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AN INTERVIEW OF THE FIRST LADY
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Q As I watch you run around and meet all of these different people, I'm reminded of this sweatshirt my husband bought me, that I believe that God put me on earth to accomplish certain things. I'm so far behind now I will never die. (Laughter.) (Inaudible) feeling as you flit from city to city.

But I wonder as you leave a forum like this, Mrs. Clinton, what do you get out of it? Some of the stories are heart wrenching.

MRS. CLINTON: Yes, and I keep those stories in my mind. That has been the best part of this experience, in a personal way, for me, because I literally have this movie running in my head, where I can see the face of the woman who is the dairy farmer in Vermont, or the woman who is the day care operator in Rhode Island, the small businessman in upstate Maine.

Q Did you ever alter your thinking, then, or (inaudible) because you (inaudible) fine tune this a little bit?

MRS. CLINTON: Sure.

Q Will this change anything today?

MRS. CLINTON: Well, I think that there are issues that we have to keep looking at and have to be open to better ideas to try to (inaudible).

Q Did anything stand out here today for you?

MRS. CLINTON: Well, I'm obviously concerned that we don't do anything that undermines our competitiveness in

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the biotech arena, because it is a very important part of the common need in many states. So I want to be sure that we take another look at that, and that we work with people that have good ideas. So those are the kinds of things that I take back.

I take notes. I make notes to myself on the notes, and then when I get back I try to follow through and say, you know, how is this going to work, and let's make sure we have the best venue we can have.

Q You are wonderful at marshaling the facts and explaining them, and certainly focusing the country on the goals here (inaudible). There's certainly no debate on the need and the goals, but rather the strategy. When someone asks, you know, why reinvent the wheel, you know, how can you be so confident that this major overhaul -- just take, for example, the alliances, and trying to evaluate them. Just that part of the system is so huge, such a giant task, how can you be sure it will work?

MRS. CLINTON: Because we have lots of evidence from around the country about what works. If we take what we have learned from what states and cities, what large companies have done, we can see a pattern. For example, we know that if we pool purchasing power by small businesses and individuals that they are going to get a better price for the health care that we would all want to be able to afford.

Q But you worry that the organization of it is just so big, just by the sheer volume, certainly, some of these programs that you're working with -- well, that you referred to -- are such a much smaller scale. You worry about being drowned in the administration of it, and many others are.

MRS. CLINTON: No. No, because I think others are looking at it from two perspectives that need to be kind of corrected. They're looking at it and saying to themselves, well, gee, we've never bought insurance like this before. But that's not really the case. I mean, if you look at very large insurance purchasers, like the big pension and retirement system in California, or a giant corporation, what they do is pool all their resources and then go out into the marketplace.

What we're saying is that through a purchasing

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cooperative -- which is very familiar to people in the agricultural area or who buy supplies at discounted rates through volume purchasing -- that if we put that purchasing power together, then we will be able to go into the marketplace together and buy a better deal for health care.

Q I guess part of what we -- what comes into play, here, is that people don't trust the government to get it done right. Certainly your husband, when he was campaigning, alluded to the bureaucracy of this government and what had it ever done and run correctly. You know, why would anyone think that this, the biggest undertaking perhaps ever by the United States government, would work?

MRS. CLINTON: It is not going to be a government-run program, it is going to be administered at the state and local level. And remember, we talk about the alliance. We're talking only about how we finance health care, not who your doctor is, not which hospital you go to. There is a difference in how we collect the money and then go out and buy what we want in health care, and who the providers are that we want to pay, so that the government is not going to run either one of those.

Q But it will collect and disburse the money?

MRS. CLINTON: At the state level and within the states, but not through the federal government. The federal government will set a framework. Every American will be entitled to certain benefits, and that will be enforced. But Massachusetts may decide to do it differently than Vermont and Maine, or whatever.

Q That's definitely still in the plan, then, that the states have the option to opt out of this, too? Is that right?

MRS. CLINTON: Well, the states can choose how they're going to organize this as long as they make sure everybody in their state gets health care. Then they can decide how, on the ground, they think it's best to do it.

Q What about this single-payer system, that in support of the cheap competition (inaudible) congress right now? Why not do that?

MRS. CLINTON: Well, the single-payer system has a

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lot of very strong features, particularly the universality of coverage and the ability to control costs. But if you look closely at single-payer systems even operating in the world today, you can see the same trends of increasing health care costs because they don't have any competitive delivery system.

They're not really able to learn from the hospital in the next state or the doctor in the neighboring town who is doing something differently and getting more value for the health care dollar. So what we did was to say, any state that wants to can pursue a single-payer plan, but we want to take the best features of single-payer, which is making positive that everybody gets health care, and doing it by reducing the cost of the system, but adding to that approach the kind of market forces that we think will keep everybody on their toes, will kind of keep saying, how can we do this better? How can we take care of more people for less money?

So what we really try to do is marry the single-payer goals and the kind of market approach that some have advocated to give what is a very American response to the health care needs of our country.

Q Now should the single-payer system, as represented (inaudible) put forward, pass, let's just say, in congress, over the Clinton plan, would President Clinton sign it?

MRS. CLINTON: I think that that is such a hypothetical, because in order to pass (inaudible) you would have to raise about \$400 or 500 billion in taxes, and I don't think that is in the cards.

Q Is that so, or -- there are some who would say that not a single more dollar really would have to come out, because you already are paying insurance premiums, and you are already paying taxes in the way of Medicare and other federal and state taxes. And if you took all of those monies and put them into the single-payer system, it would be -- it would be a (inaudible).

MRS. CLINTON: Well, that may be, but it would mean turning over all of your private funding for health care to the government. And the concerns that you expressed earlier in the interview that some people have about alliances which are not federal government, and not even governmental in that

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sense, would be extremely strong with those who are critics of a single-payer system.

Because it may be that you could tell people: what you now pay for health care you essentially will just pay for in taxes. But it would still require raising that tax money. And I don't think that that is something that the American people right now are willing to do, to turn over the control of our health system to the federal government and to raise the taxes to do it with an open-ended kind of obligation, without the sort of competition that we think will produce higher quality, better outcomes at more cost-effective ways.

Q Which of course plays into the -- the cost is so complicated (inaudible) that we wouldn't expect you to try to explain, nor would I ever understand it. But even -- but you heard people today tell you -- the small business people -- how concerned they are about the cost (inaudible), whereas in a single-payer system, 80 percent of the burden would not be on the employer. It would be spread out differently, as you've just noted.

I mean, how do you -- what do you say to those small business people? I mean, it's not -- clearly, I'd like it -- and my ear is kind of to the ground, too, because of my work here. People are reduced to tears, concerned that they're just not going to exist anymore.

MRS. CLINTON: Well, that is unfortunate, that people have been scared like that, because there's no grounds for it. You know, I looked very carefully at the single-payer system, and if you look at any of the bills that are pending, there would be a payroll tax. There would be an income tax. There would be a lot of taxes that would impact heavily on employers as well as employees.

There is no easy way to pay for universal coverage. We think, though, that building on what already exists -- you know, 100 million Americans already get their health care from the employer system. So let's build on what works. Let's bring down the costs for those who already pay, and yes, let's ask everybody to pay something, but let's provide discounts to small business so that it is affordable.

Part of the reason that small business people get so concerned now is that -- I would, too, in today's insurance market -- they know what has happened to them. We

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heard the stories today, you know, double digit increases in their health care benefits every single year, sometimes from month to month.

So they are rightfully cautious and concerned, but what they have to understand is that we are changing the whole system. They will no longer be out there alone or in a very small group that they tried to band together in defensive ways. They will be part of these big alliances. They will have much, much lower costs, and in addition will have protections against their costs going up because of the ceilings that we're putting into the system.

So I think most small businesses, once they really look at it, are going to find it a cost that they can afford as long as they don't get scared away because of what they fear will happen, instead of the reality.

Q (Inaudible) anxious (inaudible) so I'll let you go, but I have to wonder: is there a personal level (inaudible)? It has to be a little bit scary (inaudible). I mean, you know that (inaudible) human being, we're fallible, as bright and knowledgeable as you are. If you go to bed at night saying to yourself (inaudible).

MRS. CLINTON: Sure, because, you know, these stories that I heard today, every single one, whether it was, you know, the nurse with MS, who is desperately trying to keep working to keep her insurance, and the, you know, lobster man from Maine who worries about whether he can pay for his sternman -- I mean, I worry about all these people.

And I think carefully every chance I get about what we're proposing and how it will really impact, how I can better communicate what the President is trying to do, because there is such a need for us in the country to really be educated about how our health system works now.

You know, a lot of people don't know Medicare is a government system. Every time somebody says, don't have the government involved in health care, I say, well, gee, do you know anybody on Medicare? And of course they do -- and that's paid for by all of us on a payroll tax.

Q But there's only so much they can get (inaudible).

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MRS. CLINTON: But you probably -- you've got to do a reality check all the time, which is why I love coming and hearing from people who tell their real stories. And then we take that information back and we go back to the drawing board and say, let's make sure that we think this is really going to work.

Q Well, everybody hopes it works. We wish you well.

MRS. CLINTON: Thank you very much.

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