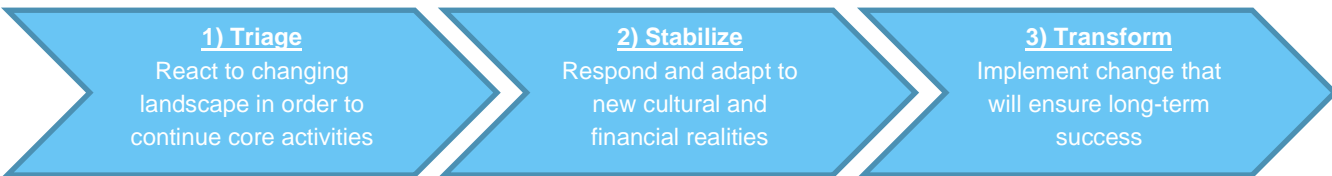# Higher Ed COVID-19 Tracking Initiative

Findings Update – Friday, March 27th

As we begin our third week of COVID updates, Huron continues to identify the triage measures taken by universities in immediate response to the novel coronavirus pandemic and continues to track and discuss what the long-term implications will be for higher education.

Today's *Tracker* includes:

Updates and New Findings

Huron's findings are aligned to the three-phase framework laid out on Huron's COVID-19 Resource Center (HERE).

1) Triage	2) Stabilize	3) Transform
React to changing landscape in order to continue core activities	Respond and adapt to new cultural and financial realities	Implement change that will ensure long-term success

A. Arizona universities face lawsuits over fees

B. 5 lessons from campuses that closed after natural disasters

C. Association of Research Librarians urges publishers to maximize access to digital content during COVID-19 pandemic

D. NCAA presidents set revised financial distribution to support college athletes

E. NCAA Division III to experience $7.6 million deficit in 2019-20

F. Presidents fear financial, and human, toll of coronavirus

G. Fundraising and HR during the crisis

H. Will coronavirus close your college for good?

I. If the coronavirus collapses state budgets, what will happen to public colleges?

TRIAGE: React to changing landscape in order to continue core activities

A. Arizona universities face lawsuit over fees

○ Students have filed a class-action lawsuit against the Arizona Board of Regents. The lawsuit alleges that the University of Arizona, Arizona State University and Northern Arizona University have refused to refund the cost of room, board and other campus fees for the spring semester after the coronavirus outbreak forced campuses to close.

○ Arizona State and Northern Arizona have not offered any fee refunds. The University of Arizona offered a nominal rent credit option, according to the release.

○ Note: A response by Arizona State University's president, Michael Crow, along with details regarding the responses of other institutions, can be found in the Chronicle of Higher Education

B. 5 lessons from campuses that closed after natural disasters

○ The Chronicle of Higher Education profiles leaders from campuses that faced natural disaster-related closures, including University of Iowa (flooding), Rice University (Hurricane Harvey), and Butte College (California fires) and

lessons that they learned

- ○ Lessons include: Communicate, Collaborate, Cram – Or Go Online, Plan For The Worst, and Pivot

- ○ Above all: pay attention to student needs – recognizing that students depend on campuses for more than just education, and take care of yourself in order to avoid compassion fatigue

C. Association of Research Librarians urges publishers to maximize access to digital content during COVID-19 pandemic

- ○ ARL endorsed the global movement to open academic digital content to ensure students can continue their studies, and scholars can continue their research and work to end the pandemic.

- ○ ARL asked publishers to open up access to COVID-19-relevant research on respiration, crisis and disaster management and response, clinical psychology, and other areas that should be made open as the global research community searches for vaccines and treatments and advises national and local responses.

- ○ ARL is calling on publishers to temporarily eliminate access barriers on all digitally subscribed content—such as limited simultaneous logins and restrictions on interlibrary loans—to support students and faculty in this environment.

D. NCAA presidents set revised financial distribution to support college athletes

- ○ In response to the cancellation of all remaining winter and spring NCAA championships, the Board of Governors voted unanimously to distribute $225 million in June to Division I members to specifically focus on supporting college athletes. The revenue is usually used to provide distributions to member conferences and schools along with funding championships, national programs, and other initiatives to support student-athletes.

- ○ In its decision, the Board of Governors stressed the importance of using the distributions to aid college athletes during the uncertainty of the current environment, along with the importance of planning carefully with less revenue.

E. NCAA Division III to experience $7.6 million deficit in 2019-20

- ○ Division III will experience a $7.6 million deficit for the 2019-20 fiscal year as a result of the cancellation of the remaining winter and spring championships.

- ○ Each division is expected to lose approximately 70% of its annual estimated revenue for the year. Division III, like Divisions I and II, is feeling the effects of winter and spring championship cancellations, which have resulted in a significant reduction in broadcast and ticket revenue.

STABILIZE: Respond and adapt to new cultural and financial realities

F. Presidents fear financial, and human, toll of coronavirus

- ○ Inside Higher Ed, in collaboration with Hanover Research, released results of a survey of college and university presidents regarding their most pressing concerns related to the coronavirus pandemic

- ○ Presidents put the mental health of students and employees atop their list of short-term concerns. While nine in 10 campus leaders say mental health is their top concern, fewer than two in 10 say their institution has invested in more mental or physical health resources in response to COVID-19.

- ○ Presidents' most significant long-term concerns related to COVID-19 relate to broader financial and enrollment issues, with 89 percent saying they are concerned (46 percent very much so) about overall financial stability and 88

percent (57 percent very concerned) about declines in overall enrollment.

○ Survey results related to immediate and long-term concerns can be found below, along with a link to register for IHE's upcoming webinar

G.   Fundraising and HR during the crisis

○ Inside Higher Ed interviewed leaders from the College and University Professional Association for Human Resources, William & Mary, and the Council for Advancement and Support of Education for insight into how HR and fundraising professions are responding to the coronavirus pandemic

○ CASE shared that many institutions have not stopped their campaigns and instead may be changing the funding priorities during this time of crisis. One lesson learned during the last recession was that it was especially important during this time to continue talking and communicating with donors, alumni and all constituents. These conversations often lead to the donor deciding to make their gift or pledge despite the current situation or because of the current situation.

○ CUPA-HR predicted that human resources leaders will need to make more changes during the next weeks as teleworking employees attempt to complete their job duties while caring for children who cannot go to daycare, teaching their children who must now be homeschooled and addressing the other challenges created by this crisis.

TRANSFORM: Implement change that will ensure long-term success

H.   Will coronavirus close your college for good?

○ Princeton professor Robert Zemsky, author of *The College Stress Test*, shares his outlook for higher education in The Chronicle of Higher Education

○ Zemsky advises that the first question an institution should ask on the financial side is: "How much in real cash reserves do they have? The second question is: Are they going to be eligible for federal relief? An institution with a poor cash position and uncertain applicants is in real danger."

○ In the face of the coronavirus pandemic, Zemsky has revised his assessment that 10% of colleges face severe financial risk, arguing that "we're now going to have upward of 20 percent really terrified. If this crisis is going to take out all of the next academic year, that bottom 20 percent may never come back."

○ Zemsky's key pieces of advice for college presidents are:
  ▪ "Don't play like you don't have a problem – of course you have a problem. You're going to need to develop strategies for frank talk that doesn't cause panic."
  ▪ Now is the time to ask if this is the moment to rationalize the institutional budget
  ▪ "This might be the moment to talk about a three-year degree — a 90-credit college degree. That would get a lot of institutions over a hump"

I.   If the coronavirus collapses state budgets, what will happen to public colleges?
○ Across the country, leaders of regional public universities told The Chronicle that they're bracing for cuts in their next year's state appropriations, although the situation also remains remarkably uncertain.

○ No one knows how bad the cuts will be because no one knows how the coronavirus will continue to spread — and how the illnesses and stay-at-home orders it causes will affect state economies. States don't know what their 2020 tax revenues are and won't know until later in the year than is typical, because of extended tax deadlines.

- ○ California's public colleges got a letter from the state's Department of Finance warning that because of the costs of fighting the coronavirus in California and the expected effect on the economy, the government may have to undertake a harsh "prioritization" of what spending it will propose for the 2020-21 fiscal year, and "agencies and departments should have no expectation of full funding for either new or existing proposals."

Technology Roundup

Colleges and universities in varying stages of deploying remote and online learning capabilities
Through several discussions, Huron has learned that remote work and learning has its ups and downs, as expected. "Technology has been solid, and faculty have really been stepping up to online instruction." However, remote learning is not going on without a hitch everywhere. At the University of Southern California and other institutions, students engaging in "**Zoombombing**" have disrupted classroom sessions with often "racist, misogynistic or vulgar content."

A **CTO from a large East Coast University** indicated a major and ubiquitous HE software vendor pushed back on the school for requesting short-term licensing for virtual desktop infrastructure. After the CIO **publicly shamed the vendor on Twitter**, the organization received the short-term licensing they need to get over through the pandemic.

Several institutions are using a variety of technologies, including **significant use of Microsoft Teams and the use of Zoom for creating a virtual classroom** type platform for classes.

All organizations indicated **performance of these technologies has met expectations and exceeded** in some cases given the circumstances.

The Digital Divide
Some institutions indicated to us they are **struggling with disparate resources among both staff and students.** A representative from one institution in a severely economically depressed region of the southern US revealed **a notable number of staff and faculty do not have internet access at home**. Similarly, some students lack access to high-speed internet, do not have personal computing devices that support the applications necessary for a remote learning environment, or **lack a device altogether.** An institution's financial resources influence its ability to rectify the digital divide occurring on (or in this case, off) campus.

The digital divide has proven to be more than just a socio-economic issue. In some cases, faculty and staff live in **fairly rural regions**. To solve the challenge of limited high speed internet access, one Midwest university **deployed over 100 hotspots and resolved all but 15 of nearly 1,000 remote access issues in just over a week.** This is impressive!

National Telecommunications and Internet Service providers are stepping up to aid in the crisis. AT&T, Comcast and other service providers / carriers are now offering **free internet access via existing wi-fi hotspots to non-subscribers** across the nation. Subscribers are also seeing data caps lifted by many providers as limited data plans are often not adequate to support the needs of those new to working remote.

Cybersecurity Eco-System
Information security teams at some institutions are **preparing for a deluge of cyber security attacks and phishing schemes.** One system-wide CIO reports implementing "Virtual Private Networks, Multifactor Authentication, Data Loss Prevention on all state owned and issued devices" early on in the Covid-19 outbreak in preparation for a move to work from home.

A CIO from a University located in the Pacific Northwest indicated a deep concern for additional attacks given the new remote nature of the workforce. He indicated they are going to **require "all community members to undergo cyber security training" to raise the bar on security awareness** for all end users. Overall, human error accounts for nearly 95% of all cyber incidents, and end user actions account for nearly 60% of the total.

Huron's Healthcare Rapid Response Playbook

Huron Healthcare recently compiled and released the Healthcare Rapid Response Playbook for the COVID-19 Crisis, and the materials are already proving to be valuable for clients. Those materials and more can be found here:

The playbook provides key recommendations for healthcare organizations, with an emphasis on:
1) Leading through crisis
2) Managing cash flow
3) Evolving operations

#1 Lead through Crisis

Central Command Center
- Establish a plan to cross-train and rotate your incident/central command center leaders and support team to provide relief and back-up in case of exposure
- Ensure the team has the right support, cadence of meetings, and real-time communication methods
- Develop/update COVID-19 triage, supply and capacity plan on at least a daily basis
- Revisit expectations and decision-making authority as the crisis evolves

Communication
- Reassess your internal communication plan frequently to keep staff apprised, including how and when to expect communication
- Update your external communication plan for patients and consumers as the crisis evolves
- Develop a communication and negotiating plan with vendors and lenders
- Communicate clearly and frequently with staff and conduct "just in time" communications as needed to address immediate concerns

Operations
- Evaluate the effectiveness of your escalation protocol for critical updates regarding the status of staffing, beds, supplies, etc., through rounding with leaders
- Adjust quickly to address immediate operational issues
- Establish a revenue cycle plan to maintain staffing and focus on priorities for billing and collections

Plan for the Unexpected
- Anticipate a variety of scenarios including worst-case and work with internal and external experts to develop multiple possible solutions
- Develop short- and long-term plans
- Develop projection models to understand risks and breaking points

HURON 3

#2 Manage Cash Flow

Conserve Cash Flow
- Centralize authority and reduce purchases
- Defer capital expenditures, construction projects and major expenditures without immediate ROI
- Defer payments to vendors
- Evaluate strategies to limit risk of lenders accessing cash and investment balances

Maintain Liquidity
- Draw on available lines of credit
- Pursue additional lines with existing/new lenders even if higher cost debt
- Pursue deferred debt repayment terms and measures to limit or defer covenants
- Seek alternative lenders in case a lender freezes existing lines of credit or requires paydown of debt

Analyze Debt Covenants
- Begin dialogue with lenders to resolve anticipated issues before they become critical
- Evaluate strategic alternatives
- Outline lender, key vendor and stakeholder communication plans
- Develop negotiation objectives and approach
- Develop contingency plans and secure needed professionals

Project Cash Flows
- Develop cash flow projection scenarios to assess situation and guide needed actions
- Prepare short and long-term cash flow projections with detailed receipts and expenditures to focus on pinch points and cost reduction and deferral actions

HURON 4

#3 Evolve Operations
REVENUE CYCLE

Focus on Fundamentals
- Deploy staffing to the front-end, including clinical denial nurses, if resources become scarce and use vendors/interim resources to backfill
- Consider rescheduling non-emergent visits and cases to free up resources as needed
- Apply additional focus to eligibility processes to link patients to coverage
- Report out on key revenue cycle metrics weekly
- Monitor and enforce productivity expectations
- Ensure a high-risk follow-up approach
- Review high risk populations weekly
- Target DNFB backlogs

Covid-19 Changes
- Flag Covid-19 accounts for future analysis and tracking
- Apply appropriate ICD-10 codes
- Adjust revenue cycle processes and workflows to accommodate telehealth

Manage Denials
- Train 1-2 resources to analyze denials and conduct root-cause analysis
- Consider interim support experts
- Correct denial issues immediately
- Provide staff training to mitigate issues ongoing

Payer Requirements
- Ask for leniency on authorizations and timely filing and appeal timelines
- Seek Periodic Interim Payments (PIP) from large payers
- Create a payer matrix to track nuances and requirements

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Webcast Registration: Inside Higher Ed's Responding to the COVID-19 Crisis

Inside Higher Ed has partnered with Hanover Research to survey college presidents, collecting data on university actions but also capturing their perceptions and concerns. On **April 1st at 1:00PM CT/2:00 PM ET**, IHE is offering a free webcast where they will share insights and findings from this effort.

Some of the questions that will be addressed in this webcast include:

- How concerned presidents are about the mental and physical health of both students and employees.
- The actions presidents have taken at their institution in response to COVID-19.
- Remote learning challenges.
- When presidents expect to resume holding in-person classes

If you are interested in attending or if you would like a recording of the webcast, please click here to register