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Democratic Governors Association

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REMARKS BY THE FIRST LADY  
TO THE DEMOCRATIC GOVERNORS ASSOCIATION  
Woodstock, Vermont

MRS. CLINTON: Thank you. (Applause.) Thank you very much. Thank you for that kind introduction and thank you for holding this meeting in Woodstock, Vermont. It is a great pleasure for me to be back in Vermont and to have a chance to see some of you. And I hope later in the afternoon to have a chance to visit with some of the citizens here in this community.

I also want to thank Governor Walters, as the chair of the Democratic Governors Association, for inviting me to speak with you and with the governors today. And it is particularly fitting that this meeting would be held in Vermont, because it is a state that has done more than just talk about the importance of health care reform. It has been out front on this issue, and has put forward some of the most forward-thinking proposals that we have been able to review and analyze, that would move our country toward expanding coverage for all citizens and lowering costs. And it is no surprise that Vermont is in this position.

For years, Senator Leahy has been fighting to improve health care, and has particularly argued strongly about the role of states in improving health care and how imperative it is to move on reforming health care now. And I personally have benefitted a great deal from my relationship with Senator Leahy and the work that he has been willing to do with me. And I am very grateful for that.

And at the same time, it is always a pleasure to have a governor like your governor, Governor Dean, who fights hard from the perspective not only of a governor and someone who has to make these hard decisions, but for him, health care reform hits very close to home. As a physician, he has lived with the problems of today's patchwork system. He has seen the people who have been left out. He has dealt with the problems of a practitioner. He and his wife, Judy, stand out as examples of what the medical profession should be about -- people doing their best to care for those in need. And I've learned a great deal about this issue from Governor Dean, and I am very grateful for that.

Before I go any further on health care reform, however, I want to announce something of great importance to the state of Vermont. I was informed late last night by the Department of Labor that two emergency applications to assist dislocated workers here in Vermont have been approved. And I wanted to come and announce that today because there are hundreds of workers at IBM and at St. Johnsbury who would otherwise not know today that they were going to get some assistance when they have been laid off. (Applause.)

The two grants total \$1,225,000 and they will assist approximately 800 dislocated workers. And I told Senator Leahy and Senator Jeffords and Congressman Sanders, all of whom I flew up with today from Washington, that the administration was very committed to continue the kind of economic efforts that it has started in Washington so that we could in the future see fewer of these kinds of abrupt changes that throw people out of work who have been working hard all of their lives. And what we hope to do is to have the kind of partnership with the states and local communities, with new leadership on the economic front in Washington that enables us not just to help dislocated workers, but to locate more and more people in jobs that will not be dislocated in the global economy that we are confronting. So I am delighted to be of assistance in announcing this grant to make it clear to Vermont that Washington does know where you are, Governor, and Washington cares about the people of Vermont. (Applause.)

Because, you know, our nation's competitiveness ultimately rests on the skills and talents of our people. And if we do not have a work force that is well-equipped and ready to go to work, to be competitive, then all the rest that we talk about cannot come to pass. And it is clear that health care reform is an economic issue as well as a human one. We have to be able to provide the kind of security with a good job and good health care benefits that people deserve to have. It is with that kind of security on a personal level that will enable people to make the kind of commitments to the future that we need them to make.

So this is an issue linking economic security and health care security that we have to talk about now and into the future as many times as we have the opportunity to do so, because we cannot separate the health care reform debate from the economic competitiveness position of our country, and we cannot let people live with the kind of insecurity that comes when they can show up at work one day and told that their company is shutting down that afternoon, and that whatever benefits they once took for granted will no longer be there. That has to end in America, and this is one of the ways we can do that. (Applause.)

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Which is why it is so important that governors like those whom you see before you stay intimately involved in the health care reform debate. Because I know, from the 12 years of experience that my husband had as the governor of a state, that often that is where we find out what is really meant by national economic policy or health care policy, because bills can be passed in the Congress, but they have to be implemented at the state and local level. And so it is imperative that people with the kind of experience you see before you stand ready to advise, to experiment, to come up with the kinds of ideas that will enable us to have a national health care reform system.

Because imagine, if you will, seeing the health care reform issue from the eyes of one of these governors who is sitting here, just as my husband was for 12 years. He remembers what it was like to see the number of uninsured and underinsured people. He remembers what it was like, despite the best efforts of the states to try to control costs, to watch them continue to accelerate it. He remembers what it was like to try to deal with the budgetary pressures that were pushed upon the states by the human need underlying the expansion of Medicaid. He remembers what it was like to have businesses coming in to see him who were saying, we want to keep providing benefits because it's the right thing to do, But it becomes harder and harder every year. And he remembers what it was like, being on the receiving end of a bureaucracy in both the public and the private sector that second-guessed decisions, that peered over shoulders, that employed people not to deliver care but to check up on those who were. He remembers and he wants, therefore, to take that experience and put it to work along with these governors to make the changes he knows need to be made.

Because the problems are felt most clearly at the local level, we need a national partnership in reforming health care. It will require national solutions, but it will absolutely require states to be involved in implementing those solutions. States cannot solve the health care crisis on their own. No matter how innovative -- and we have before us today, the most innovative among our governors -- But they cannot on their own deal with what is a national problem.

So I'd like to take a few minutes to talk about the process we have undertaken to improve the country's health care system and to talk about the fundamental goals of our reform. First, as Governor Dean has already said, we tried to pull together from across our country people from every walk of life, every kind of experience, who knew what the problem was and had experienced it firsthand. We felt strongly that state government had to be represented in that process. Many of these governors and many others sent staff members to work with us, came in themselves to attend

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meetings, gave us the benefit of their deliberations as they drafted legislation, worked with legislatures and with groups in their own states.

We have been meeting on a regular basis, and we have found, as you might guess, that our process has been improved because of the contributions from the state and local level. We've held more than 1,000 meetings with people who have a particular point of view on health care reform; because just about everyone in this country does have a stake in making sure we do it right.

And it's been interesting to me to see how willing people have been to put aside their own particular point of view to try to look at the whole; because it is unlikely we will or anyone could come up with a proposal that would satisfy everybody. Everybody will have to move a little bit in order to get to a point where the whole will be bigger than the sum of its parts. And many people have been willing to do just that in our efforts to craft this proposal.

We have also been working hard to educate ourselves, the American people, about what is at stake. When people understand how the health care crisis impacts on them personally, not just in terms of whether or not they have insurance, or whether their insurance this year costs the same as it did last year, or whether they fear losing insurance because of something beyond their control like a preexisting condition or their inability to change jobs, or even whether they stand scared on the precipice of the next health care disaster because they don't have insurance, but when they begin to see their personal situation in context with what is going on in the broader community, then we make real progress so that everyone understands how the pieces of this fit together. That's the kind of educational process that we are engaged in now that each of you is a part of.

It's important, as I walk down later this afternoon this beautiful street I rode up to come to this meeting, to know that as I will pass store after store after store, some of the people working in those stores will have insurance; down the block some will not. If a medical emergency happens later this afternoon, the person will be taken to the nearest hospital without regard to that. The person will then be given the care that is needed for that emergency, because it is not fair to say that people go completely without care in our country. They get care, but often only in an emergency, only when it's become more expensive than it should have.

And regardless of whether that person had the insurance to take care of that emergency, it will be paid for by those of us who do -- those of us who carry private insurance; those of us who

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have employers who pay for it; those of us who have government assistance. That is one of the reasons why when one looks at a hospital bill you're sometimes struck by the fact that aspirin was charged to you for \$20. It's not because it's worth \$20, it's to take care of those people who were taken of who didn't have compensation.

Or when we think about what it's like for people who are trying to make job decisions, and they can't make them to use their best talents to be competitive because they can't leave a job where they have benefits.

And when people begin to understand how we are all in this together, how today is not at all secure with respect to what we will have tomorrow, then the education process really takes hold -- because the most important thing that I have found as I traveled around the country, no matter whom I have talked with, is security. That's what people want. Whether they think they have it now or whether they never have, they want the security to know that their primary and preventive health care needs will be taken care of and that their acute and chronic needs will be taken care of.

This is the key to what kind of health care reform we have to offer to the American people, because what we have to be able to say at the end of this process is that if we enact the President's proposal, those millions of Americans, nearly 40 million now, who do not have any insurance will have health security. Those millions more who have some insurance but not enough if the real emergency comes, will have security. And most importantly, the majority of us who do have some insurance, who feel that we have taken care of ourselves, through our own efforts or that of our employers, we can rest assured we will have it next year and the year after and the year after that. No matter who we work for, no matter how sick we might become, no matter who we marry or the state of the health of the child we bear, we will all be secure.

We have to make it possible for every American who works for a living, who pays the bills, who takes care of raising their families, who pay the taxes, that they do not have to fear going without insurance and health security. (Applause.)

You have before you governors who have taken impressive steps on their own in the absence of federal action, who have tried to meet the needs as they saw them in their own states. Governor Chiles from Florida has a health care reform act that will bring the promise of care to many Floridians who have never had insurance. You know here that Governor Dean's Vermont Health Care Authority is working hard to provide universal access in a way that makes the most sense. Governor Jones and Governor McWherter have been fighting for

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better health care in their states and have come forward with comprehensive legislative proposals.

The national reform effort will bolster these efforts, will support them, will enable them because we will have a national framework within which the responsibilities of the federal government will be spelled out and the responsibilities of the state government. That is an issue that Senator Leahy has been working on for a number of years with my good friend, Senator Pryor from Arkansas -- to build up this kind of partnership between the national and state governments.

Once the new health care system is up and running, every American citizen and those who are permanent residents in this country will get a health security card. That card will guarantee all Americans a comprehensive package of benefits, no matter where they work, where they live, how old they are, or whether they have ever been sick.

The benefits package will emphasize primary and preventive health care because we have to begin to redress the imbalance that has been allowed to develop in our health care system where we had the most highly sophisticated health care available anywhere in the world; so that you could with great ease and comfort of mind know that you could get a heart bypass, but you could not be sure that you would be able to get your child adequately immunized. We need to reverse that. To not do anything that endangers the quality of the very top of our health care system, but to build up the base so that we can provide more services and save more money because we will allocate our resources better. (Applause.)

Second, we are going to make sure that with that health card that guarantees those benefits packages, we will be bringing costs under control. You see, every day what happens is that health care is priced out of reach of many Americans. Many of you have seen your own personal costs, your business's costs, your state's costs get driven out of sight. I know that Florida's health care costs, for example, have quadrupled in the last 12 years, and that is happening all over the country.

This forces us as individuals, as businesses, as states, and as the federal government to absorb more and more red ink. And it forces many segments of the health care system to shift costs wherever they can find those dollars. That's what leads to the \$20 aspirin. All of us bear the burden and if left unchecked, health care costs will continue to hurt our families, bankrupt our businesses, and our state budgets, and drive the federal deficit ever and ever higher.

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But there has been some innovative efforts at the state level to try to get a hold of costs. Governor Romer's program, Colorado Care, for example, confronts the cost problem head on, something the federal government for the last 12 years has never been able to do. We will learn from the efforts of Colorado and other states how best to control prices within the health care system, but it will be absolutely necessary as we move to a reform system to realize that if we do not control the costs, we cannot reach universal coverage and we cannot provide the kind of broad-based benefits packages that Americans deserve to have.

So we will have the rein in health care costs in several ways. We will have to get rid of incentives for doctors who do more tests and procedures. Instead, we will create a system that encourages cost-effective, high quality care where doctors and patients can again be at the center of the relationship, and where decisions can be made not on how something will be reimbursed, but on whether a doctor believes it is best for a patient.

We will have to reduce the bureaucracy and micro-management that absorbs billions of dollars out of our health care system, and that so many of you have complained about because it adds unnecessary costs. And we will have to tell health care institutions and providers that we all must learn to live within a budget. We can no longer write a blank check for health care in this country. (Applause.)

We will have to ask everyone -- workers, employers, doctors, nurses, other health care providers, hospitals -- to do their part. We'll have to tell every other aspect of the health care industry that it can no longer expect to be raising its prices and profits growing at two to three to four to five to eight times the rate of inflation. We're going to tell workers that if they do not do their part to be responsible users of health care, then we will never be able adequately to rein in costs. But we will also have to tell companies that do not cover their workers today and, therefore, drive up the costs for all those other companies that do, it is time, finally, for everybody in America to take responsibility. That has to be one of the keys to our future. (Applause.)

There can't be any more free lunch. There can't be any more free health care to which people feel they are entitled. There cannot be any more people who take advantage of the system and basically take a free ride. It is only fair that we all pay our share.

Now, Governor Roberts from Oregon knows that this is no easy task. But Oregon took this issue on anyway by asking employers to contribute for their workers' health care. And it means that

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everyone will share the burden. It will be, therefore, spread more evenly across more people, which will enable all of us to have more security, a better functioning health care system, and lower costs.

And we're going to tell individuals who think they can get by without coverage because they're 25 and believe they're immortal, that when they have that terrible accident or unpredicted illness and end up in the emergency room or in the ICU and stick us with the bill, that we're not going to let that go on any longer. Everybody will have to contribute to the health care system, just like in many states they have to have auto insurance -- because nobody can predict when you're going to have that accident or you're going to have that illness, and it's time that everybody bears their fair share of the responsibility for taking care of those accidents and illnesses when they occur. (Applause.)

It is an absolutely critical part of this plan that people become responsible. Many of the problems that we are dealing with in Washington today have been made all the much harder because of years of irresponsibility at the federal level. It is time for us to go beyond partisan politics, to go beyond ideology and to say, responsibility is not a Republican or a Democratic or a liberal or a conservative concept. It is at the root of what it means to be an American, and we're going to start insisting upon it being present once again in this country. (Applause.)

Thirdly, we are proposing a wholesale reduction of the frustrating and wasteful paperwork that eats up the health care system. When you look, as Ira and I have, at the volumes of regulations that have been put into effect over the years, the stacks and stacks of forms, you ask yourself: Where did all this bureaucracy come from? And the short answer is, it came from everywhere. It comes from private insurers, it comes from the government. Forms were created to make sure forms were filled out properly. And it makes it impossible, often, for the most vulnerable people to get the care that they need. And it also has undercut the delivery of care. Because as the number of health insurance companies grew -- and today there are more than 1500 -- so did the number of forms. And the result is that, instead of a system in which patient care and doctor decision-making and nurse caring drive the system, paperwork does.

Most nurses now spend nearly half of their time filling out forms. Most physicians now spend an extraordinary percentage of their income contributing to the bookkeeping and accounting necessary to fill out forms. Patients don't know how to read these bills. They don't understand these forms. Those of us who have gone to school longer than we'd like to admit can't understand these forms.

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And, yet, we are continued to be deluged by them because that is the excuse for not getting to the heart of the problem.

We now need to make it clear that what is going to count is quality outcomes, not paperwork processing. And if we do that -- (applause) -- if we do that, then consumers will see a health care system made understandable and easy. One insurance form for everybody; a report card for quality that is understandable so that choices can be made; no hidden fine print. And doctors and nurses will finally be able to do what they were trained and educated to do: keeping people healthy, not filling out forms.

And again, the states are paving the way. Governor Sundlund's "Right Track" program holds out the promise of coverage for all Rhode Island's children by streamlining so many of the programs that affect children. Governor Carnahan recognizes that providing responsive primary and preventive care can mean more than bringing children to health care providers, it means bringing the health care providers to the children. And Missouri's initiative to provide health care to children in schools will focus on making the state a primary care-giver for many children and eliminate a lot of the unnecessary bureaucratic maneuvering and cataloging of kids that goes on now.

Let's take a child as a whole person, figure out how to take care of that child. Don't divide them up into little pieces that fit into the welfare bureaucracy, the health bureaucracy, the child support bureaucracy, the education bureaucracy. That's what Missouri is trying to do. That's what this country needs to do. Because if we focus on preventive care and eliminate the administrative hassles that now exist, our reform efforts will work, and more children will be healthier.

Fourthly, this reform will focus on addressing long-term care. This is a problem that we need to get ahead of the aging curve on as soon as we can. States have a large stake in providing and paying for this country's growing need for long-term care.

Now, many will tell us to put off consideration of this issue and not to do anything. That's the way we got into all of these problems. Don't take on any hard issues. Don't expend any political capital. Don't make -- (gap in tape) -- and maybe the voters will just think you're doing a good job. We've got to put those days behind us. If we don't begin to address long-term care now, in four or eight years we will be so much further behind it will be an extraordinary financial and human drain for us to begin then. We have to make a start. And we need to do that by building up the infrastructure in the states so that people who wish to stay in their homes and out of institutions will have that option. And people who

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need intermediary care, whether it is adult day care or congregate housing, will have that option.

As you know, individuals and families are too often bankrupt by long-term care. And it is not fair to make them make that choice between money or dignity. We need a system in which we give real choices to the elderly and the disabled. And if we have an administration and we have states that are willing to embark on this partnership together, we will create more options for community-based care, which is not only what people tell us they want, but is less expensive and will enable us to cover more people. So we will expand home and community-based care in this reform proposal so that people with severe disabilities will have access to a broad array of services, coordinated by a case manager, tailored to individual needs. And by expanding this availability of care, seniors and disabled citizens who can't manage on their own will remain in their own home or their own community as long as possible. (Applause.)

Finally, we will improve the availability of health care in underserved urban and underserved rural areas. It will not do us any good to have a health care reform system that holds out the promise of health security if it does not deliver. There are many parts of our country that have traditionally not had adequate access to health care. I don't need to tell Governor Walters or Governor King that a health security card alone will mean little to people unless we guarantee that the services they need will be available for them in even the most remote parts of America.

The President's plan will bolster these efforts by targeting funds for areas that are now underserved. It will strengthen the health care infrastructure in these areas by linking community-based centers to other hospitals and providers, and will offer incentives for the National Health Service Corps and other programs to encourage doctors to practice in remote parts of our country. That is one of the most cost-effective things we can do to encourage doctors and nurses and others to pay off their loans, to be forgiven for their loans, if they will go into areas that need their help. There is hardly a program that is more worthy of consideration than that, and it will be reinvigorated after being allowed basically to die on the vine over the last 12 years.

If we make sure that all of our people are covered by integrated delivery networks, like Governor Dean and others are talking about, then nobody, no matter where they live, will be without access to decent care.

For 12 years, these governors and those who served with them and before them have taken the lead in keeping health care on the agenda. Before my husband was elected President he worked with

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the National Governors Association to craft a bipartisan approach toward health care reform. It is that kind of attitude we need to encourage not just at the state level, but in Washington as well.

We need to end the partisanship. We need to recognize the federal government does not have all the answers, that it needs to work with the states to solve the health care crisis. In order to do that, we need real leadership from the top. And that's what this President is willing to offer.

The federal government will establish the framework and set the standards, but it will be us to the states to tailor the program to meet those standards and offer the guaranteed benefits in ways that each state thinks will work best for that state. We cannot do this without that kind of partnership. And we need that partnership to continue that has already started so that we have the benefit of your advice and counsel.

There is no way that we can wave a magic wand or even pass a piece of legislation that will overnight solve all of our health care problems. Too many changes in attitudes and behavior are going to be needed. But we do know we have to take a comprehensive approach so that we look at all these problems at one time.

The President has appreciated the advice and help from the governors. We look forward to working with the governors in the weeks and months ahead, because we believe that with a health care reform plan that truly provides security for every American we will be on the way toward making it possible for this country to regain its economic leadership and its competitive position because health care reform is part of the economic plan that the President has for America. One can not proceed without the other. Both together will not only secure security for each of us, but will ensure security and leadership for this country that we all love.

Thank you very much. (Applause.)

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