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Before the Senate Committee on the Budget
April 26, 2023

"Under the Weather: Diagnosing the Health Costs of Climate Change"

Chairman Whitehouse, Ranking Member Grassley, Honorable Members of the Committee:

I am pleased to come before you to speak about the implications that climate change may impose on the nation's public health. Much of my career has been devoted to studying healthcare costs, especially in the context of how these expenditures may or may not be proportionately related to improvements in the public's health.

I began my professional life on the faculty of The Johns Hopkins School of Public Health. I was part of a small cadre of economists interested in healthcare costs, an area of inquiry that exploded with the passage of Medicare and Medicaid in 1965. Both programs proved to be much more inflationary than had ever been estimated and the focus of research ever since has been cost control. While at Hopkins I founded The Johns Hopkins Center of Hospital Management and Finance, which pioneered research in all-payor hospital rate setting, hospital antitrust theory, and hospital capital markets.

After fifteen years, I left Hopkins to manage a business that I had started that analyzed hospital accounting and clinical data. Subsequently, I was asked to head the Health Insurance Association of America, now known as America's Health Insurance Plans. Following HIAA, I became president of Fortis Healthcare, a private carrier. In 1985 I founded a consultancy that advised venture investors in new companies managing healthcare risk. In 2002, I assumed the presidency of the Ewing Marion Kauffman Foundation, the nation's only philanthropy focused on promoting entrepreneurship as a means of economic expansion.

For the last ten years I have served as University Professor at Syracuse. Pertinent to today's hearing, for more than two years my principal area of research has focused on the effectiveness of the nation's response to COVID. Also for two years I have served as a member of the COVID Crisis

Group operated from the University of Virginia, which only yesterday published our findings, *Lessons from the COVID War: An Investigative Report.*

As the Committee considers the question of the public health implications of global warming, I want to emphasize two issues. The first involves efforts to expand the idea of what "public health" is and why it is seen by many to be failing. As most of us would agree, the CDC, the nation's principal agency charged with protecting public health, failed to effectively control the COVID pandemic. I believe the principal reason is that both the CDC and the country's larger public health establishment, reflecting in part initiatives of Congress and major philanthropies, have expanded the scope and definition of public health such that its boundaries are nearly meaningless to the public.

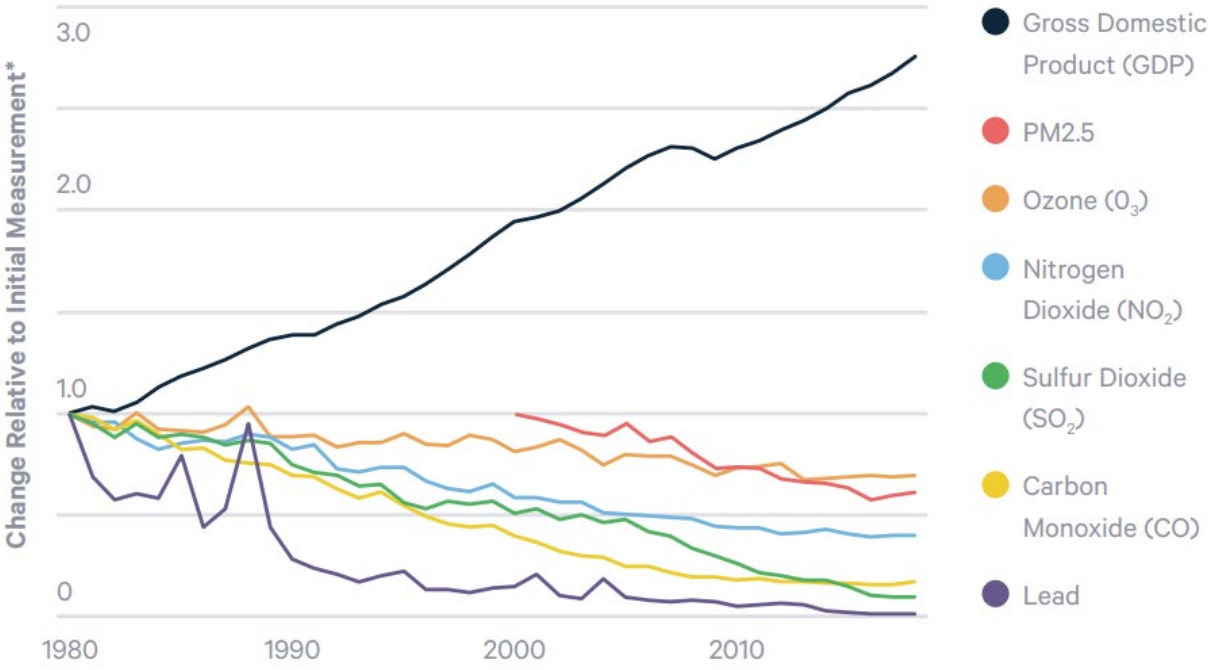
Consider that the CDC currently deals with a wide range of problems that are not encompassed by the traditional definition of public health, which is "the science and art of preventing disease, prolonging life and promoting health." Instead it deals with a long list of "epidemics" that are not related to communicable pathogens and cannot be corrected by traditional public health tools. Among these are these "epidemics" are gun deaths, traffic fatalities, obesity, domestic violence, workplace accidents, and a long list of issues distant from traditional public health threats. In addition, we find the CDC working on problems that, again, cannot be solved by the tools used to prevent the transmission of diseases. Two of the newest involve the CDC's attempting to ameliorate the "social determinants" of health, and its commitment to promoting health equity. Simply, the CDC is the archetype of an agency beset by "mission creep."

Thus, even if global warming presented a clear and present danger to the health of every American, there is little that the CDC can do to mitigate such a threat. Among other things, the agency's managerial focus is so diffuse that it is unlikely that it could effectively absorb another issue, particularly one in which the correlation between global warming and population health is so ambiguous.

My research on the CDC budget suggests that only about seven to eight percent of its workforce is engaged in traditional efforts related to identifying and controlling contagious biological threats. Far more CDC professionals labor on international health issues that may or may not be related to protecting the US population from communicable threats.

On the brighter side, however, there is evidence that human intervention, targeted at making the air the nation's citizens breathe, a critical aspect of global warming, has likely produced significant gains in public health. Here the US record is decidedly positive. Since the passage of the Clean Air Act in 1970, dangerous particulates have fallen significantly. Simply, the US makes every new unit of GDP with fewer noxious agents that threaten the public's health. Among other obvious benefits is the precipitous decline in lung cancer. In both women and men lung cancer accounts for 22% of all cancer deaths. Yet, lung cancer mortality has declined, with the death rate 30% and 54% lower in 2018 than it was at its peak in women in 2002 and men in 1990, respectively.

Figure 1. Change in Gross Domestic Product and Six Common Air Pollutants, 1980–2018



What's more, during a similar period, our economy has become substantially less dependent on carbon as the energy source for economic expansion, significantly reducing the US's actual contribution to overall global warming.

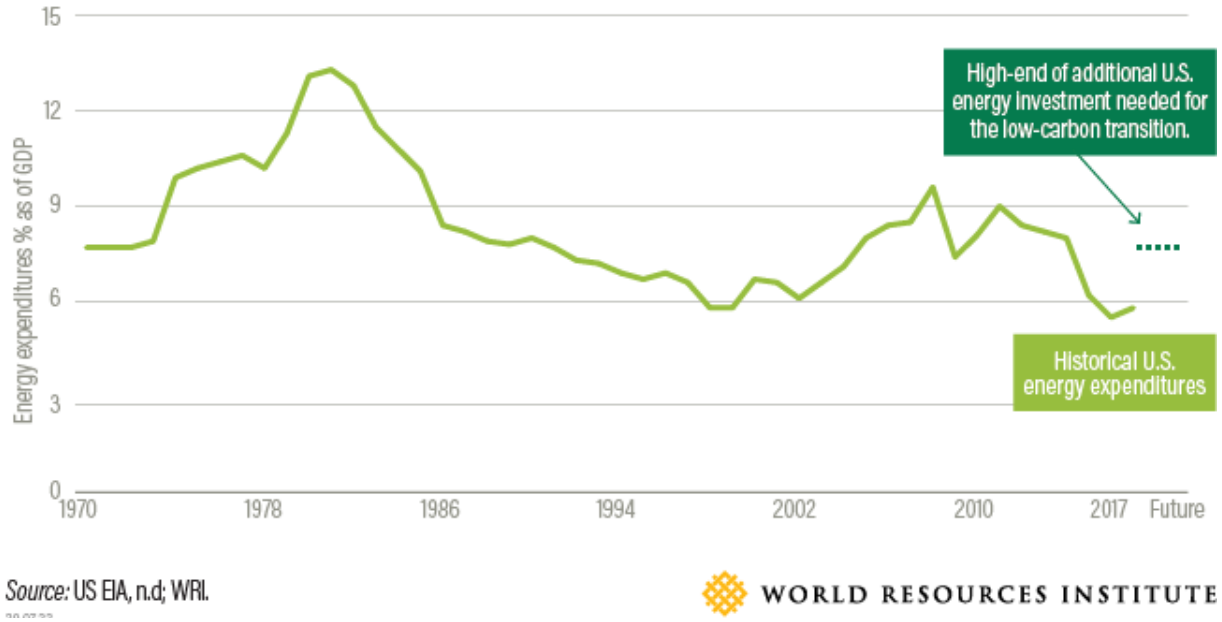


Figure 2. Total Energy Spending as Share of US GDP

The lesson here is critical: Economic growth can be sustained with increasingly less reliance on fossil fuels. Just as in times past when sanitarians and civil engineers designed our nation's water and sewer systems, achievements on which fundamental public health advances continue to be based, today's environmental engineers are reducing the health threats that global warming may represent.

Let me conclude by emphasizing the importance of keeping the CDC's work focused on the detection and prevention of communicable diseases. In my opinion, the CDC does not now have the scientific footing to undertake a vaguely described concern over the possible links between global warming and its impact on the nation's public health, if any. If the past is prologue, however, the agency would be enthusiastic about adding more to its portfolio. As the committee considers this question, I would respectfully suggest that there are other agencies that are better suited to such considerations, the Environmental Protection Agency being one. In many ways, as you consider the future of the CDC, it seems to me that the Congress would be well advised to supervise the management focus of that agency to ensure that its primary interest is in protecting American health in the face of potential and traditional pandemics related to biological threats.