

11/12/93
Cleveland Rainbow Children's Hospital

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THE WHITE HOUSE

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REMARKS BY THE FIRST LADY
CLEVELAND RAINBOW CHILDREN'S HOSPITAL
CLEVELAND, OHIO

MRS. CLINTON: -- and if we provide comprehensive health care for every American, we can do a better job than we're doing now of taking care of everybody.

And I hope that as I get a chance to hear from each of you, if you've got specific problems or questions or issues, you will feel free to ask them, and I'll do my best to answer them. So who would like to go first? Anyone want to be brave and be the first person to jump in?

A PARTICIPANT: I'm very concerned, as you mentioned, that all children are covered and not eliminated from health care coverage because of a disability or a problem. Our two girls have cystic fibrosis, and when we were searching for health insurance some months ago, we were told, "No one wants to insure a burning building." And that's not a very pleasant thing to hear about your child.

MRS. CLINTON: That's a terrible thing.

A PARTICIPANT: Let me make a comment on that, because in the case of a family like this, there are several insurance companies, even operating in this town, that are offering a plan that excludes Rainbow, which is the only facility that provides care for disabled children.

And we get letters every week from parents who really are desperate -- the fact that their employer is offering one choice. And one of the advantages of the health care reform that Mrs. Clinton has developed is that it does allow additional choices for people such as yourself.

MRS. CLINTON: You know, I'm really glad Farrah (phonetic) raised that, because some of you may have seen the ads run by the insurance companies which say that health care

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reform is going to take away choice. What is happening today is that insurance companies and employers are taking away choice every single day.

They are doing it by telling families, "You can't insure your children," which is the worst of all possible eliminations of choice. Or they are doing it by limiting who you can see to take care of your children.

And as Farrah says, if you've got a facility like Rainbow, which is a very specialized health care facility that can take care of rare and difficult diseases and provide the kind of services that I know are provided here, to be told that, "Sure, you can get insurance. You just can't go to the one place that can take care of your children." That's no choice at all.

And under the President's plan, every family will make the choice. Employers will not make the choice. You will make the choice as to what health plan you will belong to. And every health plan will have to provide a referral to specialized health care facilities like Rainbow. So they will no longer be able to tell you, either you can't get insurance, or if you get insurance, you can't have the choice of the kind of care your children need.

But your story about being told that, you know, no one wants to insure a burning building, is absolutely what's wrong with the insurance system in America. When you need insurance is when you need to get it, not to be told you can't have it. It is just backwards, and that has to end. And the only way we can do it is by prohibiting that sort of elimination from coverage that you've experienced.

A PARTICIPANT: Our main concern is experimental treatments and procedures. Alex had a bone marrow transplant in January of this year, but previously was required to go to California for a bone marrow harvest, which at that time the procedure was questionable if -- whether or not our insurance company would allow it. And actually we weren't even given approval until actually the day before he left.

And I'm just worried, with the fact of government getting involved, is it going to tie up approvals for things like this? And would it cause a delay in someone getting a treatment?

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MRS. CLINTON: No. I see Farrah shaking her head. I'll let her answer first.

A HOSPITAL ADMINISTRATOR: Actually, I am very pleased to respond to that question because one of the policy papers that I personally was involved in writing with Dr. David Eddy (phonetic) from Duke University involved experimental treatment. And the plan includes that as a part of every benefit plan.

And, indeed, it no longer allows an insurance executive to make life-and-death decisions. It allows every health plan -- it requires every health plan to offer experimental treatments, and you will have the choice to take your child to the best place that offers it.

MRS. CLINTON: I think, though, your question is an indication of how much education we have to do. Insurance companies have been making these decisions on a regular basis. What we're trying to do is eliminate the authority of an insurance company to make a decision that your doctor should be making for you.

And it strikes me as a sad kind of commentary that the insurance companies can get away with making claims that you'll be worse off when we eliminate those kinds of abuses than you are right now, where your medical treatment plan is influenced as much by some insurance executive as your doctor's opinion.

What we are trying to do is to create a system where doctors and patients again make the decisions about what should be done. And in fact we want patients to become better informed so they can ask better questions and they can be more of a participant in these decisions.

I personally don't want my doctor having to call some office a thousand miles away to ask permission about whether or not he's going to give me a test. He should do it because it's the right medical thing to do. And he should do it not because he's going to be paid more for that test if he does it, but because it's the right test. And I should be taken care of as a whole person, not as a kind of bundle of tests. So I think that that's exactly the direction we're trying to move.

A PARTICIPANT: Hi.

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MRS. CLINTON: Hi.

A PARTICIPANT: Nicholas has CP, and our concern is for two years now he goes to therapy four times a week. And mentally he understands everything as a two-year-old, but he is unable to walk or crawl. And this is very important for him to be functioning as an adult down the line. And we were just wondering how it's going to affect therapy for these children that are in need of this.

MRS. CLINTON: I think it's going to continue along the same protocol of therapy that you would see now. We've tried to make the kind of decisions that would enable those services to continue to be offered on, again, a medically necessary or appropriate basis. And that's what I think you can look forward to.

A HOSPITAL ADMINISTRATOR: Mrs. Clinton, I think they are asking the question because of some really erroneous information that came out in the newspapers. And, unfortunately, that information was totally wrong.

What the plan calls for -- you know, the information which you read in the paper implied that after a certain period of time all therapy is stopped. That is not the case. It said after a certain period of time your doctor evaluates your child, and if need be, therapy is continued. What it was implying is that people should not just go to therapy for life whether they need it or not, and it really has to be on an as-needed basis.

MRS. CLINTON: And that's why I said we want "medically necessary or appropriate" to be the standard. And as Farrah says, we think that by having periodic reviews of that, that makes it clear as to what the standards should be. But there shouldn't be any problem with what you're talking about at all.

A PARTICIPANT: I'm not so concerned about whether or not our daughter will continue to get therapy. My concern is, with the new health care program, the continuity of her existing care.

In other words, sometimes it takes a while to find the right doctors. And once you've done it and you've found the right therapist for your daughter or son, what are the odds of her continuing with exactly the same group of professionals rather than switching her at age two to a whole

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new group?

MRS. CLINTON: Well, one of the major features of what the President's plan guarantees you is that you get to make the choice. And not only that, your physicians and other therapists get to make the choice as well, because not only has choice been limited for you as a patient, in trying to find what health plan to go to, but many health plans and insurance companies have been telling physicians that if they sign up for one, they can't sign up for any other.

And we are telling physicians that it's going to be part of the law that they can sign up for as many as they want to sign up for, not on the basis of somebody else telling them what plan to be in.

And there will always be a traditional -- what is called fee-for-service network, which you can join. If you don't want to join any of the other plans available in Cleveland or your local area, you can always join that plan, which will have very wide enrollment on the part of health care professionals.

MR. FRANCISCO: My name is Dee Francisco (phonetic). My son has had a double lung transplant, okay? And my concern is his medicine, okay, after the transplant. The price of them are so high that in order for me to get them I have to stay on a low income level. And it's keeping me suppressed, and my family. And how's this plan going to help us?

MRS. CLINTON: It's going to help you a lot, because prescription drugs are going to be covered as one of the items that every American will be entitled to under comprehensive health care. And it's not going to be means tested anymore.

You can go out and do what you should do, which is try to make as much money for your family and support them as well possible. And you will not lose your prescription drug benefits. I think it's a very important feature, for you in particular, and for families of whatever age that have high prescription drug costs.

MR. FRANCISCO: I have another concern, too. This insurance -- like low income families. How's it going to affect them as far as price? Are they going to be able to

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afford it?

MRS. CLINTON: I think so. I'll tell you what we have done. We have looked at what everybody currently spends for health care in America. And you have to add up several different things. You've got to add up insurance premiums if you have an insurance policy. And then you've got to add up co-pays and deductibles under that insurance policy. And if you're not insured, you've got to add what you pay out of your pocket in order to get the health care that you need.

And we think that, for the vast majority of Americans, they are going to be paying less for better benefits than they currently have. And we also will have a system to help subsidize lower wage Americans so that they can make their contribution, but it will be matched by government spending now. And that will enable every American, no matter how much money you make, to be entitled to the same benefits.

One of the really strong features of the President's plan is that every American is entitled to the same benefits. And every American who is capable will contribute something according to their ability to contribute. But you're not going to have better benefits because you're rich, and poorer benefits because you're poor. Everybody is going to have the same benefits.

And for lower wage Americans, we're going to help by providing some discounts to enable you to provide the contribution that you would make, which will be matched by the government so that you'll be sure to be able to pay your fair share to get the same benefits as everybody else.

And one thing, too, that -- you know, we have some books. Do we have some books available? Yes. This book, which is going to be in libraries all over the country and in bookstores all over the country -- now, we have gone through and we have talked about how much money it will cost for people to buy insurance under the President's plan.

And in most cases in the vast majority of regions of the country, it's going to be less than what a comparable insurance policy would cost today to give you benefits that most people don't have, because the benefits package is equivalent to what the best corporations provide now. So I think that, as you study this, you'll see that we're talking

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about making it affordable for everybody.

A HOSPITAL ADMINISTRATOR: Mrs. Clinton, I think there is also another element which unfortunately most of the public is not aware of, is that these days the kind of insurance that a lot of companies are offering -- in order to contain costs, they are putting in place significant co-pays. And we're seeing co-pays as high as 40 percent.

Now, I have to tell you, as a hospital administrator, that there are not very many of us who can afford co-pays of 40 percent if we have a real sick child. And people are losing their homes and truly getting in trouble because they think they're covered, while in reality they're covered for just a portion of the cost.

MRS. CLINTON: One of the advantages will be no more fine print in the insurance policy, so that most of us -- I don't think I've ever read my insurance policy. All of the years that we've been insured, I don't think I've ever read it, sat down and really figured out what was in it. And most of us don't.

We kind of look at the big print and miss the fine print. And then you show up and all of a sudden you find out, well, you've exhausted -- I don't know how many of you might have exhausted your lifetime limits. Or you all of a sudden find out you've got to co-pay the 40 percent. You had no idea that that was going to kick in.

That will all be eliminated. And we're going to be moving toward a single claim form that everybody can understand, so you're not drowned in paperwork anymore. And see, part of the reason we're doing this is because it will save the whole system lots and lots of money.

If this hospital is anything like all the hospitals I'm aware of, they've had to hire four times as many clerical workers and bookkeepers in the last 10 years as doctors to keep up with all the paperwork.

Now when you think of your -- you come into the hospital, take out a dollar to give the hospital, and 40 percent of it goes to pay for clerical work, and then only 60 percent of it can even be used for really direct health care related work in the hospital -- you can see how much money we are wasting. We will actually create money that can then be

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available to take better care of your children.

HOSPITAL ADMINISTRATOR: And people are complaining about the potential for bureaucracy in this plan. And I think there's a potential for problems with any plan. But I have to tell you that right now hospitals and doctors are working with such tremendous bureaucracy imposed on us by insurance companies.

And I would much rather deal with one bureaucracy as opposed to 400. Because right now the rules keep changing by the day. Every one has a different set of requirements. The doctors have to call a telephone number and get an anonymous voice that tells them what they should do with a patient that they have seen and dealt with for 10, 15 years. I mean, this is insane. And this is a system that we want to protect?

MRS. CLINTON: I'm going to take her on the road. (Laughter.) She really knows how this system works right now.

A PARTICIPANT: Mrs. Clinton, I think we've all had concerns and problems where we've heard stories where people have had their benefits canceled when they most need them. And I wonder, under the new plan, what's going to happen if someone has paid and had their benefits for a long period of time and really needs them if they have a serious illness come into their family?

MRS. CLINTON: You will never be canceled. I mean, one of the great advantages of this is that you will always have health care coverage. And because you are an American, you will be entitled to the comprehensive benefits package. No cancellations. No lifetime limits.

And some people say, "Well, gee. That sounds too good to be true." Well, it isn't too good to be true. I mean, most people can look at the system we have now and see how much money we are wasting on things like insurance company bureaucracy. Once we eliminate that, the money is there so that your children can be taken care of for as long as they need whatever care is required.

So I keep asking people, if you think that our present system works, fine. Then you probably see no reason to reform. But I have literally millions and millions of

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stories now in my mind as to why it doesn't work. And one of them is that it's not there when you need it most. You get it canceled, or you hit that lifetime limit.

I know there are babies in this intensive care unit here whose families have hit their lifetime limit within the first year of the baby's life. And all of a sudden, they can never be insured again for that baby. That's when you need insurance. You don't need it when you're healthy and strong. You need it when you have a medical problem. So no cancellations ever, for any reason.

A PARTICIPANT: Our son had osteocytogenic sarcoma (phonetic) and he has a prosthesis. He had his leg amputated last August. We have to get a new one, and they are close to \$6,000, and they go up all the way to \$20,000. And it's something that he does need. Our insurance did cover 80 percent of it.

One of the chemos also damaged his hearing, and our insurance company will not cover an audio enhancer or an ear -- you know, a hearing aid. I mean, you know, that's something Zach needs for the rest of his life. How is that going to --

MRS. CLINTON: Prosthetic devices and things like hearing enhancers and other kinds of additional devices that are needed are covered in the program, yes. Yes.

HOSPITAL ADMINISTRATOR: I think the plan even covers prescription glasses for the children.

MRS. CLINTON: Yes. That's another part of it. You know, this plan cannot cover everything that everybody would want. But very few things are left out. And children's dental is covered, and children's vision is covered. Adult dental only for emergencies is covered. And we're hoping that eventually, over time, we'll be able to include adults on both vision and dental. But we at least have got the children covered.

A PARTICIPANT: We've been blessed, I think, with some excellent doctors and therapists and nurses through this great organization. But to me the real angels of mercy are the mothers of these children in situations with multiple disabilities.

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And I think you've addressed one of my major concerns, which is the few hours they do have that are taken up reconciling bills are very, very difficult. But in addition to that, to me, to have a little quality time of their own because of all the time spent with these children.

There are some other agencies like the UCP and the Cleveland Sight Center here in Cleveland, which are excellent, and private agencies coming into being, like A Small Wonder. And my real concern is how do those agencies get any funding out of this program.

Because there are times when these children don't need to be in a hospital, but they do need somebody who can give them seizure medicine or some medical procedure while they're being cared for, without having to come to a hospital or a doctor or a therapist.

And the real concern I have is for the mothers, in most cases, to get some quality time through a level of respite care out of this new health plan, that doesn't involve going to a hospital. Because in most cases, unless there's a severe reason to do so, the mothers become, in effect, totally dedicated to the children for the rest of their life. And they end up -- and sometimes the fathers -- and give up any social life they have.

MRS. CLINTON: That's a real good question. What we envision is that the health plans that will be formed that you will choose among, when it comes time every year for you to make that choice, will be networks of many care-giving organizations. And I would imagine this hospital will be affiliated with more than one.

I mean, if I were putting together a health plan in Cleveland, I would have this hospital affiliated with more than one. But other organizations like UCP will also be affiliated, because it's in everyone's human and economic interest to do that. To provide some kind of less costly assistance than what you get up in the hospital frees up the money in the hospital to be really focused on the really intense and acute care that the child needs.

So we anticipate all kinds of affiliations among these organizations, which up until now have been kind of informal, being made more formal.

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A PARTICIPANT: They don't qualify for insurance.

MRS. CLINTON: That's right.

A HOSPITAL ADMINISTRATOR: Exactly. And you know, until now, economic incentives for all of us have been to focus on tertiary care (inaudible), do more procedures. And this new health care plan really shifts the focus. It's going to be -- our economic incentive is going to be along with your interest, which is to have your child at home, but enable the family to deal with the problem and provide support to you at the lowest level of expenditures.

MRS. CLINTON: You know, one of the -- I referred to a family that might lose its insurance in the first year of a child's life, and I know of such a family. And the child now is 15 months old, still in the intensive care unit in the hospital because they lost their insurance. They cannot get the kind of help they need to bring their child home and to provide the nursing care and the equipment that the child requires.

And here's a family who was basically told, "You can insure everyone else in the family except the child who needs insurance." So that child had to be put on medical assistance. And the medical assistance won't pay to transfer the child out of the hospital to give the child the services at home. I mean, that's the kind of crazy system we have created in this country.

And what Farrah is saying is exactly right. Hospitals should be the place for acute intense interventions that are required. Then we should have community-based and home-based care available to do things that don't require that kind of level of specialization in the hospital.

But up until now, nobody has been willing to do that because the dollars have all flowed to the most specialized piece of the system, and there hasn't been an opportunity to take a hard look at it and say, "How can we make all this work together?"

A PARTICIPANT: Mrs. Clinton --

MRS. CLINTON: Yes. I guess this is our last one? Okay.

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A PARTICIPANT: As you know, I think everybody here is very concerned about coverage issues and so forth because we have special medical problems. But I did want to tell you that our family comes from a perspective of three different ways on this problem.

And that is, number one, we have a coverage problem with our two children with cystic fibrosis. We also happen to be independent businessmen who own -- we run our own law office. And we have the issue regarding coverage of our employees and so forth. And in that regard, I wanted to ask you a question. In my practice of law I happen to have had eight years of experience as a hospital attorney, and this may be one of the tough questions.

But a great concern of mine in analyzing the President's plan, and a great question is, that in my years as a hospital attorney I saw what I can only characterize as what I felt were many abuses, some by insurance companies, which I think you've already documented, but other abuses I think that the system itself has engendered.

For example, nonprofit institutions spinning off profit entities that thereby avoid taxes, physicians having interests in referral clinics that they then send patients to -- all of which I think were engendered by the method of reimbursement that was devised in this country in a sort of a piecemeal fashion. Did your committee study that? And if so, do you have any reflections on that? Because it impacts me as a small businessman for the cost of this, too.

And I might add, before you answer that question, that, as a small businessman, I have no problem accepting the proposition -- I enthusiastically accept the proposition that we assist in providing coverage not only for ourselves but for our employees. It will be a wonderful thing if we can get everybody covered. But I did want to inquire as to what study you might have made as far as that was concerned?

MRS. CLINTON: You are right on target, and I appreciate all three of those points. We did look at that, and we are doing everything we can, legislatively, to eliminate the kind of self-referral and abuses that you refer to. Because, unfortunately, what you call a "piecemeal" or "piecework" reimbursement system encouraged that kind of self-referral.

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And as we change the reimbursement system so that it becomes more of a capitated -- in other words, we are going to pay on the basis of keeping this child as well as you can keep her, and not on the number of tests and diagnoses and procedures that are run on her. Then we will begin to eliminate the financial incentive, but we will also have statutory prohibitions against that as well.

And I also appreciate what you said about small business, because most small businesses that currently provide insurance do so at some financial sacrifice because of the way the insurance market discriminates against small businesses. Small businesses pay far more than they should for administration and overhead of their insurance. That will be leveled.

You know, we are going to cap the amount of money any business has to spend. We are going to give discounts to small businesses. We do think, though, in return every small responsibility. But it's going to be affordable.

And most small businesses are thinking about their insurance in the light of what exists today. That market will be totally changed. And we will have controls on what you have to spend in that market that will enable it to be affordable for small business. Thank you.

A HOSPITAL ADMINISTRATOR: I think in the interest of time -- I know there are many other questions, but we're going to stop here. I am also going to ask Mrs. Clinton to promise us that when the health care reform proposal, the legislation is signed -- and I know that it will be, because it is in the interest of the country -- that she will come back here and will allow us to celebrate with her.

And on behalf of all of us, we are delighted to have you here. And thank you for coming and listening to some of the concerns of our patients and their families. And I think there is a little guy here who wants to have a little chat with you.

MRS. CLINTON: Thank you so much. That is beautiful.

A HOSPITAL ADMINISTRATOR: I think maybe he wants a little autograph on his --

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MRS. CLINTON: Oh, on his cast. Sure, sure.

A HOSPITAL ADMINISTRATOR: Of course, then he can never take off the cast.

MRS. CLINTON: When do you think the cast will come off?

A PARTICIPANT: In about four weeks, one month.

MRS. CLINTON: Four weeks? Oh, boy.

A PARTICIPANT: Can you tell Mrs. Clinton how it happened?

MRS. CLINTON: How did it happen?

A PARTICIPANT: How did you break your arm?

A PARTICIPANT: I was wrestling with my dad, and my dad picked me up and threw me on the couch, and I put my arm down. I broke my arm.

MRS. CLINTON: My dad used to do that to me and my brothers, too. Luckily, we didn't have any broken arms. But we were thrown on the couch a lot, as I recall. But when you get back you'll probably go right at it again, won't you? Yes, I'll bet so. It looks like you're thinking about how to do it. (Laughter) Better be careful. Your son is going to come after you. Thank you, honey. (Applause)

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