



Medicare Forum

April 29, 2008

Newseum, Washington, DC

Medicare is indeed drifting toward disaster. HHS Secretary Michael Leavitt will provide new insights and information on the disastrous fiscal path that Medicare is on, threatening access to health care and the health of the U.S. economy. A panel of experts on Medicare will explore solutions for sustainability from their diverse perspectives.

Drifting Toward Disaster

An address by U.S. Department of Health and Human Services

Secretary Michael O. Leavitt

WITH AN INTRODUCTION BY FORMER SEN. JOHN BREAUX

Solutions for Sustainability

Alice M. Rivlin, Ph.D.
The Brookings Institution

Stuart M. Butler, Ph.D.
The Heritage Foundation

Gail R. Wilensky, Ph.D.
Project HOPE

Robert Berenson, M.D.
Urban Institute

Thomas P. Miller, Esq., Moderator
American Enterprise Institute

Welcome and introductions by

Grace-Marie Turner
Galen Institute

Robert E. Moffit, Ph.D.
The Heritage Foundation

Medicare Forum Agenda

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Welcome

Grace-Marie Turner

President
Galen Institute

Robert E. Moffit, Ph.D.

Director, Center for Health Policy Studies
The Heritage Foundation

Introduction of Sec. Leavitt

The Honorable John Breaux

Former Senator from Louisiana
Former Chairman, National Bipartisan Commission on the Future of Medicare

Address: “Drifting Toward Disaster”

The Honorable Michael O. Leavitt

Secretary of the Department of Health and Human Services

Expert Panel: “Solutions for Sustainability”

Alice M. Rivlin, Ph.D.

Senior Fellow, Metropolitan Policy Program, Economic Studies
Director, Brookings Greater Washington Research Program
The Brookings Institution

Stuart M. Butler, Ph.D.

Vice President, Domestic and Economic Policy Studies, Domestic Policy
The Heritage Foundation

Gail R. Wilensky, Ph.D.

Senior Fellow
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Thomas P. Miller, Esq., Moderator

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Michael O. Leavitt
Secretary of Health and Human Services
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Michael O. Leavitt was sworn in as the 20th Secretary of Health and Human Services on January 26, 2005. As Secretary, he leads the Nation's efforts to protect the health of all Americans and provide essential human services to those in need. He manages one of the largest civilian departments in the federal government, with more than 67,000 employees and a budget that accounts for almost one out of every four federal dollars.

During his first year, he led efforts to successfully enroll tens of millions of seniors and disabled persons in the new Medicare prescription drug benefit; mobilized the nation's pandemic preparedness; accelerated the development of health information technology standards and oversaw the medical response to Hurricane Katrina. He presided over changes in Medicaid statutes to give states flexibility to provide targeted insurance coverage to more people, and worked with Congress to pass the reauthorization of the Temporary Assistance to Needy Families.

During his second year, Leavitt spearheaded the Nation's Health Diplomacy initiative aimed at improving the health of Central Americans and bringing the countries of North and Central America closer together. He also organized a nationwide campaign to transform the Nation's health care sector into a value-driven health care system. He is intensely focused on making health care more transparent in quality and price, and reducing the time and expense of bringing safe and effective drugs to market.

Prior to his current service, Leavitt was head of the U.S. Environmental Protection Agency and served three terms as Governor of Utah.

During his eleven years as Governor, Utah was recognized six times as one of America's best managed states. He was chosen by his peers as Chairman of the National Governors Association, Western Governors Association, and Republican Governors.

Prior to his public service, Secretary Leavitt served as president and chief executive officer of a regional insurance firm, establishing it as one of the top insurance brokers in America. He is married to Jacalyn S. Leavitt; they are the parents of five children.



Sen. John Breaux
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Senator John Breaux led a long and distinguished career in Congress. He was elected to the House of Representatives in 1972 at the age of 28—at the time of his election he was the youngest member of the U.S. Congress. He represented the 7th District of Louisiana for 14 years before being elected to fill Senator Russell Long's seat in 1986.

Senator Breaux was a widely recognized bipartisan leader in the Senate, and in 1993 was elected by his Democratic colleagues to the post of Deputy Minority Whip, a position he held until his retirement. He also held a number of key Senate committee positions. A senior member of the Finance Committee, Senator Breaux served as the Chairman of the Subcommittee on Social Security and Family Policy. He also held positions on two other Finance subcommittees, the Subcommittee on Health Care and the Subcommittee on Taxation and IRS Oversight. From his position on the Finance Committee, he played instrumental roles in forging the compromises that led to passage of the welfare reform and health insurance reform bills in 1996. He was also a leader in the efforts to reduce the capital gains tax and to provide tax relief for college education expenses.

As Chairman of the Special Committee on Aging, Senator Breaux highlighted the importance of protecting and strengthening Social Security, Medicare, and other programs. In 1998 he was selected by the White House and House and Senate leaders to chair the National Bipartisan Commission on the Future of Medicare. Also in 1998, Senator Breaux co-chaired the National Commission on Retirement Policy, which produced legislation to help reform Social Security.

While in the Senate, Senator Breaux was a recognized leader on energy issues. He served as Co-Chair of the Oil and Gas Caucus and was a conferee on the energy legislation that eventually was written into the 2005 Energy Bill. Senator Breaux was active in advancing legislation to promote domestic oil and gas production, and was a Co-Sponsor of the Marginal Well Preservation Act, a tax-incentive program to encourage oil production from marginal oil wells. He was also a principal author of the Outer Continental Shelf Land Act.

Senator Breaux was a founder of the Centrist Coalition of Senate Democrats and Republicans and served as Chairman of the Democratic Leadership Council. In 2005 President George W. Bush appointed Senator Breaux as the Co-Chair of the President's Advisory Panel on Federal Tax Reform. Upon retirement from the Senate in 2005, Senator Breaux joined Patton Boggs as Senior Counsel. In 2008, he joined forces with former Senator Trent Lott and their sons to form the Breaux-Lott Leadership Group. This bipartisan lobbying firm offers strategic advice and consulting to a wide range of clients.



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Grace-Marie Turner is president of the Galen Institute, a public policy research organization that she founded in 1995 to promote an informed debate over free-market ideas for health reform.

She has been instrumental in developing and promoting ideas for reform that transfer power over health care decisions to doctors and patients. She speaks and writes extensively about incentives to promote a more competitive, consumer-driven marketplace in the health sector.

- Grace-Marie speaks extensively in the U.S. and abroad, including at the London School of Economics, Oxford University, and the Gregorian University at the Vatican in Rome.
- She testifies regularly before Congress and advises the White House, other senior administration officials, governors, and state legislators on health policy.
- Grace-Marie just completed a three-year term as a member of the National Advisory Council of Healthcare Research and Quality and recently served as a member of the Medicaid Commission, charged with making recommendations to modernize and improve Medicaid.

Grace-Marie is founder and facilitator of the Health Policy Consensus Group which serves as a forum for analysts from market-oriented think tanks around the country to analyze and develop policy recommendations. She is the editor of *Empowering Health Care Consumers through Tax Reform* and produces a widely-read weekly electronic newsletter, *Health Policy Matters*. She has been published in major newspapers, including *The Wall Street Journal* and *USA Today*, she has appeared on ABC's *20/20* and on hundreds of radio and television programs in the U.S. She also received the 2007 Outstanding Achievement Award for Promotion of Consumer Driven Health Care from Consumer Health World.

In the mid-1990s, Grace-Marie served as executive director of the National Commission on Economic Growth and Tax Reform. For 12 years, she was president of Arnett & Co., a health policy analysis and communications firm. Her early career was in politics and journalism, where she received numerous awards for her writings on politics and economics.



Robert E. Moffit, Ph.D.
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Robert Moffit has been a veteran of Washington policymaking for more than 25 years, and is Director of The Heritage Foundation's Center for Health Policy Studies.

A former senior official at the U.S. Department of Health and Human Services and the Office of Personnel Management during the Reagan administration, Moffit specializes in Medicare reform, health insurance, and other health policy issues.

Moffit's team helped develop the Massachusetts' health insurance reform initiative in 2005. The Massachusetts plan created an innovative system that empowers employees in small businesses to choose the health plan through a statewide "health insurance exchange." Since Massachusetts Gov. Mitt Romney signed this plan into law, officials in almost two dozen states have asked Moffit and his colleagues to help them develop statewide market-based solutions for their health system problems.

Moffit has been in the middle of national health care policy debates before. After joining Heritage in 1991, Moffit's first task was to frame Heritage's response to President Clinton's plan to nationalize the country's health care system. His efforts paid off in 1993: *The Washington Post* ran a feature story detailing Moffit's criticisms of the Clinton proposal, and newspapers around the country praised Heritage's proposal for a consumer-driven health care policy that would provide tax credits to help people buy their health insurance from whomever they choose.

Since then, Moffit has been a regular source for the media on health care issues. He has appeared on all major cable news channels and the broadcast networks. He has published in professional journals, such as *Health Affairs* and the *Journal of Medicine and Philosophy*. His quotes and op-ed essays have appeared in all the major newspapers, including *The New York Times*, *The Wall Street Journal*, *The Washington Post* and *The Washington Times*.

Moffit received his bachelor's degree in political science from LaSalle University in Philadelphia and his doctorate from the University of Arizona. During the Reagan Administration, he served as the Assistant Director of Congressional Relations in the Office of Personal Management and as the Deputy Assistant Secretary at the U.S. Department of Health and Human Services.



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Alice M. Rivlin is a Visiting Professor at the Public Policy Institute of Georgetown University and a Senior Fellow in the Economic Studies program Brookings. She directs Brookings Greater Washington Research. Before returning to Brookings, Ms. Rivlin served as Vice Chair of the Federal Reserve Board (1996-99). She was Director of the White House Office of Management and Budget in the first Clinton Administration. She also chaired the District of Columbia Financial Management Assistance Authority.

Ms. Rivlin was the founding Director of the Congressional Budget Office (1975-83). She was director of the Economic Studies Program at Brookings. She also served at the Department of Health, Education and Welfare as Assistant Secretary for Planning and Evaluation.

Ms. Rivlin received a MacArthur Foundation Prize Fellowship, taught at Harvard, George Mason, and The New School Universities, has served on the Boards of Directors of several corporations, and as President of the American Economic Association. She is currently a member of the Board of Directors of the New York Stock Exchange EuroNext.

She is a frequent contributor to newspapers, television, and radio, and is currently a regular commentator on Nightly Business Report. Her books include *Systematic Thinking for Social Action* (1971), *Reviving the American Dream* (1992), and *Beyond the Dot.coms* (with Robert Litan, 2001). She is co-editor (with Isabel Sawhill) of *Restoring Fiscal Sanity: How to Balance the Budget* (2004), *Restoring Fiscal Sanity 2005: Meeting the Long-Run Challenges*, (with Joseph Antos) of *Restoring Fiscal Sanity 2007: The Health Spending Challenge*, and (with Litan) of *The Economic Payoff from the Internet Revolution* (2001).

Ms. Rivlin was born in Philadelphia, Pennsylvania, and grew up in Bloomington, Indiana. She received a B.A. in economics from Bryn Mawr College; and a Ph.D. from Radcliffe College (Harvard University) in economics 1958. She is married to economist Sidney G. Winter, who is a professor at the University of Pennsylvania. She has three children and four grandchildren.



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Stuart Butler is Vice President for Domestic and Economic Policy Studies at The Heritage Foundation in Washington, DC. He plans and oversees the Foundation's research and publications on all domestic issues. He is an expert on health, welfare and Social Security policy. He is also an Adjunct Professor at Georgetown University Graduate School and in 2002 he was a Fellow at Harvard University's Institute of Politics.

Dr. Butler has authored books and articles on a wide range of issues. In 1981, he wrote *Enterprise Zones: Greenlining the Inner Cities* (New York, Universe Books), and in 1985, his book *Privatizing Federal Spending* (Universe) developed a political strategy for reducing the size of government. His book, *Out of the Poverty Trap* (New York, Free Press, 1987), co-authored with Anna Kondratas, laid out a comprehensive conservative "war on poverty." *A National Health System for America*, co-authored with Edmund Haislmaier and published in 1989 by the Heritage Foundation, laid out a blueprint for a national health system based on free market principles.

Dr. Butler has played a prominent role in the debate over Medicare, health care for working Americans, and Social Security reform, arguing for solutions based on individual choice and market competition. But he is also widely recognized as an individual who is willing to work with people across the ideological spectrum to find solutions to the nation's problems. He has written extensively on many issues and has testified frequently before Congress on a broad range of issues.

Stuart Butler was born in Shrewsbury, England, in 1947 and emigrated to the United States in 1975. He became an American citizen in 1995. He was educated at St. Andrews University in Scotland, where he received a Bachelor of Science degree in physics and mathematics in 1968, a master's degree in economics and history in 1971, and a Ph.D. in American economic history in 1978. He is married with two daughters, and resides in Washington, DC.



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Gail Wilensky, an economist, and a Senior Fellow at Project HOPE (an international health education foundation) analyzes and develops policies relating to health care reform and to ongoing changes in the health care environment.

Dr. Wilensky is a Commissioner on the WHO's Commission on the Social Determinants of Health, is co-chair of the Department of Defense task force on the Future of Military Health Care, is Vice Chair of the Maryland Health Care Commission and serves as a trustee of the Combined Benefits Fund of the United Mineworkers of America and the National Opinion Research Center. She is an elected member of the Institute of Medicine and has served two terms on its governing council. She is a former chair of the board of directors of Academy Health, a former trustee of the American Heart Association and a current or former director on numerous other organizations. She is also a director on several corporate boards.

From 1990–1992, she was Administrator of the Health Care Financing Administration, directing the Medicare and Medicaid programs. She also served as Deputy Assistant to President (GHW) Bush for Policy Development, advising him on health and welfare issues from 1992 to 1993.

From 1997 to 2001, she chaired the Medicare Payment Advisory Commission, which advises Congress on payment and other issues relating to Medicare, and from 1995 to 1997, she chaired the Physician Payment Review Commission. From 2001 to 2003, she co-chaired the President's Task Force to Improve Health Care Delivery for Our Nation's Veterans, which covered health care for both veterans and military retirees. In 2007, she served as a Commissioner on the President's Commission on Care for America's Returning Wounded Warriors.

Dr. Wilensky testifies frequently before Congressional committees, acts as an advisor to members of Congress and other elected officials, and speaks nationally and internationally before professional, business and consumer groups. She received a bachelor's degree in psychology and a Ph.D. in economics at the University of Michigan.



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Robert Berenson, M.D. is a Senior Fellow at the Urban Institute. He is an expert in health care policy, particularly Medicare, with experience practicing medicine, serving in senior positions in two Administrations, and helping organize and manage a successful preferred provider organization.

From 1998-2000, he was in charge of Medicare payment policy and managed care contracting in the Health Care Financing Administration (now the Centers for Medicare and Medicaid Services). In the Carter Administration, he served as an Assistant Director of the Domestic Policy Staff. He was also National Program Director of IMPACS—Improving Malpractice Prevention and Compensation Systems—a grant program funded by the Robert Wood Johnson Foundation, from 1994-1998.

Dr. Berenson is a board-certified internist who practiced for twelve years in a Washington, D.C. group practice, and is Fellow of the American College of Physicians. He is a graduate of the Mount Sinai School of Medicine. For ten years he was medical director of the National Capital PPO, a large rental PPO serving the Washington D.C. metropolitan areas and was co-author, with Walter Zelman, of *The Managed Care Blues & How to Cure Them*, published in 1998. A new book, *Medicare Payment Policy and the Shaping of U.S. Health Care*, co-authored with Rick Mayes, was published in 2006. In recent years, he has published widely on a range of topics including physician payment issues, private plan contracting in Medicare and cost containment.



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Tom Miller is a resident fellow at the American Enterprise Institute, where he focuses on health policy, with particular emphasis on such issues as information transparency, health insurance regulation, and consumer-driven health care. He is also a member of the National Advisory Council for the Agency for Healthcare Research and Quality.

Before joining AEI, Miller served for three years as senior health economist for the Joint Economic Committee of the U.S. Congress, where he organized a series of hearings focusing on promising reforms in private health care markets and drafted several social security reform bills. He also has been director of health policy studies at the Cato Institute and director of economic policy studies at the Competitive Enterprise Institute.

Tom Miller's writing has appeared in such publications as *Health Affairs*, *Wall Street Journal*, *New York Times*, *Washington Post*, *Los Angeles Times*, *Reader's Digest*, *National Review*, *Journal of Law and Contemporary Problems*, *Regulation*, and *Cato Journal*. He has testified before various congressional committees on issues including Medicare prescription drug benefits, medical savings accounts, tax credits, genetic information, social security, federal reinsurance of catastrophic risks, and terrorism insurance.

Before coming to Washington, he had a real life, as a trial attorney, a journalist, and a radio broadcaster (including several seasons as play-by-play voice of the Davidson College Wildcats basketball team). Miller holds a bachelor's degree in political science from New York University and a law degree from Duke University.