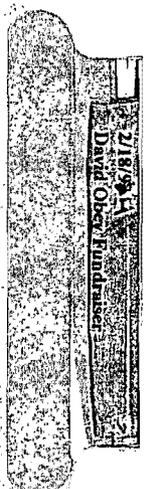


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THE WHITE HOUSE

Office of the Press Secretary

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February 18, 1994

REMARKS OF THE FIRST LADY
AT DAVID OBEY FUND RAISER,
WAUSAU, WISCONSIN

MRS. CLINTON: Thank you very much. I'm (inaudible) I think was restored just wonderfully from everything I can see -- filled to capacity with people who want to talk about health care and issues facing the country. I wonder whether some of you thought maybe (inaudible). (Laughter.)

But I'm glad that you're here, whether on your (inaudible) or not, and maybe we can try to spend the evening (inaudible) some of these problems that the three men on the stage have been willing to tackle in congress. You are very lucky to be represented by people like the ones who are here with me. You know, you know your congressman. (Applause.)

Those of you who have followed his career know what I have certainly come to understand in fact, and that is that he will tell you exactly what is on his mind. That is a rare commodity, and I'm very grateful for it, because it is that kind of honest assessment that I believe helps us to deal with real problems, and so we're very grateful for the congressman and for his leadership.

And then you have two senators who have done a remarkable job in the last year, responding to the kinds of challenges that we were facing in this country. As Dave said, without the support of people like Sen. Kohl and Sen. Feingold, who are willing to step up to the bat and start dealing with the problems the President has said needed to be dealt with, we would not be on the track towards progress that we are today (inaudible). But you know, my husband believed that's what you're in public service for.

(Inaudible) earlier and (inaudible) to me and looked at me and said, "I have a question for you: What kind of car do you have?" And I said, "Well, you mean my personal

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car?" "Yes." And I said, "Well, I have a 1983 Oldsmobile." And he says, "Oh, I'm disappointed." (Laughter.) And he says, "What kind of car does the President have?" And I said, "Do you mean his personal car?" "Yeah." I said, "Well, he has a 1968 Mustang." (Laughter.)

And I knew -- I mean, you know, this little boy's eyes were just getting progressively dimmer, and I said, "But he's President, so he gets to ride around in an armor plated, really big car. The little boy goes, "That's what I thought." (Laughter.) And you know, it struck me that, you know, there are some people who are satisfied holding these positions because they get to drive around in big cars, and they can put the Oldsmobile and the Mustang in the garage for a while.

But we are trying to do what your senators and Congressman Obey are trying to do -- is to reconnect Washington with the rest of America and to try to make sure that the story of the lives of people in Wisconsin are made real in the lives of the decision-makers in Washington, because for too long (Applause.) -- for too long there has been a disconnect. And that disconnect has permitted our leadership to deny what we can see in front of our very eyes.

And that denial says cynicism and distrust of our government and of the people whom we elected to lead us, and it lowered donor participation, and it increased the kind of alienation that no democracy can survive long (inaudible). I have the same sense that they have, that no only (inaudible) voter participation up and people feeling involved again, but I'm beginning to see that people really believe that their president and their senators, and their congressmen, are actually listening and working.

You certainly have that with both of your senators. What I'm hoping is that we can continue to build on that, because you know America has a lot of great challenges ahead of us, and we can meet those challenges if we're prepared and we're confident, and we're ready. And what I sense is that every day that goes by, people feel that they're finally making some of the tough decisions in understanding what life is like for the vast majority of Americans and trying to (inaudible) improve that.

Of course, one of the biggest challenges that we face is what to do about health care. And what I'm hoping is

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that as the debate develops over the next month, we will keep focus on how to preserve and maintain what is best about our American health care system and fix what is broken. There is no doubt that we have the finest doctors and nurses, and hospitals, and clinics in the world. There isn't any better health care delivery. (Applause.)

But I also believe there is no doubt we have the stupidest financing system for health care (Applause.) (inaudible). And the problem is that the way we finance health care has not only bled billions of dollars away from taking care of people -- instead of doing that it has gone into paperwork and bureaucracy. And unless we recognize that the financing system is endangering what we hold dear and value about our health care system, we will not just maintain the status quo, we will continue to deteriorate our access, our coverage and our quality.

Now what do I mean by that? Well, earlier today I was in South Dakota, and I was in a little town outside of Sioux Falls by the name of Lennox, and I was visiting with a doctor and a physician assistant, and a nurse there who run clinics in that rural area.

They told me what I've heard all over the country the past year. And that is that every single day that goes by they are called by their patients who tell them that because of the health pressures their employers had decided that they will no longer be in the same health plan they have always had, and that because they have been moved to another health plan they cannot see their doctors anymore.

In fact, right now, because of financing pressure, fewer than half of those Americans who are insured through the work place have any choice of health care at all. And what we see happening around the country is that as pressures build on employers to provide health care, they are desperately looking for ways to control cost, which means they are either dropping people from health care benefits, they are dramatically increasing (inaudible) and deductibles, they are pushing people into plans where they are not given the choice of who their doctor can be.

That is the trend that is apparent in the country now. The President's plan will reverse that and will guarantee that Americans again have a choice of health care, and that it will be each of your choice, not your employer's,

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not an insurance company's, and not a government bureaucrat's.

So part of what we are trying (inaudible) (Applause.) is to take what has worked and preserve it against what has been a deterioration because of pressures brought about by the financing system. Now how will we arrange to do that?

Let me just briefly say that you will hear lots of information flying back and forth in the next couple of months, and much of it I am sorry to say will not be accurate, but will be motivated by those in our country who do not want the present system changed because the present system operates to their advantage financially. So we will all have to think very carefully about what we hear and be willing to make some hard decisions about the information that we are given.

What the President's plan proposes is not to change dramatically what we currently have, but to build on our current system. The President's plan is built on the idea that every one of us ought to have the right to participate in the health care system by receiving guaranteed private insurance.

It is not a government system. It is not a government-run system. It continues the public and private mix we currently have. It believes that the only way we can control cost, as the Congressman said, is to get everybody covered, because what happens today is, those who do not pay for health care eventually receive it. The rest of us then have to pay more in order to cover the cost of those who could not pay. Once everybody is guaranteed (inaudible) then there will be no opportunity to push costs on to somebody else. Everybody will be responsible.

Now there are only three ways to get to a system where everybody is covered. We either move toward a single payer system which -- I'm sure that there are people in this theater who really support it, because it does achieve universal coverage and achieves cost containment.

The way you get to that through a single payer system is by raising a tax to replace private insurance, so instead of paying money to an insurance company for premiums, you would pay taxes like you do for social security or for

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Medicare, and that's how health care will be financed. That is not the approach the President decided would be best.

A second way to make sure everybody is covered is what is called an individual mandate, kind of what the states do now to require everybody to have auto insurance. The problem with that is if you require individuals to go out and buy health insurance on their own you will have some employers who currently help pay for their employees' health care who will say, I don't have to do that anymore.

So people who used to be able to get their health insurance through work will not get any help from their employer, which will increase their cost. You will also have lots of trouble making sure people comply, just like you do with auto insurance today, and you will have to subsidize low wage workers who cannot possibly afford the entire cost on their own, and that will raise all kinds of problems about who you subsidize, or how much, and what level of income.

So for a lot of reasons that we thought justified, rejecting that approach because it was very difficult to decide how it could be fairly and accurately administered, the President decided to build on what works. For most people in Wisconsin and most people in the United States the employer-employee system requires everybody to participate in providing discounts to small businesses and low wage workers so that they would not have an undue financial burden.

Once everybody is in the system, then we can begin to realize the savings that come by having everybody in the system. We also will preserve Medicare. Medicare will be strengthened by adding prescription drugs and long term care.

We will eliminate a program called Medicaid, which is the program that provides health care for people on welfare. They will go into the universal system, and if they work at all, they will make a contribution, because today we have people who live right here in this town who get up every day and go to work, and pay taxes, but do not have health insurance, but whose taxes are used to provide health benefits for people on welfare. That is not right. Everybody ought to be in the system, and everybody ought to be (inaudible). (Applause.)

Now the final thing I would say before we get to your questions is that we need to eliminate the insurance

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discrimination that prevents some people from either obtaining insurance or from obtaining it at a fair price. We ought to eliminate exclusions based on preexisting conditions, we ought to eliminate lifetime limits, and we ought to eliminate the discrimination that requires older people to pay more for their insurance than younger people.

Everybody ought to be insured the old fashioned way. We all pay a little bit, and we all get insurance for all of our needs.

If we eliminate that kind of insurance discrimination, we will eliminate a lot of the paperwork. Because what happens today is that insurance companies are forced to spend a lot of money -- that they then bill back to you through a premium -- trying to determine who is or is not a good risk.

Well, I was out at the National Institute of Health, one of our real jewels in this country, just yesterday. What they are finding out about our genes every day -- they are finding the genes that cause Huntington's Disease, they are on the track of the gene that might contribute to breast cancer.

What they are finding out in a few years is that probably every one of us has a preexisting condition and is not insurable, so we better hurry up and reform insurance before none of us is eligible. (Applause.)

I'd be happy to answer questions (inaudible).

A PARTICIPANT: Well, thank you very much, Hillary, and let me -- let me explain how we're going to --

(End of tape.)

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