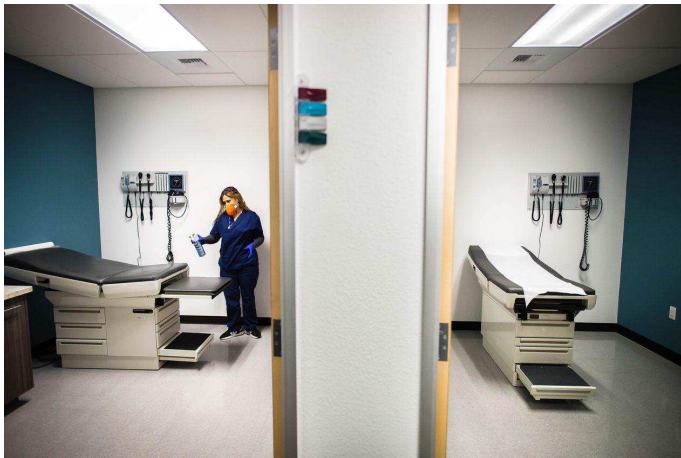


ECONOMY | U.S. ECONOMY

# Health-Care Workers See Steep Job Losses From Coronavirus

After lockdowns suspended medical procedures, sector faces mounting financial pressure



Doctors offices and hospitals performed less routine care in April to help slow the spread of coronavirus.

PHOTO: WATCHARA PHOMICINDA/ZUMA PRESS

By [Harriet Torry](#) in Washington and [Melanie Evans](#) in New York

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The jobs report released Friday said the health-care sector shed a record number of jobs in April as medical facilities halted elective procedures and doctors' and dentists' offices closed because of shutdowns aimed at containing the coronavirus.

The count by the Labor Department, which broadly reported record payroll losses of 20.5 million and a 14.7% unemployment rate, included workers in hospitals, nursing-care facilities, diagnostic laboratories and medical offices focused on routine care. The health-care sector lost 1.4 million jobs in April, led by half a million jobs cut from dentists' offices and nearly a quarter-million cut from physicians' offices. Hospitals and doctors' offices began in mid-March to postpone procedures that could wait, voluntarily or under state and local mandates.

The halt to surgeries left hospitals better able to deal with an influx of coronavirus patients, a move that proved critical where outbreaks rapidly escalated. Elsewhere, however, hospitals emptied, and hospital earnings plummeted with the drop in

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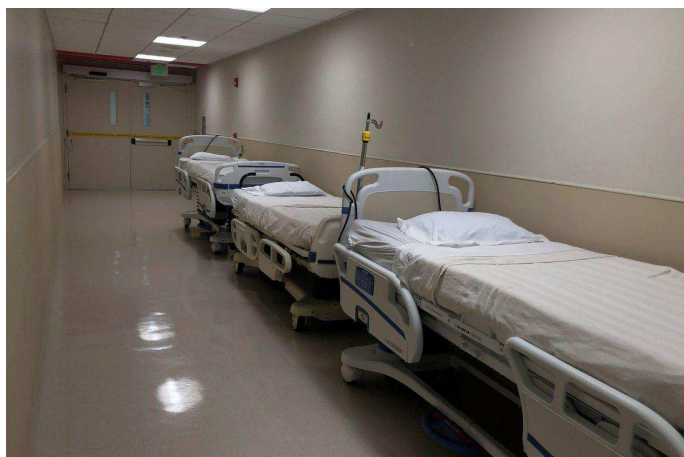
“We’ve had a huge hit to our balance sheet,” said Alan Levine, chief executive of health-care system Ballad Health, which runs 21 hospitals in Tennessee and Virginia.

The company, based in Johnson City, Tenn., has furloughed 1,400 of its 15,000 staff, and the CEO said he was “not in a position to guarantee all 1,400 will be able to come back.”

“To have lost the ability to provide services, the impact financially for us has been absolutely devastating,” Mr. Levine said.

St. Louis-based BJC HealthCare announced furloughs this week as it faced projections that operations won’t reach pre-pandemic levels before 2021, said Richard Liekweg, the system’s chief executive. The furloughs are expected to start May 17 and last for about two months, he said, adding that the system hasn’t made final how many employees will be temporarily out of work.

The 15-hospital nonprofit group suspended nonessential medical care in late March, and revenue plunged. It lost \$65 million on operations in the last 10 days of that month, Mr. Liekweg said, and April was worse. BJC hospitals now operate half-empty, on average, he said.



Hospitals and surgery centers face mounting financial pressure, and some say a number of lost jobs might not come back.

PHOTO: ROSEM MORTON/REUTERS

Yet BJC kept workers on payrolls through April in anticipation of a surge of coronavirus cases that fortunately didn’t happen, Mr. Liekweg said. “We did not know what was lurking around the corner with the virus,” he said.

BJC will need fewer workers as it gradually ramps up to perform postponed procedures once local officials ease public-health restrictions, he said. St. Louis Mayor Lyda Krewson said Tuesday that is expected on May 18. Projections show BJC will resume work on about one-quarter of its postponed elective procedures by the end of June and won’t be near full capacity until December, Mr. Liekweg said. And that assumes no significant rebound of the coronavirus.

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“It’s really, really uncertain,” said David Cutler, a professor of economics at Harvard University. “The most we can say is if things recover quickly, the medical sector will be fine. If they don’t then all bets are off.”

Justin Wolfers, a University of Michigan professor of economics and public policy, said he isn’t as worried about health care as he is regarding other industries that have been hit by the pandemic. “Once people are less fearful of social interactions, they’re going to go to the doctor,” he said.



## Historic Unemployment Report Offers Clues to U.S. Economic Future



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Health care has in the past proved relatively immune to recession, although over the year through April, employment in the sector dropped 7.2%, posting its first year-over-year decline since sector records began three decades ago. But the coronavirus pandemic is testing the need for routine, in-person care like never before.

Consumer spending on health-care services dropped at an 18% seasonally adjusted annual rate in the first quarter, according to recent Commerce Department data. That is the biggest drop based on records dating back to 1959. Outpatient services such as visits to doctors’ and dentists’ offices fell 25.6%.

While medical care is usually deemed an essential service, the health-care sector has been hard hit by social-distancing measures. Even though telehealth appointments with doctors, nurses, dentists and physiotherapists are becoming more commonplace during the coronavirus pandemic, remote work isn’t an option for the many health-care workers who perform ambulatory tasks.

Patient visits for Arlington, Va.-based Privia Medical Group, which has about 2,600

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Jennifer Beightel, a dental assistant in Denver, claimed unemployment benefits for seven weeks before returning to work.

PHOTO: AMANDA SCHWAB

hospitals and clinics sharply scaling back hours of those they still employ.

Hospitals, clinics and surgery centers are moving to resume procedures as states ease or lift orders that halted some medical care, with some bringing workers back as patients return.

The Labor Department includes people on a temporary layoff among the unemployed in its survey even if they don't actively seek work.

That was the situation in mid-March for Jennifer Beightel, a dental assistant in Denver, when the practice where she works shut down because of the coronavirus pandemic. She claimed unemployment benefits for seven weeks before returning to work this week as Colorado's stay-at-home order began to lift.

"People have toothaches. We have patients who have infections," she said. "You can't just keep giving them antibiotics. You have to see them."

"It's a little tough, to be honest. It's a little overwhelming, the additional necessary steps that need to be taken," Ms. Beightel said, such as having to wear personal protective equipment.

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Taylor McClung, an orthodontic dental assistant in Bellingham, Wash., has been out of work but expects to go back to her previous employer this month once quarantine restrictions lift in her state.

“I’m super ready to get back to work. I love what I do,” said Ms. McClung, who is 23 years old. “I would much rather be working than sitting at home wondering when I’ll next be working.”

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