postpone the timing of the curve's peak. If these measures hadn't been implemented, we probably would have seen a significant spike in April, which would have overwhelmed the capacities of the health system, resulting in collapse. That didn't happen. We're still in an extremely dangerous situation, but the health system has general COVID-19 hospital-bed occupancy (with and without ventilation) of under 80%. That is, 20% to 25% of the beds dedicated to these patients are still available at the highest level, and nationally, this is 50% to 55%. Postponing the peak of the curve allowed time to purchase extra equipment, train human resources and better prepare the health system.

Does this guarantee that the system won't collapse? No, absolutely not. We could envision a case where the population doesn't adhere to the public health measures dictated by the color codes, with infection rates spinning out of control, as we have unfortunately seen in other countries, and in our own region in particular, in some South American countries.

MEDICC Review: What is PAHO's role in Mexico during the pandemic?

Cristian Morales: Our work here, like in other countries in the region, is based on four main pillars. The first is to reinforce and support Mexico's epidemiological surveillance system and diagnostic capacities—that is the RT-PCR, the only test with sufficient sensitivity and specificity to confirm diagnosis.

Second is decreasing person-to-person transmission. This has to do mainly with communicating risk, and communicating the public health measures such as safe physical distancing, which—with others such as handwashing, use of face masks when safe distancing isn't possible—are the main tools that the whole population can use to cut the chain of transmission. That means reaching communities and all the various sectors: public and private, social and economic.

Third protecting health workers, which includes everything to do with correct use of personal protective equipment (PPE) and its accessibility for those who most need it, that is, those on the front lines fighting COVID-19. In Mexico as of June 17, of the some 160,000 hospitalized cases, 22% (32,000 to 35,000) were health workers. This is of grave concern. To decrease cases, health

workers also need adequate training and preparation to confront COVID-19 to minimize the risk of contagion, another area where PAHO is collaborating.

Fourth is saving lives. This involves developing guidelines and technical recommendations, as well as providing support to ensure adequate supply of medical equipment and devices to address COVID-19. This implies knowing the WHO technical norms for respirators and ventilators and PPE, as well as the guidelines concerning hospital transformation to expand the health system's response capabilities.

MEDICC Review: So over 20% of confirmed cases in Mexico are health workers, and most are in serious condition?

Cristian Morales: Yes. In Mexico, confirmed cases are mainly those that have been hospitalized. That is, when we're talking about 160,000 cases, these are primarily people who have a serious case and have had to be hospitalized. Of those, between 32,000 and 35,000 have been seriously ill health workers, and nearly 500 have died.

We have lost some of the most experienced health workers from the front-line fight against COVID-19. They have to be replaced by others who first need to acquire the necessary competencies for these jobs. The losses have been great, and thus too the need for actions to protect these workers—not only providing PPE, which is fundamental, but also training them specifically to address COVID-19.

MEDICC Review: We see complex COVID-19 scenarios in Mexico, Peru and Chile—and worse yet, in Brazil, where case numbers are second only to the USA. Yet, countries such as Costa Rica, Cuba, Uruguay, as well as Jamaica and several other Caribbean islands, are having more impact on the pandemic. Are there common denominators among those beginning to control the disease?

Universal health systems are better prepared to confront the pandemic

Cristian Morales: I'm convinced that Universal health systems are better prepared to confront the pandemic. But also better prepared to confront a number of health problems that affect

our populations, such as degenerative chronic diseases, other communicable infections and so on. One of the characteristics of the countries you mention is a focus on primary health care and strong primary care in general. This is fundamental for facing COVID-19 and a host of other health issues.

Last year, as part of the movement for health system transformation, PAHO/WHO organized a regional meeting in Mexico City to draw lessons to help achieve universal health. The gathering was a watershed as it clearly articulated recommendations for health systems to move more aggressively towards strengthening primary health care, but not limited to that. It noted the need to increase capabilities to resolve health problems at the primary care level, and at the same time to develop integrated service networks, emphasizing the classic component of health promotion and disease prevention, as well as patient care. These key elements must also be at the heart of the COVID-19 response.

MEDICC Review: Interviewed for our April issue, ECLAC Executive Secretary Alicia Bárcena warned of a serious economic recession in Latin America and the Caribbean, already the world's most unequal region. She predicted a contraction of 5.3%, a figure unprecedented in recent times, but also said this presented a unique opportunity for economies and health systems to change direction towards more equity, more solidarity.

Cristian Morales: We're facing an epidemic with economic, social, cultural, sports and recreational, sanitation and environmental consequences, just to name a few. So it has to be addressed from an intersectoral perspective, taking into account a recovery that could ensure more resilient societies—to COVID-19 and other health problems.

We have to set our sights on the medium and long term, and avoid lapsing into simplistic reductionism that pits public health measures against those for economic revitalization. That's a serious mistake we can't afford to make, since a healthy economy is only possible when the society enjoys good health and well-being. We don't get anywhere hurrying short-term recovery, because we'll have recurrent COVID-19 outbreaks that will undo economic recovery. Health and the economy must go hand-in-hand, and there are many positive symbiotic actions that can be taken for sustainable human development.

Nobody can ignore the fact that health systems have been overrun, and even when they haven't collapsed, they're under severe pressure. Mexico has been able to achieve adequate hospital reconversion that maintained bed availability—a key indicator during community transmission—but this hasn't been for free. It has required investments. In addition, if Mexico and other hard-hit countries had started with more developed health systems, already more geared towards primary health care, they would be better able to confront COVID-19.

So the first way the economy and health can work together is for economic recovery packages to invest in health systems, to bolster their capacities, make them more resilient and get them on course to becoming universal. This would also allow for more attention to COVID-19 prevention, and the most appropriate and timely use of services at every level for affected populations as well as those at risk.

PAHO's member countries have unanimously recommended that public investments in health should be at least 6% of GDP. For most countries in the region, that investment has stalled at around 3%, even below 3%, for the last 10 years. Now we have an opportunity to reverse this situation.

A second area where health and economics meet is in our ability to rethink the health of workers and companies as we reopen. There's much that can be done to protect the health of workers in the workplace and their families. Examples range from reimagining the physical space along production lines and finding ways to ensure safe distancing between workers, to palliative measures that can be taken until investments create such conditions. These include guaranteeing more breaks for handwashing, making alcohol gels readily available, requiring face masks where appropriate, and management decisions

that make it possible for symptomatic workers to stay home without fear of losing their jobs. To the extent that these investments protect workers, they also protect the companies they work for.

So if we move in directions that imply health and the economy go hand-in-hand, then I think we'll be making a fundamental contribution to a resilient recovery, even when it may be interrupted by new outbreaks. Because if we do the right things and build more resilient societies and health systems, these outbreaks will be ever fewer, smaller and more readily controlled, with less multidimensional impact. And that means we are better prepared to face medium- and long-term challenges, because it's doubtful we'll have a vaccine on hand for at least another 18 to 24 months. Even if one were invented tomorrow, scaling up manufacturing to produce the doses needed, and for the vaccine to reach those who most need it in the Americas, is something that unfortunately is not going to happen quickly.

Lockdown alone isn't going to solve the problem in the long run. Because the informal sector, the precarious work and the fragile lives of millions of people in our region and the world aren't going to hold on. We need health systems that better attend to whole-population needs and economies that better protect their workers, jobs, and production itself, in order to emerge from the unprecedented recession that ECLAC speaks of, and in which most countries of the region are already immersed.

MEDICC Review: Poor people and those working in the informal sector are most in need of the approaches you mention—more equitable, more inclusive health systems and economies. Yet, this implies that during a severe recession, more funds have to be found to finance these changes. We see in Mexico and Latin America sectors such as pharma and biotech, the health sector more broadly, that could serve as engines of economic recovery.

Cristian Morales: Absolutely. It's clear that it will be hard to resolve the situation created by COVID-19 in the midst of the pandemic. Yet, we have to begin decreasing inequities—including inequities in access to such basic services as water and sanitation, also fundamental to controlling the disease. Employment is uneven, precarious, and the quality of jobs is not the same in different regions of Mexico and other countries of Latin America. And thus I'm convinced, and PAHO is convinced, that the health sector needs to be understood as an economic sector as well, one that can contribute to growth, and not only to growth.

First, remember that investments in health broadly speaking have an impact on the capacity to offer timely access to those suffering from a particular disease. And if we achieve adequate access to quality services, then we are probably going to improve productivity in general, as the sector continues to contribute economically, decreasing hospital stays, saving lives.

Second, health sector jobs, despite the generally precarious nature of the region's health systems, tend to be better jobs than many others. Thus, we're contributing to an important Sustainable Development Goal, number 8, promoting economic growth and decent employment. And moreover, an investment in health and expanded system capacities can also help diminish

gender disparities, since we know that the health sector is primarily composed of women. So an investment in better quality jobs, an expanded health system, will also improve women's employment. I also think you need to consider the possibility of developing other economic engines and expanding the green economy.

We must consider technological innovation, in this case technologies that can help protect us from COVID-19. These come from economically more developed countries, arriving late to those with lesser development, generating even greater inequities among countries and punishing those most in need, the most vulnerable groups that are found mainly in countries with the least economic development. Building our own pharmaceutical industry capacities to be able to innovate and produce within the region, is a commitment that I think would put us in a better position to confront other epidemics and future health problems in general.

MEDICC Review: What about collaborative efforts among sectors within Latin American countries?


Cristian Morales: I'm convinced that in Mexico and the rest of our region, if we can contain COVID-19, it will be because of social cohesion, a united effort among the different sectors, and collaborative participation from the public, non-governmental and private sectors. Without that, and without support from society at large—academia, scientific societies and so on—it will be very difficult to overcome the challenges presented by the multi-system threat of COVID-19. Especially since this is not a classic threat that stresses, disappears, and then allows us to recover. No, we're going to be living with outbreak after outbreak, as we're already seeing in China.

MEDICC Review: And collaboration among countries?

Multilateralism: the most important strategy that countries can adopt together to confront COVID-19

Cristian Morales: There are some important initiatives among countries. One is the Mexican resolution recently presented to the UN General Assembly, which was adopted overwhelmingly. The resolution takes aim at the practice of stockpiling technologies and medical equipment for COVID-19, as well as price speculation. It's not simply a suggestion, but rather a mandate to the Secretary-General, to intervene through the various UN bodies, to guarantee just and equitable access to medicines and medical equipment throughout the world. It calls into action the most important strategy that countries can adopt together to confront COVID-19: multilateralism. This is why it is so significant and I hope that the mandate can be operationalized via the different UN agencies, including WHO, the World Food Program, UNICEF and others in the UN system.

Right now, we don't have medicines that can change the natural course of the disease; we don't have the vaccine we are all waiting for that will protect us and provide acquired immunity to the general population...in this world where people are sick in at least 215 countries and territories, at least half these cases in the Americas and half the deaths as well.

So we need more collaborative initiatives, such as the one guaranteeing access to innovative technologies for COVID-19, launched by WHO in association with various governments and foundations. This is the kind of thing we need to deepen the public-private alliances that can deliver quickly the tools to combat and contain COVID-19. 

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