

Nation's economic standing hinges on health care debate, Leavitt says

Warning » Former Utah governor is wary of a 'public option' insurance program

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The rising share of the [U.S. economy](#) devoted to [health care](#) threatens to erode the nation's standing as an economic powerhouse and reform proposals that call for a "public option" insurance program will speed that decline, former secretary of Health and Human Services Mike Leavitt said Wednesday.

"This is a very, very important debate and it is more than a debate about our health care," Leavitt said. "It is about our capacity to sustain economic leadership among [other] countries."

Leavitt said medical entitlement programs such as Medicare and Medicaid already have run on "autopilot" for too long, without dispassionate decision-making about the appropriate role of government in health care and a system aligned to match that role.

One of Utah's most popular [governors](#), Leavitt spoke at the "Healthy Dialogues" luncheon sponsored by Intermountain Healthcare. About 250 representatives of the health care industry, local business leaders and elected officials attended the event.

Leavitt, who was elected to three terms as governor, was head of the Environmental Protection Agency and of Health and Human Services in the administration of former [President George W. Bush](#). Leavitt's family owns a private insurance business in Utah, but he is no longer part of or invested in the company.

Leavitt said health care now makes up 16.6 percent of the U.S. economy and is on its way to 20 percent to 25 percent. "I would suggest to you there is no place on the economic leader board for a country in a global economy to spend 25 percent of its entire economy on health care because it erodes the underpinning capacity for education, for infrastructure, for research and development and all the other things that have to be part of a leading economy," he said.

The United States has "essentially" decided that everyone has a right to full [medical care](#). The questions, Leavitt said, are: Can we afford it and who decides what level of care is available to whom?

Congress is currently wrestling with those questions as it considers the public option proposal as a key component of health care reform.

Leavitt said proponents see it as a way to provide health care for the uninsured, underinsured and those with plans they don't like. Opponents -- and he counts himself among them -- see the proposal as an exit strategy for employers who no longer want the hassle of providing health care coverage.

One estimate predicts 120 million people would leave private plans to join the 80 million already covered by Medicare and Medicaid in public insurance programs, he said, making private insurance no longer viable.

Congress is just beginning to get to the "nitty gritty" aspect of health care reform: What we can afford. Leavitt said a Senate bill puts the price tag at \$1 trillion without the public option; a private group that reviewed a House proposal, which includes a public plan, estimated it would cost \$3.4 trillion over the next 10 years.

Solving the health care crisis will require the system to get "less siloed and more coordinated," Leavitt said. "We've got to become more conscious of quality, we've got to have the capacity to put the incentives in the right place."

Judi Hilman, executive director of [Utah Health Policy Project](#) and a proponent of the public option idea, said all of those are addressed in proposed health bills -- including five variations of a public plan option.

"It really could be designed to create more and better choices in the private market," she said. "In rural areas, it would actually spell the difference between monopoly and a true free market."