

# Withdrawal/Redaction Sheet

## Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. paper	Remarks by the First Lady During Minnesota Satellite Teleconference; RE: personal info [partial] (6 pages)	09/17/1993	P6/b(6)

### COLLECTION:

Clinton Presidential Records  
First Lady's Office  
First Lady's Press Office (Lissa Muscatine)  
OA/Box Number: 20106

### FOLDER TITLE:

FLOTUS Statements and Speeches 1/18/93--9/20/93 [Binder] : [Minnesota Satellite  
Teleconference 9/17/1993]

2011-0415-S  
ms122

### RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

9/17/93  
Miscellaneous Satellite I documents

PHOTOCOPY  
PRESERVATION

MINNESOTA SATELLITE  
CONFERENCE  
9/17/93

PHOTOCOPY  
PRESERVATION

THE WHITE HOUSE

Office of the Press Secretary

For Internal Use

September 17, 1993

REMARKS BY THE FIRST LADY  
DURING MINNESOTA SATELLITE TELCONFERENCE

DR. WALLER: -- our privilege also to welcome the First Lady of the United States, Mrs. Hillary Rodham Clinton. She has worked tirelessly to develop the plans and solutions for one of the most significant and important issues facing America today.

Also joining us by satellite will be Senator Dave Durenberger, who is in St. Cloud tonight. Senator Durenberger has been a pioneer and a leader in health policy issues since he was elected to the Senate in 1978.

Also by satellite, we are pleased to have Senator Paul Wilstone, who is in Moose Lake, Minnesota. Senator Wilstone has had an active interest in health care since his election in 1990.

This program is introduced and produced by the National Health Policy Council. This was formed in 1987 by Dr. Steve Gleason from Des Moines, Iowa. And the purpose of the Council is to educate Americans about the need for health care reform.

Tonight's program will be one of the first in a series of programs, sponsored by the Council, to help educate Americans about the importance of health care reform and give Americans the opportunity to talk with Mrs. Clinton and other health care providers about important issues related to health care. Tonight we'll have an opportunity to talk with several of our citizens from the State of Minnesota.

There is much good about America, American medicine, but tonight we are here to talk about problems, and here to talk about solutions to those problems. We have several difficult tasks at hand: How do we manage the rising costs of health care? How do we provide care for all Americans, and at the same time how do we improve quality, and how do we preserve dignity and freedom of choice?

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These problems transcend, they go beyond partisan politics. And it's encouraging for us to see young people, senior citizens, insurers, providers, suppliers coming together with Democrats and Republicans addressing these very significant issues. The President, Mrs. Clinton, and her Health Care Task Force are leading the way.

Mrs. Clinton, we thank you for that, we thank you for being here. Welcome to Mayo, and welcome to Minnesota.

MRS. CLINTON: Thank you very much, Dr. Waller.  
(Applause.)

MRS. CLINTON: It is a great honor for me to be here in Rochester at the Mayo Clinic, a symbol of excellence in health care throughout the world. But maybe not as well known to those who use Mayo Clinic as the highest quality health care, is how well organized and cost effective is the delivery of that excellent health care. And so for us to be here talking tonight about the hopes for health care reform, it's particularly significant that this was the site chosen. And I appreciate the Mayo Clinic for the leadership it has shown over so many decades, and for hosting this event.

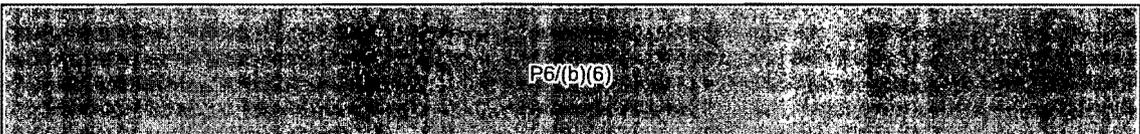
DR. WALLER: Well, it's a pleasure to have you here, and we are honored to have you here in Rochester and in the State of Minnesota.

We have a number of people who would like to talk with you tonight. The first family we will be talking with is the Needfeld (phonetic) family. They are right here in Rochester, Minnesota. We do have a short video that will introduce them to you. Then we will be talking to them here on stage.

May we have the video, please?

(Video)

NARRATOR: A few years ago, Deb and Steven Needfeld were living the American dream of small business ownership in the community of Preston in Southeastern Minnesota. They owned a clothing store and managed a beautiful bed and breakfast in the heart of Minnesota's historic bluff country.



[REDACTED] P6(b)(6)

[REDACTED] P6(b)(6)

[REDACTED] P6(b)(6)

[REDACTED] P6(b)(6)

The bills devastated the Needfelds finances. They sold their businesses and moved to Rochester to find jobs to live near the Mayo Clinic where David receives his medical care, and to be in a school system large enough to serve David's special needs.

Today Steve and Deb are both employed, but the overwhelming medical and insurance costs have forced them to accept financial assistance. Proud, courageous and hardworking people, the Needfelds are deeply concerned about the financial and emotional costs of living with the current health care system.

DR. WALLER: Deb and Steve, I know it's a pleasure for Mrs. Clinton to meet you, and a particular pleasure to meet young David. David is five years old now. Can you tell us a little bit how David is doing now?

MRS. NEEDFELD: As you can see by the pictures, we have come a long way.

[REDACTED] P6(b)(6)  
[REDACTED] P6(b)(6) I

don't know how clearly that --

DAVID NEEDFELD: I'm going to come on. When are we going to come on?

MRS. NEEDFELD: In a little time.

DAVID NEEDFELD: When are we going to come on?

MRS. NEEDFELD: You let Mommy talk first, okay?

DAVID NEEDFELD: When are we going to come on?

MRS. NEEDFELD: Pretty soon.

DR. WALLER: I think we have the star of the program right here. (Laughter)

MRS. NEEDFELD: They wondered if he would talk. I wondered if we could keep him quiet. (Laughter)

MRS. NEEDFELD: [REDACTED] P6/(b)(6)

[REDACTED] P6/(b)(6) And I think it's probably because of my early -- the early pieces with him, a little paranoia about is there something else lurking. And that may well be paranoia. I keep being assured it's unexplained but probably nothing else. But I can't tell you that that doesn't weigh on me, that there might be something.

DR. WALLER: We know when David was born, he came to the Intensive Care Unit. He spent a long time in the Intensive Care Unit. A very expensive process. Could you tell Mrs. Clinton something of that story and what worries you most about the health care system?

[REDACTED] P6/(b)(6)

[REDACTED] P6/(b)(6)

[REDACTED] P6/(b)(6) [REDACTED] P6/(b)(6) [REDACTED] P6/(b)(6)

[REDACTED] P6/(b)(6)

[REDACTED] P6/(b)(6) And it seemed like everything we chose, there was another cross to it. But in order to keep him alive, we had to choose those things.

And part of the piece, as we got into that, initially you don't worry about money and finances. It's take care of my child. You don't ask those questions. As you settle down and get some stability that they will provide, then you start looking at those pieces, and where do you turn. [REDACTED] P6/(b)(6)

[REDACTED] P6/(b)(6)

So it was a lot of time and energy in searching to find support programs to fight some insurance to put David in systems, therapies, and things like that that we needed.

MRS. CLINTON: Did you have insurance through your business at the time of David's birth?

MR. NEEDFELD: It really wasn't through our

business because we are both -- because we had our own small business, we had to provide our own insurance.

MRS. NEEDFELD: Right.

MR. NEEDFELD: But insurance -- the reality of the situation with insurance is if you have catastrophic problems, the insurance isn't going to cover all your needs. In our case they did not. It's an over-simplification -- the reality in this country, insurance does not even come close to paying the total health care bill, even if you are insured.

DR. WALLER: Can you tell us about home care? Has he had to have care in the home?

MRS. NEEDFELD: A lot of that early on the first couple of years. And that was the piece that -- Minnesota has a program, TETRA (phonetic), a children's home care option, and that's a window into MA, which is a stigma in itself for accessing for families. We were not young parents, and well taking care of ourselves, and what we thought was established. It was hard for us to access MA. But MA provided the home care for us, our in-care for David. He still spent about five-and-a-half months in the hospital. But without our in-care at home, he certainly would have spent much longer in.

I guess that's part of what I see as the need, is that piece of having no support, and not having to access MA to have those supports. It is very hard on families. As you have gathered, financially fairly devastating. I didn't work. But aside from that, it's emotional. You need that support.

I say this now, we are fairly stable in our marriage. But it was hard on our marriage. A couple times I look back and I don't know why we would have separated, but clearly under those stresses we were close to that.

DR. WALLER: You had to move from Preston to Rochester, I believe?

MRS. NEEDFELD: Right, we did. We did.

DR. WALLER: Have you ever learned to fill out the paperwork as yet?

MRS. NEEDFELD: No. Not entirely. And we prey on

our doctors for insurance, for TETRA. We use so much of their time for all those pieces. We are forever asking our doctors to write letters and fill out forms.

DR. WALLER: Mrs. Clinton, I know that they speak to many of the questions you have raised in your speeches and your thoughts about health reform, universal coverage, the need to cover home health care, the importance of the administrative hassle of filling out insurance forms.

MRS. CLINTON: That's right.

DR. WALLER: Would you comment about those?

MRS. CLINTON: This story that we are hearing is unfortunately much too common. As you have found out, once you became involved in this situation, and found so many other families that needed the kind of support for the special needs that you were facing.

And it is so tragic in our country that at the very moment when all of your emotional resources should be focused on caring for your child and supporting each other to get through what is a very difficult time, you have to be consumed by financial worries; you have to be filling out countless forms and dealing with a system that is very difficult for most of us to access.

We laugh a lot in my house about whether or not any of us, my husband or I, have ever fully read our insurance policies. People sign up for insurance because they think it will be there for whatever need they have. And too often, as Steve says, when the big needs come, the fine print doesn't cover it, and you then are thrown into a real financial tailspin.

And many families that I have met around the country have confronted the very same choices you have, that often the only help left, thank goodness, is the public health system, the Medical Assistance program. But that seems such a backward way of doing it. Because if we could provide for adequate insurance for all families on the front end, that was affordable for all, that didn't have any loopholes, that didn't then eliminate you from coverage because you had a pre-existing condition, and your son may not be insurable in the future because of the way the insurance system currently works.

So it's a very common -- but, still, every time I

hear it -- very touching and tragic story to hear what people have to go through in order just to take care of a family member.

The home health issue is one that cuts across every age group. Because what we have heard is how difficult it is in many communities for most people to obtain affordable home health care for a sick child or for a parent whose needs are great. And that has always struck me as being rather short-sighted because home health care can keep a family together, can provide respite for family members who are providing around-the-clock care and other kinds of needs being met. So that's one of the issues we want to address in health care reform is to provide more home-base and community-base care as well.

DR. WALLER: Steve.

MR. NEEDFELD: On that same vein, I think Debra and I both have the opinion that you go to a hospital to get sick. You don't go to a hospital to get well. And that almost invariably when you have -- well, the best place to have a patient, once you are medically stable, is home. It's not the hospital. There are so many -- but all hospitals, they've got staph infections and everything else. The longer you stay there, the longer you are exposing the patient to it. So, in cost, it's more cost-effective.

MRS. CLINTON: Well, many people say the same thing, that if they can, they want to be taken care of at home. Sometimes, having an option of some other kind of setting, short of a hospital, where the home may not be suitable; but, for example, where you have working parents who won't be there during the day, and they can't afford home care, but some kind of setting in some kind of community-based care so that the person can still live at home or sleep at home. Those are the kind of human needs, that sometimes are overlooked, that we hope to meet in a new system.

DR. WALLER: Mrs. Clinton, I think we need to move on to Moose Lake.

But before we do, we would like to thank Deb and Steve for being here, for sharing your story with us, for sharing your lives with us; and for your David, for being here, and being such a great help to us. We appreciate it. I wish we all had a bow tie like that.

MRS. CLINTON: That's right. I do, too.

DR. WALLER: A concern of many Americans is the concentration of physicians in urban areas. And now we are going to visit with Dr. Ray Christiansen from Moose Lake, who understands first-hand the difficulties in providing medical care in the rural areas.

May we have the tape, please?

(Video)

NARRATOR: Minnesotans love their north country. Every weekend thousands head up north to enjoy the pleasures of the land of 10,000 lakes. At summer's end, rural residents are left to deal with the harsher realities of this land. In towns like Moose Lake, 40 miles south of Duluth, they struggle to make a living farming, logging, and in small businesses. They endure long commutes for shopping, work and school.

They watch their young people leave for city jobs and they worry about health care. They worry about being able to afford it, and about health care being available and acceptable.

Dr. Ray Christiansen has been a family physician in Moose Lake for 21 years. He and five other physicians of the Gateway Clinic serve 24,000 patients spread over a 600 square mile area. Dr. Christiansen and his colleagues are committed to finding ways to give everyone access to medical care.

DR. WALLER: Dr. Christiansen. Bob Waller and Mrs. Clinton here. Can you hear us all right?

DR. CHRISTIANSEN: Yes, I can. Thank you very much, Dr. Waller.

And it's certainly my pleasure, Mrs. Clinton, and Senator Wilstone, on behalf of --

DR. WALLER: We don't hear you.

DR. CHRISTIANSEN: -- rural America, rural Minnesota, and certainly rural Moose Lake, Minnesota, to welcome you electronically, as it may be, as well as in person, to our community. We certainly appreciate your concern about the needs of rural America, and to thank you very much for spending some time with us.

DR. WALLER: Senator Wilstone, it's a privilege to have you here as well, via satellite, from Moose Lake. It's a great pleasure to have you here. Welcome.

SENATOR WILSTONE: Thank you. And Hillary Clinton, Mrs. Clinton, thank you for the day you have given Minnesotans. And thank you, Minnesotans, for being willing to listen and learn about health care.

Dr. Christiansen is a real hero to me, so I am delighted to be with him up here at Moose Lake.

DR. WALLER: Ray, Rochester is rural in the relative sense, but not as rural as Moose Lake, as you know. Would you be able to tell us a bit about your practice? You've been there 21 years. You are now president of the Minnesota Academy of Family Physicians. We know you well. Could you please tell us what you would want the President and Mrs. Clinton to know about practice of medicine in rural Minnesota and the upper north country?

DR. CHRISTIANSEN: Dr. Waller, I'd be pleased to do that, and thank you very much.

I'm a 21-year veteran here in Moose Lake. I grew up in rural northwestern Wisconsin on a small farm. There were six of us in the family. And I guess my background and my stewardship to the mission that I see in rural health goes back to growing up without insurance and spending that period of time with the worry of what happens if something happens to one of us, and the devastation of cost we could incur with the lack of insurance and lack of coverage.

As I went into medical school, and I ensue my internship, I was searching for a community where there was an opportunity to come out and practice where it appears that there was a need. And certainly at the time that Dr. Greg Peterson and I founded Gateway Clinic here in Moose Lake, that need was there. It was a community where there had been four physicians, and we were now down to one physician in town as we moved in.

As we built our practice -- naively so, probably, we built our practice with the idea of establishing access for our community, and affordable care, so people could afford to come and see us.

And the other thing that we really wanted to bring, and it was nice to hear the lead-in from the Mayo Clinic, is

the quality that maybe that you have in Rochester. Hopefully we could bring some of that quality to rural Minnesota and provide that for our citizens also.

We also thought our patients should have a choice of physician. And on that basis we built a practice, a practice that soon began to get very heavy for the two of us, requiring long hours, and we began to suffer the problems that come with burnout and the problems that come from an inadequate financial structure in trying to find other physicians.

But throughout we had the job of practicing rural medicine where we have the opportunity to see patients like the young lad that you just had on, the show-stealer, as well as the whole gamut of patients from veterans to the elderly to the adolescents, to the young OB. It's a great place to practice, a place where we can, so to speak, put our arms around the things that we have to do in medicine. And we have tried to do that.

SENATOR WILSTONE: Dr. Waller and Mrs. Clinton, Ray and I have been talking in a very personal way. I think of my mom and dad, who are no longer alive, who both had Parkinson's, in Northville, a small town 50 miles south of the Twin Cities. Again, the focus on people being able to live at home with dignity. Home-base health care.

I think of my children, David and Tammy and granddaughter, who live in Blackduck; the importance of young people being able to make a go of it.

I think of the Ericson family, Mrs. Clinton, post-traumatic stress syndrome. We can't forget the veterans in Glenwood, Minnesota. And I think of the state fair. And over and over and over again, when it comes to rural America, it's not just will there be coverage for myself and my loved ones, and a decent package of benefits, will we have a choice, and will it be affordable. It is also, not only can we not afford a doctor. All too often we can't find a doctor.

So the expectations are high. Rural America really doesn't want a handout, but wants a fair shake. And that means people being able to have decent coverage. And also the incentive so doctors and nurses and others can deliver health care out in the communities where people live, as Dr. Christiansen has been doing.

DR. CHRISTIANSEN: Paul, that's well said.

As we look at our rural delivery systems today, we are looking at a change in our systems. In the past there were physicians probably in every community, hospitals nearly in every community. More and more we are seeing our communities coming further and further apart where our health care delivery occurs.

We are also relying more and more on an EMS system, and emergency medical system, which is necessary to make this system strong. For us to handle the large geography that we have in rural Minnesota at the present time, as we see our practices progress and mature, we need a strong EMS system that can handle great distances.

We also need to be able to put together practices where we can encourage young physicians, family physicians and other primary care givers, to want to practice in rural Minnesota. To do that requires a certain level of financial infrastructure which, in Moose Lake, we kind of just nose, just barely the line and are able to do that in many rural areas. And I think of the Grand Marais, and the Cooks, and Big Forks, and some of the other communities in northern Minnesota, they are not able to do that without help.

The system that develops really needs to provide in our rural areas a basic level of health care. Health care, almost like the public utility, I think, is something that is necessary for our infrastructure and for the strength of our country. We need finances, probably, to help do that in a lot of our distant geographically isolated areas.

MRS. CLINTON: Dr. Christiansen, hi, this is Hillary Clinton.

DR. CHRISTIANSEN: Hi.

MRS. CLINTON: I am delighted to meet you long distance, and appreciate your spending your time with us tonight.

Could you break down for us, give us some sense of how many of your patients are uninsured or, you might say, underinsured, and the kind of strain that puts on you and the doctors with whom you practice, to make up for whatever payments aren't forthcoming?

DR. CHRISTIANSEN: That's really a good question,

and the answer is sometimes a little hard to come with. As I went over the numbers, we have a large group of patients that are self-pay, and I can't separate those out. But we are looking at Medicaid levels in, maybe, the 12 to 15 percent; Medicare, 30-plus percent in this area, and many times many higher in the rural areas.

We are closer to Duluth, and maybe that helps us a little bit with having a little bit of a younger population. But the further you go, the more distantly, geography, you get away from the bigger centers. You see a larger amount of Medicaid/Medicare. And that really cranks the financial structure in the clinics. We can't cost-shift that hidden tax, the tax that no one wants to talk about, this honor system. It's getting harder and harder for us to make it with that.

MRS. CLINTON: Are you in any kind of relationship, any sort of delivery network relationship with any other providers, any other hospitals or clinics in your area?

DR. CHRISTIANSEN: We are. Over the years many things have -- many attempts at improving the rural situation have been tried, and I have been involved in a lot of them. Probably one of the more successful has been a rural network which we call Northstar Physicians Plan, from Duluth, which includes our clinic and initially eight other clinics from the Duluth area.

We did this in a capitated fashion to share risk and allow our senior citizens the Medicare product as well as, hopefully, to allow the citizens of our communities the opportunity to buy an HMO type insurance. That program has been really fairly successful for us especially as we have been able to share risk with the physicians who we work with in Duluth.

SENATOR WILSTONE: One thing that Dr. Waller and I have talked about also, Mrs. Clinton -- Dr. Christiansen and I have talked about, is the whole question of incentives.

The University of Minnesota, Duluth, does a marvelous job. About 50 percent of the graduates go into family practice. About 60 percent in rural communities. But if you look over all the country you don't see the incentive for young men and women to go into family practice. And there aren't incentives for men and women to be able to practice medicine out in these communities without getting really burnt out.

And somehow we really have to focus on good specialization. But, first of all, good primary care in rural America, in rural Minnesota, in greater Minnesota. That's not there yet. I think we need to change some of the priorities of our medical schools.

DR. WALLER: Mrs. Clinton, would you like to make a final comment before we fly to St. Cloud?

MRS. CLINTON: Well, from Moose Lake to St. Cloud, I am having a wonderful time in Minnesota today.

No. I just want to thank both the Senator and Dr. Christiansen. We have tried very hard to listen to the concerns of rural America. It would be hard not to with my husband being a fifth generation Arkansan. We know a lot about the difficulties of getting adequate medical care into rural areas.

And I am very hopeful that this plan will provide the incentive, Senator; that this plan will provide the kind of manpower that is needed, and will provide the encouragement for doctors in rural areas to do what you are doing through Northstar, and perhaps increase that process so that there is more connection and support. Because we need you, and the people of Moose Lake are very lucky to have you.

DR. WALLER: Senator Wilstone, we truly appreciate you being in Moose Lake tonight.

And, Ray, we thank you as well for sharing your time with us. We are so appreciative of what you do in Moose Lake, and what you have done there for the past 21 years.

DR. CHRISTIANSEN: Thank you. )

DR. WALLER: We wish you both well. If you don't mind, we'll go on to St. Cloud.

SENATOR WILSTONE: Dr. Waller, could I just make one other comment?

DR. WALLER: Yes, sir.

SENATOR WILSTONE: I really want to thank President Clinton and Mrs. Clinton for bringing reform to the table. This is something that's been discussed for a long period of time. And at this point the one thing I would like to say is that for us to do nothing, Congress or otherwise, we are in a

situation tantamount to political malpractice. So let's try to do something.

DR. WALLER: Couldn't agree more. (Applause.)

DR. WALLER: Thank you, both. Can we go on to St. Cloud, please, with the tape?

(Video)

NARRATOR: Follow the Mississippi River 70 miles northwest of St. Paul, and you will find the city of St. Cloud. With a population of about 45,000, St. Cloud is a pleasant, comfortable community. Tree-lined residential areas and an active business district are interspersed with many churches and schools.

The city is also home to St. Cloud State University. Drive 15 minutes west and you will find two other colleges, the College of St. Benedict and St. John's University. Many St. Cloud residents work at these colleges. Others are employed by the small and mid-size businesses in town: lens company, a paper mill; and even an active granite quarry, a reminder of this city's first industry.

At Denny and Cathy Timms' Ace Hardware Store, eighteen employees for an extended family. Providing health insurance for them is a sizable portion of their monthly budget. Over the last five years, Denny and Cathy have watched health insurance costs double, and they worry about how they will be able to continue to provide this important benefit.

DR. WALLER: Denny and Cathy Timms, this is Bob Waller here in Rochester with Mrs. Hillary Clinton. Can you hear us?

MR. TIMMS: Yes, we can.

DR. WALLER: Senator Durenberger, it's great to see you again. So pleased that you are there in St. Cloud. Welcome to all of you.

SENATOR DURENBERGER: Thanks, partner. It's home to me here, so it's a great pleasure to be with you.

DR. WALLER: We are delighted.

We know that you own a hardware store. You have

since 1981, Denny and Cathy. You have 18 employees and four of them are full time, I believe. I know you are increasingly concerned about the cost of covering your employees. Could you tell us a little bit about that?

MRS. TIMMS: I sure can. First of all, we want to welcome you. And on behalf of everyone here at Denny and Cathy's Ace Hardware, we are very, very honored to be representing a small business from the city of St. Cloud, Minnesota.

And as far as our business, a very major concern in regard to health insurance is the continuing rising cost of our insurance premiums every single year.

About five years ago we were faced with a 44 percent increase in our insurance benefits. And exactly about a year after that, it went up again another 17 percent. At this time we knew we had to make some drastic changes. So Denny and I sat down and we discussed how we would take care of this problem. We had discussed even, like, \$500 deductibles instead of our \$200 one, or even as high as a \$1,000 deductible. Maybe even having employee share the cost of the insurance premiums with us. But the big major problem was we gave this benefit to them because of their dedication to us, and we certainly did not want to take it away from them.

So what I decided to do, research on different insurance programs, and we decided to go with a group policy with our hardware association. The insurance didn't go down, but now we are locked into an insurance premium at least for one year, and that helps us to budget for it better. As of right now, we are spending approximately \$16,000 a year, and we insure all of our full-time employees.

And this morning I was watching the news, and there was a small businessman on TV, and he was very concerned because he said with your new plan, he expected his insurance premiums to triple. So, I guess my question to you, is, if you could please explain your newly proposed insurance plan and tell us how it is going to affect us, as small businessmen; and then also as far as, will it cover part-time employees also?

MRS. CLINTON: Well, Cathy and Denny, thank you for being on here and representing literally millions of other Americans who are in the same position you are.

As I understand it, Dr. Waller mentioned that you had four full-time employees; is that right?

MR. TIMMS: No, that's not right. We have eight full-time employees.

MRS. CLINTON: All right.

DR. WALLER: You've grown.

MRS. CLINTON: We just doubled your business here in Rochester. (Laughter)

So you have eight full-time employees, plus yourselves. Are you considered as part of that eight, or are you additional to the eight?

MRS. TIMMS: No. The eight is with us.

MRS. CLINTON: Okay. So you have eight full-time employees. And do you insure them and their families, or is this a single policy for just them?

MRS. TIMMS: Just for our full-time employees we insure. If their spouse or children want to be insured, that would be on their part.

MRS. CLINTON: So you are paying for eight full-time workers at \$16,000 a year. And that's not even a family policy?

MRS. TIMMS: No.

MRS. CLINTON: I think I can assure you that in the way that we are planning to implement these insurance reforms, your cost will not go up, and in fact will go down. Because what you found when you joined the Hardware Store Association, is that all of a sudden your purchasing power increased. It's what happens when you can buy in bigger bulk. And so there were more of you, so you weren't on your own just with your particular employees with your store. All of a sudden you were part of a much bigger purchasing cooperative.

Under the President's proposal, you will be part of an even bigger cooperative in which literally thousands of people will be using their purchasing power to get the kind of deals in the insurance market that are only available now to the very biggest employers or the very biggest of

associations.

So not only will your purchasing ability increase, so that you will have a better deal coming your way as part of this bigger purchasing group, but as small business people with fewer than 50 employees, your amount of money that you will have to pay for your insurance premium will be limited. So that it won't even go above a certain level.

We are looking at making sure that no business pays above a certain percentage for their health insurance premium. And based on what you have told me, I think your cost would be considerably lower.

DR. WALLER: Senator Durenberger, we would be pleased to hear your comments.

MR. TIMMS: I just want one question answered, and that is in the first few years of our business, in the first five years things are very rough, and we couldn't afford any added expenses. Right now we budget in for health insurance. So this is not going to be a shock to us. We are going to be able to adjust.

But I am talking about the people that have not paid health insurance to their employees and have not taken care of it. How are these businesses going to be able to handle that? They are very fragile. In the first two years they are very fragile, and a lot of them go out of business. How can we be sure that we are not going to put this health care plan into operation and put some small businesses out of business?

MRS. CLINTON: Well, Denny, we are going to try to do exactly what you advise, which is to phase this in over a number of years so that small businesses can budget for it and can be prepared to do it.

We are also going to take the health insurance part of Workers Compensation and of auto insurance, and eliminate that as a separate cost for you, by rolling that into what you will pay for a health insurance premium, so that your workers will not be insured double or triple through three different approaches, but you will only have one payment which we believe will save money also for you. So we intend to phase it in and have a very low percentage required of the small businesses like yours.

MR. TIMMS: Thank you.

DR. WALLER: Senator Durenberger, you have a hat there, I see.

SENATOR DURENBERGER: Apparently you can see everything. (Laughter)

Maybe I can make two points. One is health insurance reform, which we have been trying to do for a couple of years, is an important part of the President's proposal. And just reforming the health insurance part of the system will bring down the cost to a lot of small businesses. It's not fair that they should be paying \$1600 a month for the same kind of plan that at the paper factory or the refrigerator factory, cost less than \$1200 or \$1100 a year. And self-employed should get a better break, 100 percent deduction.

The second one, though, that I am reminded of in a place like this is the first thing that business people are concerned about: When they get on tough times, that you bring the cost down. And I think this is one of the first things that these people want to see in the medical system. It isn't just provide everybody with coverage. It's let get at the business of getting the cost down in the system first and then consider how we can expand the coverage.

DR. WALLER: Senator, do you see an opportunity here for a bipartisan solution to this problem?

SENATOR DURENBERGER: This is full of bipartisan potential for several reasons. Number one, this is not a political problem. It doesn't have a Republican or a Democratic solution. And, secondly, the way in which the President has approached this, having the First Lady as the leader, and the way in which she has approached all of us in the bipartisanship that everyone wants to make sure we get this job done right.

MRS. CLINTON: And I particularly want to thank Senator Durenberger who has spent countless hours with me talking through various approaches and has spent a lot of time explaining what has been accomplished here in Minnesota, which is serving as a model in many respects for the national reform effort.

SENATOR DURENBERGER: Thank you

DR. WALLER: We thank you all from St. Cloud. Denny and Cathy, it's a pleasure to meet you by satellite.

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And Senator Durenberger, it's always an honor to have the chance to speak with you.

We wish you all well. Thank you for being with us and sharing your lives and your concerns with us about health care reform.

MRS. CLINTON: Thank you both, and I hope that you will, as I know you will, follow this closely and put the pencil to it. We intend to get your thoughts down. Because as the Senator says, that's the most important part of getting this whole system under control. Thank you both.

MR. TIMMS: Thank you.

MRS. TIMMS: Thank you very much.

DR. WALLER: Mrs. Clinton, our last stop is Rushford, Minnesota. We will be visiting with the Jordall (phonetic) family, and we will run the tape first.

(Video)

NARRATOR: Tucked into the southeast corner of Minnesota, near the farming community of Rushford, lies the Jordall dairy farm. The area is known for its historic bluffs. Many of the area's homes and buildings were built in the late 1800s as pioneers were making their way across southern Minnesota.

Each morning the family rises before the sun to begin the daily milking. Don and Myrna Jordall have four children. Only their youngest daughter remains at home. All the other children are married.

[REDACTED] P6(b)(6) To provide health insurance for his daughter, who lives at home, Don began working in a nearby quarry three years ago as well as continuing his work on the farm.

Neither Don nor his wife can afford health insurance of their own. [REDACTED] P6(b)(6)

[REDACTED] P6(b)(6) He and his wife have had to pay directly for all of Don's care, as well as continuing paying the high premium for his daughter's policy.

DR. WALLER: Don and Myrna and Sharon, I believe, welcome to the program. We are thrilled to have you here.

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Can you hear me? I am Bob Waller. Mrs. Hillary Clinton is with us. Can you hear us all right?

MRS. JORDALL: Yes, we can.

MR. JORDALL: Yes.

DR. WALLER: We are pleased to have you here. Perhaps you could tell us a little bit about your story. Particularly, Don, how are you getting along since the farm accident?

MR. JORDALL: Pretty good.

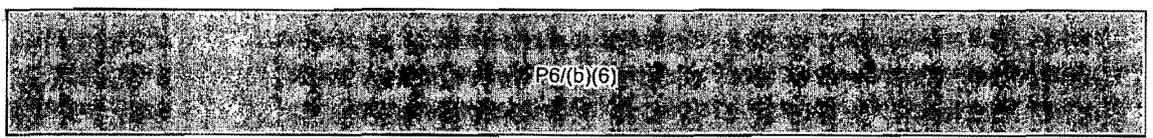
DR. WALLER: Excellent.

Myrna, would you like to tell us a bit of your concerns?

MRS. JORDALL: Well, one of my concerns is affordable health for all Americans and --

DR. WALLER: You're doing just fine.

MRS. JORDALL: -- I am concerned about how it will be paid for. I kind of wonder why our bosses in town and they have to pay -- that you have to get a job someplace where they furnish insurance for you to be covered.



About a year later, Don took a job at a stone quarry in Winona, and he was offered insurance there. And seeing that we had a dairyman's policy, he refused the insurance there because our dairy insurance policy has been a very good one. For many years we had had it.

About a month after he refused the insurance at work, we got a letter from our insurance company that our insurance was going to go up from a little under \$300 to close to \$600. And we said, "Well, you're cancelling us." And he said, "No, we aren't." We said, "Well, there is no way that we can afford to pay that much money per month for insurance."

So then they come back and they said, "Well, if you want to put a rider on your daughter and take \$1,000

deductible, then we could take you for a little under \$500." So as a result of that, we paid the premium one month until we talked to another insurance company.

And we got some insurance in a little under \$200 for Don and I with very much less coverage than what we had had on our previous policy. Of course, they wanted to put a rider on Sharon also. So she went on Minnesota Comprehensive Health Insurance.

This went on for -- we thought we had things settled. Don's boss's business there, they looked into another company for insurance. So, again, he was offered open enrollment. We decided, well, we had our insurance problem settled, we would be taken care of now pretty well. Just the deductible and so forth. So we refused it again. And lo and behold it wasn't too long that our insurance went up to over \$100 a month just for Don and I.

At the time when Sharon had [REDACTED] and before they raised this price, our daughter Sue was at home and she also was covered under that policy.

So it went on, and then finally with farm crisis and things, the way they were going, financial things at that time, we finally dropped our insurance. So therefore we were without insurance.

DR. WALLER: There are a number of insurance issues here: portability, relationship with employment, the issue of pre-existing conditions, rising cost, having to do without insurance as a husband wife to care for the children.

Would you want to comment on how we might help this family?

MRS. CLINTON: Myrna, thank you for going over in such detail what has happened to you. I have heard that story from many people, particularly from farm families. I have had the opportunity to sit in living rooms and actually look at the books of some farm families who showed me what it would cost to continue insurance; or who had, like your husband, made the choice to leave the farm to try to get a job with insurance.

What the President's plan will propose is that, first of all, no one can be --

(End tape 1, side 1.)

SPEAKER: Are you still there?

The first point is that insurance reform is essential. Some of it is already being done at the state level. And everything that Mrs. Clinton said, we incorporated last year into a bill that passed the Senate twice, that Senator Bensen and I passed. So I think that's the beginning of reform.

The second part of it is for us to define what the administration calls accountable health plan, so that we define the nature of the plan and the nature of the people that are going to be bringing health care and a new set of health care services and information to us. This is the beginning of the process. This is an area, I think, on which all of us, Democrats and Republicans alike, agree. Thank you.

SENATOR WILSTONE: My view about the insurance industry is as follows: I think, unfortunately, the insurance industry all too often has turned the concept on its head where people have to prove they will never use their health insurance in order to be able to obtain it.

Mrs. Clinton and I have spent a lot of time at meetings, and she knows my position. I am a strong single-payer advocate. I'm going to support the good things that she is doing and push for much more. And one thing, I am very determined, working with a lot of country, is that the insurance industry not have too disproportionate influence in the health care reform and that consumers be in major decision-making positions. I think we've got a ways to go to make sure that that doesn't happen. I believe Mrs. Clinton is committed to it.

I'll tell you, we have to see major, major change in insurance company practices, many of which are egregious. We get so many calls in our office from Minnesotans who have the same problem.

DR. WALLER: Thank you, Senator Wilstone.

Mrs. Clinton, I am told that time is short. If we could thank all of the families, the Jordalls, the Needfelds, Dr. Christiansen, Denny and Cathy Timms. Thank you all for being here.

We thank our sponsors, we thank Senator Wilstone, Senator Durenberger.

Will and Charles Mayo, and their father, when they founded this clinic, said as one guiding principle, the needs of the patient come first. This is what health care reform is all about. We thank you for coming, especially for listening, for working so hard to bring this to the table to develop a structural framework from which we can move forward. And we'd like to turn the program over to you for closure.

MRS. CLINTON: Thank you so much, Dr. Waller. And thank you, Steve and Deb and David and everyone who participated in this program.

I hope that everyone in Minnesota will stay involved in this issue until we get it right. Until we get health insurance for every American that puts the patient's interest first, ensures quality, and makes it possible for every American to feel secure. I am very confident we are going to get there because there is such an outpouring of need, and people are understanding what should be done. So with that kind of hope, I will take back these stories from Minnesota and make sure that the President hears your story, and meets David through me, and all of the other people I had a chance to visit with tonight.

DR. WALLER: Thank you. Thank you for coming, and goodnight everyone. (Applause)

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