

Texas 2036 Straight Talk Texas Interview with Dr. Zerwas, Executive Vice Chancellor for Health Affairs, The University of Texas System

Join us for an important conversation about health between two of our state leaders. Our founder and Chairman, Tom Luce, talk with Dr. John Zerwas, who provides oversight and guidance for the six UT system health institutions, one of the largest networks of academic health institutions in the country, with an aggregate operating budget of more than \$14.7 billion. Dr. Zerwas' unique perspective on health in Texas comes not only from his current role at UT, but from his seven terms in the Texas House of Representatives and more than 30 years as a physician.

The following interview has been edited for clarity and brevity, as well as providing audiences with the key highlights.

Tom Luce: I'll never forget the first time I met with you when we were founding the Meadows Mental Health Policy Institute. You were such a strong advocate for the medical community, the health community and mental health. You were always the steady hand of the legislature, dealing with really difficult issues. Thank you for your service in the House of Representatives.

Dr. Zerwas: Well, thank you, Tom. I appreciate that. It was a privilege and an honor to serve. I was fortunate to serve under three speakers during my time, Tom Craddick, Joe Straus and Dennis Bonnen and they all put me in unique leadership roles, especially tapped into my background as a physician and somebody involved in health care.

So, I really enjoyed the opportunity that I had and after seven terms. Although I would have been happy to have continued in that role, I think it was a healthy time for somebody else to come in. I was looking for that next chapter myself. And that next chapter happened to be in an academic environment. I think the role I'm in now sort of uniquely allows me to build and leverage my role as a practicing physician, a person who was involved in the healthcare environment, from a chief medical officer point of view, as well as serving in leadership roles, certainly as an appropriator with the Texas House of Representatives. So, it's a nice place to kind of bring all that part of your career together.

Tom Luce: And then you get there and the pandemic hits, and all of a sudden you're drafted into another position, I've been privileged to serve on the Governor's advisory council. I would say I'm on the more business-oriented side of advising the governor, and then you and three other doctors have been advising him from a medical standpoint. That's been a unique experience I'm sure, as well.

Dr. Zerwas: It has. I was very flattered and honored to come serve with the governor in this capacity. The chancellor was likewise very understanding and supportive of me

going and spending a significant amount of my time in this environment. I would say he brought me in initially as part of the supply chain strike force looking at trying to build up our supplies of personal protective equipment. Making sure we had adequate supplies of things that we needed to really hit the epidemic head on. At the time, we were uncertain as to whether we would be overwhelmed by it, similar to what was happening in New York, but certainly preparing for that kind of event.

As time went on, we were able to really solidify our supply chains. We were able to realize that we weren't going to be hit the way New York, New Jersey and the Northeast were in general. Part of that was probably environmental, part probably by the grace of God. Fortunately, with Governor Abbott's leadership, we were able to put these distancing, hygiene and stay-at-home orders in place. That tremendously flattened the curve and allowed us to be in a much, much stronger position than others had the opportunity to do so.

Tom Luce: I believe one of the untold stories to the people of Texas really has been the capacity of the Strike Force to meet the PPE needs. The advantage of having Dell Technologies in our state and their supply chain expertise of understanding the worldwide market. It just seemed to me, it was a remarkable effort, but because we averted a crisis, was not a big story. But it was really met in a very unique way, that was a combination of the public and private sector.

Dr. Zerwas: Yes, exactly. The governor was very astute in that regard and reached out to Dell. One of their chief procurement people, Keith Meyers, has been leading that team, which has evolved over time. As you pointed out, the initial effort was to try to tap into these various supply chains that they had a unique expertise in, especially when it came to those relationships in China. Not all of those things played out, but clearly, their expertise and their ability to work in this environment, just their understanding of the logistics and the supply chains, was incredibly valuable. Then a third person who was brought in on that initial team was Clint Harp with the Lower Colorado River Authority. He's a very, very bright, tech savvy guy, who was able to move us towards a tech solution to a lot of things.

As you can imagine, we had supply chain people who said they could provide PPE, just coming out of the woodwork. And frankly, a lot of them just weren't credible. But instead of us having to labor through those on a manpower, point-by-point basis, he was able to set up a tech solution that allowed them to be vetted a little bit differently and allowed us to focus on what were the likely successful supply chain providers out there, as opposed to the ones that just led to a dead end.

Tom Luce: As I recently described to one of my grandsons, you can close an economy by executive order, but then you have to figure out how to open it up safely, which has been an interesting process to watch and you had a front row seat on that. It's a difficult process to think through all the different types of businesses in a diverse state like ours. How did you feel at the beginning about

the task of undertaking that? And again, to do it safely. I mean, you're threading a needle, nobody's ever done this before.

Dr. Zerwas: Yes, Commissioner Hellerstedt, with the Department of State Health Services, puts it well, "We are threading a needle, but our hope is that as time goes by the eye of that needle gets bigger and bigger." So, it's not quite so difficult to thread things through it. Initially, that's exactly the case. I would say this, the governor established a Reopen Texas Strike Force that James Huffines is chairing, as you know. And, really they're the ones that have, probably, the bigger job in saying, "Ok, where's the best place to start? What are the businesses that we can sort of wade into and get some experience with, that will help us kind of feel this out as to whether we're doing it right or not."

And so, myself and the three other doctors who are involved as the medical advisors. We wait for the Strike Force to bring us the proposed businesses to open. We basically apply, the four of us, our knowledge and our perspectives as to, what's a comfort level in terms of opening up the state's economy? And, over time we become very familiar colleagues. It is not a group think at all, I will tell you. There are those who are much more conservative leaning in terms of what their willingness is to open up and how much they're willing to open it up. And there's others who are probably a little bit more willing to try to stretch it a little bit farther and faster.

Because, just a sense that, at the end of the day, it's going to be people's behaviors that makes it successful. Not what we're doing, necessarily. **We're going to have to understand that all the things that mitigated the effects of this virus in our state and in our communities, were people doing the right things.** Now, part of that was staying at home, but that wasn't solely the part of it. In my opinion, the biggest part of it is that we understood the importance of social distancing, which doesn't mean you have to be holed up in your house. It doesn't mean you can't go to a grocery store or some other kind of essential service if you will. But it does mean you have to respect distancing; you have to respect the use of cloth masks. You have to respect personal hygiene and hand hygiene especially, in order to safely get back out there and do these things.

If people were to say, "The heck with it, I'm going to go participate in some large congregation of people, whether you have masks or not," then that's likely to set up a spread that could be difficult to contain. So, it really all falls. Just like the success in keeping this virus tamped down was really the investment that Texans made. Similarly, the opening up of the economy is going to be the investment that Texans make in adhering to these practices that will allow us to safely open our economy. But yet at the same time, we will live with the burden of having the virus for the next several weeks and months. And we can do that. I would say, in fact, we have to do that. There are health consequences, both mental and physical that come with an incredibly stagnated economy as you and I both know. And so, it's really not an option. It's something that we have to do.

Tom Luce: Yes. It's just a question of how we do it and how people respond to it, because the economic consequences of this have really been severe. I mean, that's not a news bulletin, all you have to do is look at what's happened to unemployment, which is just tragic, the numbers and the fallout of this have been severe. Along those lines, I know that based upon your legislative work, you're very familiar with several issues which are of great concern to Texas 2036. One of them is rural healthcare and the other is access to healthcare.

I've been very concerned to observe, with the unemployment situation, that a lot of people who have historically had private insurance, all of a sudden may have the right to buy from their employer coverage for a year, but they may be unable to afford it, which is just going to swell the strain on the healthcare system. Which in and of itself, I think most people are beginning to realize, although they had to respond in heroic ways to the COVID. The impact on the rest of the healthcare system has been very severe. So, we're to face some real challenges on the road ahead for our healthcare institutions, are we not?

Dr. Zerwas: Yes, we are. I'm glad you mentioned the rurals because their margin to survive is much less than, let's say, somebody in Dallas-Fort Worth or Houston in the Texas Medical Center that probably has, to a large extent, enough reserves or capacity to ride something like this out. The one thing I have observed, and obviously being very close to healthcare, is how quickly they can ramp back up. So, as quickly as they shut down, created capacity and preserved PPE, they have been allowed to ramp up about six weeks later. I would say that most of the healthcare systems in the large metropolitan areas are functioning at 100% of their ability right now, knowing that they have to reserve about 15% of their capacity for COVID-19 patients.

And so that's just simply to say, if we start to see a real surge in this activity, there will be an expectation that healthcare systems can surge into additional capacity in order to accommodate that. We watch that very closely at a state level and the regional level for signals that say there might be somebody getting into trouble. For instance, recently for El Paso and the Amarillo area, we'll do some call-ins to those areas, the CEOs and the healthcare leaders to find out, "Are things okay in your particular area?" For instance, I did this on Sunday, Tom. I had the Department State Health Services call me. They had gotten a call from the White House that registered some concern with El Paso and some of the numbers that they were seeing. Our numbers similarly said, "it is looking like it could be getting a little tight."

And so, they asked me to call a few of the CEOs, which most of them I know, through one capacity or another, just to say, "How are things there? How is your capacity? Do you think you're going to be okay for the next week or two?" That's an invaluable thing to find out. So, in that case, they said, "Well, we're busy. We're not threatening to have to open up any alternative care sites, like using motels or branching out into an ambulatory surgery center." But they said, "We're kind of expecting the peak next week," which would be next week. And once I got through that, they really felt like they were probably going to be in an even more comfortable place. But there's nothing like

talking to the people on the ground who are living this, hour by hour, to find out, “Hey, are things okay? Do we need to float in some resources from the state?” Perspective “to help you out,” which, obviously takes a little time to get those things stood up.

Tom Luce: You bet. For our viewers, I'd remind everybody, you can go to the Texas 2036 site (covid19.texas2036.org) to see our dashboard where we track hospitalization capacity, county by county, trauma service area by trauma service area. It's a very important indicator when you're looking, because regardless of the arguments about how many tests were given and all of that, I mean, ultimately, we have to make sure that our healthcare system doesn't crash.

Dr. Zerwas: Yes. I'm glad you brought that up, Tom. Because that's something that I think we always have to go back to. There was an interesting phrase that somebody said that one time, I think it was somebody very frustrated with the fact that the economy wasn't opening up. They said that, “The initial mantra was to flatten the curve, but it now seems the mantra has gotten, wait for the cure.” You can't let your economy sit stagnant to wait for a cure or to even wait for a medicine that might treat this. So, we have to go back and remember, the purpose of flattening the curve was to protect the integrity of the healthcare system.

And I, like you, follow very closely the number of people hospitalized on a day-by-day basis. That has very consistently been between 1,500 and 1,800 patients a day, over several weeks. Well, well below the capacity that we have in our healthcare systems. In fact, you could easily double that and still have substantial capacity in our healthcare system to take care of COVID-19 patients. Now, that only matters on a regional basis, for El Paso where that's kind of the only game in town out there. It's hard to get additional resources there if they get in trouble. And so, some of these areas like El Paso, Laredo, that might be a little bit harder to reach out to, you watch perhaps even a little bit more closely, just knowing that it takes more than a day or so to get resources in place that they might need.

Tom Luce: Well, as we think about wrapping up this conversation. How do you see the next couple of months unfolding and what would you say to Texans in terms of what we can all do to make sure we're doing this safely? But realizing, it's not lives versus livelihood - we have to get the economy moving as well?

Dr. Zerwas: That's exactly right. Because livelihood does have a significant effect on lives. And so, we can't forget that. It's absolutely incumbent upon us to really kind of foster the opening of the economy, not push it at a rate that causes things to break by any means. But that we continue to do that in a way that we continue to mitigate the effects of the virus. The best things that we can do individually is to practice good hand hygiene, principles of good public health in general, wearing masks if you feel like you might get into a congregate setting whereby you can't. But, one of the most important things I think we can do is to try to avoid these congregate settings.

Now we all recognize, the nursing homes are really just very, very susceptible to problems with this. The elderly account for half of all the deaths. Nursing home deaths are about half of all of our deaths. But these congregate settings like meatpacking, like our prisons, like the nursing homes, those are examples of congregate settings. And we have to really recognize the importance of avoiding those out there in the economy.

So, packed concerts, stadiums full of people. Those are going to be tough things for the next several weeks or months until we can actually create that herd immunity as it's called, either through vaccine or through exposure. If we don't do it through vaccine, it's going to be a much longer slog getting there to get that herd immunity. Vaccine will get us there very quickly, once we get that in place. But the best thing we can do is the things that all of us know were important to get us there. We don't have to stay cocooned in our homes, unless you're somebody that's at high risk for some kind of effects of COVID-19. But we need to go out and be very, very aware, from a public health point of view and just practice and demonstrate and amplify all those things that we know will make a difference.

Tom Luce: Well, thank you so much again, for all your service in so many arenas. You are uniquely in a position right now to be a critical resource for our state. So, we thank you for your service, and I hope all Texans will listen to your advice and counsel. I know we were told early on at the governor's advisory council that although we were asked to make suggestions and recommendations, it was all going to be run by the medical experts. And I think you all have done a good job of laying out the guidelines. We're grateful for your advice and thank you for your service and thanks for being with us.

Dr. Zerwas: Thank you, Tom. And thank you for all your leadership and the many, many things you've done that have benefited the state of Texas. Thank you so much.