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BRIEFING WITH PABO DRK
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THE WHITE HOUSE

Office of the Press Secretary

For Internal Use

September 21, 1993

REMARKS BY THE FIRST LADY
IN BRIEFING WITH RADIO TALK SHOW HOSTS

MRS. CLINTON: I'm delighted to have you here. As a talk show junkie, I'm particularly pleased to have you all with us, to have a chance to brief you about the health care plans and then later to give you a chance to ask questions.

I think that part of our hope is that, in the next weeks and months as we move forward on this great national discussion, that we can do as much as possible to give you good and accurate information that you can convey to your listeners, that we can establish a two-way communication street so that, if you need information that you don't have or you want to get an answer to a question, we will be able to get that for you; because part of what we believe about this particular moment in time is that we will be successful in achieving national health care reform in large measure because the people are ahead of the decision-makers and, the more information and education we get out there, the stronger will be the support for making the changes we think are necessary.

What I think will happen in the next phase of this after the President's speech tomorrow night is that there will be a great flurry of interest in seeking out information about how the proposals would affect individuals specifically, and this is a debate that moves very quickly from the general to the specific. I think you may have already found that with your listeners. I'm confident you will as we move forward through this. And we want to be as responsive to those needs as we can.

Let me just quickly outline what we view as the primary overriding principles that underlie the President's approach and that we hope, at the end of this process, will clearly outline the kind of plan that we think the American public wants and needs.

We want to start by saying that all Americans should be guaranteed health security, and health security is not just

for the currently uninsured or underinsured. It is for everyone and particularly for the insureds who, with every year, find themselves growing increasingly insecure, as jobs are cut, as layoffs occur, as employers decide they can't afford to contribute to insurance any longer.

Every month, 2.25 million Americans lose their insurance. Now, that number is repeated month after month. Some are only off their insurance for a week, some may be for a couple of months; some find it difficult ever to get insurance again once they are no longer covered by their employer or the policy that they have.

So this debate is about security for everyone so that, no matter who you work for, where you work, whether you've ever been sick before, you will be guaranteed health coverage. We also believe it is important that health security mean a benefits package that is guaranteed to every American, and it is our very strong belief that benefits package should emphasize primary and preventive health care.

If we had more people getting health care sooner instead of later, we would have better health outcomes for our population. When Dr. Koop was here yesterday, he made a reference to a statistic that I thought summed it up extremely well, and that is that the number of people who are without adequate primary, preventive health care, if properly were to seek treatment early, we would save billions of dollars in unnecessary treatment that comes when an illness or a condition deteriorates. So we want to emphasize that kind of preventive health care which most insurance policies now do not cover.

Secondly, we want to simplify this system. We want to provide security and we want to simplify it. It is not only complicated for patients or consumers, it is complicated for everyone in the system. Complexity has been layered upon layer, and added to the system by both the government, in Medicaid and Medicare, and by the private insurance industry, so that most doctors with whom I speak now feel that they are being micromanaged, monitored, checked up on, and generally held accountable by all kinds of people who have nothing to do with delivering health care to their patients or giving them good, clinical advice.

When the President and the Vice President were at the Washington Children's Hospital last Friday, they were informed that that hospital staff, consisting of 200 doctors, had sat down and figured out how much time, on average, the

doctors spend filling out forms that have nothing to do with patient care -- put aside the kinds of records that we do expect doctors to fill out, that they have to as part of our medical record -- the forms that have to do with what insurance company you bill, where you go in the Medicaid system for your payment, the kind of hassles that doctors face all the time.

Those doctors concluded that, if you could eliminate those forms, they would, on average, see an additional one to two patients a day which, if you added it all up, 200 physicians seeing two more patients a day for an entire year, you would have approximately 10,000 more children who could be treated, that are denied treatment now because we have to have our physicians filling out Medicare, Medicaid, private insurance forms. If we simplify the system, we also get an additional benefit added on to more time available for taking care of people. And that is saving lots of money.

The third principle is there are savings in this system, and we know that, because we can look around our country and see regions of the country, many of those where you come from, where health care costs are less than neighboring regions. The people are no sicker, but the way health care is delivered and organized is more expensive. Let me just give you a couple of examples:

The state of Pennsylvania has been keeping track of what certain operations cost now for a number of years in different hospitals. Just within one state, take one operation -- the coronary bypass. That operation can cost either \$21,000 in one hospital or all the way up to \$84,000 in another hospital, with everything in between.

If you analyze those two hospitals, as the state has done, and you analyze how well do the patients do -- what kind of outcomes, as they say in medical research, do they have -- there is no justification, in terms of outcome from the operation and patient recovery, to justify paying \$84,000 for the same operation which is being performed for \$21,000 in another part of the same state.

I could give you literally thousands and thousands of examples of that. When you hear people were in Washington saying, "The President is going too far; he can't slow this system down; he can't get the savings out of it," ask yourself and ask your listeners, do they think there are savings in this system? Do they think that some things are charged too much because of the way the system is organized?

Most average folks and doctors and nurses I've talked to believe that and we do, too.

The fourth principle is choice. It is clear that we want to preserve the option that we now have to choose who is our doctor or what hospital we go to. In fact, the President's plan will strengthen choice because right now what is happening is, if your employer -- like most employers -- pays for part of your health insurance, then you are probably experiencing what most insured employees experience now: fewer and fewer choices. The employer says, "We'll keep paying for it, but you got to go to these doctors. We'll keep paying for it, but you can no longer have choice. You've got to go where we send you."

Under the President's plan, employers will no longer make the choice; the individual will make the choice. And, in each region, there will be several plans to choose from and doctors will be permitted to belong to more than one of those plans. So, if you look at what we are proposing, we are actually trying to reverse the growing trend in the economy today in health care that is taking choice away from individuals.

The fifth principle is quality. Quality has to cover everything we do and be absolutely essential to every decision we make. We are going to start collecting information about quality. We're going to do for the country what Pennsylvania has done for its hospitals, because we want you, the people who will make the choices, to have the information about quality.

We're going to ask each health plan to issue a report card so when, every year, you go to sign up for your particular plan, you will have information in front of you as to how well this plan is doing in keeping people well. We want to reverse the mindset. We want a health care system that promotes health, not a health care system that only focuses on sickness. But, in order for you to make a good decision, you have to have better information.

Most people know more about buying their car than they do about choosing an insurance company or any kind of health care provider. We want to give you more information. We want to do more quality research. We want that to be available to you.

The final principle is responsibility. Everybody in this system must become more responsible. That means those

of us who are individuals, we have to take responsibility for our health care. Those of us who are in the health care professions have to be responsible for helping to find ways to reduce unnecessary costs and procedures.

Dr. Koop said yesterday that, based on the research he has done, he believes and would support this figure that unnecessary tests and procedures account for \$200 billion of expenditures in our health care system. We have the old-fashioned view that doctors ought to be in the business of responsibly improving people's health and caring for them instead of what they have been pushed into through no decision of their own, of ordering tests and procedures, which are the basis for their being paid.

So our idea of responsibility is that everyone should participate and take some control over the role they play in the health care system, and that includes how we pay for it. There are no real silver bullets out there. There are only three general ways you can pay to move our country toward universal coverage and health security.

One way is to raise a very big tax, to get rid of insurance premiums now, take all that money out of the system, put it into one pocket, and then take it out and more in terms of taxes. There are many who believe that is the best way to go.

The President does not believe that. He does not believe we should have a general tax increase to pay for health care. What he believes is that everybody ought to make a contribution while we squeeze down the costs and get the savings to be plowed back into the existing system.

A second way of paying for it is the way adopted by the Senate Republicans in their approach last week, which is to require individuals, to mandate individuals to buy health insurance the way some states mandate individuals to buy auto insurance. We're concerned about that approach, although we applaud the responsibility that underlies it and we believe individuals should have some contribution to make.

But we worry about all of the people who are currently employed for whom insurance is paid in some portion and for whom employers now might feel no continuing responsibility, so they would eliminate the coverage they current provide, which would increase dramatically the number of people who would not have insurance.

And, because the individual mandate requires there be some kind of subsidy for low-wage workers, we are also concerned that people would be kept in a low-wage category to get the government subsidy because that would mean the employer wouldn't have to contribute.

So we are concerned about some aspects of that individual mandate, but we are pleased that that approach recognizes the kind of responsibility we believe in.

We instead have decided we should build on the existing employer-employee system that currently exists. Most businesses, of whatever size, provide some insurance. Most small businesses provide some insurance, at an extremely high cost, because they are not able to get the kind of discounts that the market gives to large employers.

We intend to put a cap on the amount of money any employer would have to pay toward their employees' health insurance. We also intend to cap the amount any individual would have to pay for his or her contribution. But we think if we build on the existing system, as we know it now, that most people who are insured get insurance at work, it will be the least disruptive to the overall system.

There are many specifics and technicalities and details involved in this plan, as there are in any plan, that will withstand scrutiny and get us where we need to go. What we are committed to is the destination -- those principles that I outlined. We cannot -- we cannot, in any way, negotiate over or compromise on universal coverage. How we get there, we want to do the best we can, and we're open to all the ideas and suggestions that will come our way.

So far, this has been a remarkably bipartisan effort. We are gratified by the leadership in both houses, on both sides of the aisle, and we intend for that to be the way we continue this discussion. This issue, as I have said from the very beginning, goes beyond politics. There is no Republican or Democrat answer.

What instead there must be is a willingness to recognize the millions and millions of people, with their stories that they have brought to us, and that you hear when you pick on the other end of a call. And what we have to do is to be sensitive to the needs that Americans have today to feel more secure.

There is an enormous amount of insecurity. You are on

the front lines of receiving that, no matter what time your show is on, whether it's early morning or in the middle of the night. Part of that insecurity stems from the crumbling of institutions around us, people not knowing what kind of job they'll have from year to year, from watching our standard of living stagnate where people may hold onto their job, but they don't see their wages increase, where the American dream doesn't seem as possible today as it did when I started out 20 years ago.

Part of the reason for that is because of how much money we spend on health care. We spent 14 percent -- one seventh -- of our entire economy on health care. It's very difficult for lots of businesses that do insure to give anybody any kind of wage increase, because all the money they can scrape together is going into higher and higher insurance premiums.

It's very hard for a lot of people to move to a better job opportunity because they might lose the insurance that they have if they do. It's hard for a lot of people to get off welfare because we make it more attractive for them to stay on welfare because they get Medicaid benefits and if they move into a minimum-wage job, they won't have health insurance.

If you analyze what the costs of health care have done to our entire economy, to say nothing of the human cost millions of people live with every day, you can understand why a lot of your callers are insecure. We can do better than that. Our major competitors do. Nobody in the world spends more than 10 percent of their gross income, and most spend less than 9, and cover everybody and give better benefits than our average insurance policies do.

It is a question of will. It is a question of getting the job done. That's what we're going to do and it's going to be done in the next year, and you're going to be part of it, if you can help communicate clearly and directly and answer the questions of people, and we want to help you do that. Thank you very much.

(End of tape.)