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THE FIRST LADY AT
NORTHERN GREAT PLAINS HEALTH SUMMIT
LENNOX, SOUTH DAKOTA

MRS. CLINTON: Thank you very much for that warm welcome, and it is so great for me to be back in South Dakota. I am just thrilled to have this chance to visit with as many of you as possible and to hear the stories of analysts who represent so many different perspectives about health care.

I am also delighted to be here with the Senator from South Dakota, Senator Daschle, who clearly was the motivating force behind this Great Plains Summit, and who in many ways is one of the finer motivating forces for health care reform in the Senate. I am very grateful for his leadership and his help throughout this process.

I am also delighted to be here with the other members of the Congressional delegations from the states surrounding us. I am pleased that we have representation here from South Dakota, from North Dakota, and Minnesota, and Nebraska, and I believe even some people are here from Iowa.

So I want especially to thank the governors who are here, the senators who are here, and members of Congress, and Secretary Espy of the Department of Agriculture.

What I would like to do is just spend a few minutes talking generally about health care reform and move to what is generally the most important part of forums, such as this, and that is hearing the real life experiences and questions of the people who are here.

It's fitting that we are here in February as it was February of last year when, I think, I attended my very first health care forum in Iowa. I went there and had the opportunity to visit with rural citizens in the living room of a home of a farm family. I sat with four farm families

MORE

and actually looked at their expense books. They showed me what their health care expenses were. They talked to me about costs that they face because of health care, both because of accidents and injuries which are among the highest in agriculture than in any of our industries or economic activities, but also because of the aging of our farm families and the additional health problems that come with that.

Then we went to a forum similar to this and heard the stories of what people are doing to deal with their health care needs. Occasionally in the last year some people have lost sight of those stories and those people. We have forgotten that the reason we are having this forum today is not because of some policy issue in Washington, but because of what is happening to millions and millions of Americans every single day. And also because uniquely in our country, among all of the other advanced economies in the world, we do not guarantee health security to anyone, no one.

Yes, there are those in this gymnasium who are well insured today. Your members of Congress have health insurance that you paid for because you are their employer. You contribute to their health insurance, they contribute, and they are secure for as long as they are members of Congress.

But there is no guarantee that they or anyone else in this gym will be eligible for health insurance at the same price next year to cover the same services that they are eligible for today. That is what is really driving this debate. It is as though we all woke up one morning and realized that because some of us were obviously insecure -- the gentleman that I just met on the street in Lennox, who grabbed my hand and said, "I have worked hard all my life and I am uninsurable."

Yes, we know there are millions of those Americans among us, but this is really a debate about all of us. And what we are going to be called upon to do is decide how to provide health security, that can never be taken away, as a right of every American. Now, why is that an important decision for us to contemplate now?

It's important for several reasons. It's important because we are now spending more money in our country than any other country by far, and we don't even guarantee that the ill will be taken care of. We don't guarantee that our older Americans will have their prescription drugs paid for

MORE

as part of their insurance coverage. We don't guarantee that we will give you the care you need when you are in need of it.

And because we are spending more money than any other country, we are taking more money from our government at the state and federal and local levels and using it for health care than for nearly any other expense. In fact, for the first time ever, the state governments spent more money on health care in 1993 than they spent on education. In addition to that, we are taking money out of the pockets of our businesses, both large and small.

We are asking businesses that do currently insure to pay a much bigger proportion of health care costs than any other country asks its businesses to do. And big business may be able to get better deals for health care than small businesses who have to pay sometimes 35 or 40 percent more. But all businesses are paying more than they should be if they currently insure. And businesses which do insure, are at a competitive disadvantage against those businesses with whom they compete today, who do not insure.

Farm families are being asked not only to pay exorbitant rates for insurance, but oftentimes, at least the families that I talked to, go for a loan to the government or the bank, they are told insurance is one of those expenses that they can do without in order to get loans. They don't get a hundred percent tax deductibility for the insurance costs they pay, and so many of them are paying huge premiums or not being able to insure sufficiently at all.

And then we have the rather remarkable situation in which people in this community, and communities like it all over North and South Dakota, Minnesota and Nebraska, get up every day and go to work and work at jobs that do not provide health insurance, but pay taxes that provide health insurance for people on welfare.

So what we have got is a variety of problems in many different parts of the system. And I have said many times we have the finest physicians, the finest nurses, finest hospitals and clinics in the world. But we have the stupidest financing system for health care in the world.

Now, there are a variety of approaches about what we can do to fix what is broke and preserve what works and

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build on it. And there are people on this panel who have different ideas about what will or will not work.

What I want to do is describe briefly what the President's approach is, and try to explain it as simply as thoroughly as I can. Because, as I have said many times and when someone asks me, "why is the President's system so complex," I have said, "Well, let me ask you this: "Why don't you describe how the current health care system works,". Because once you decide to do that, you will realize we could not design a more complicated system than the one we currently have. We could not create a system that deliberately tries to eliminate people more effectively than the one we currently have.

Under the President's system most Americans will continue to get their health care through the way that they currently do. If you are on Medicare, the Medicare system will be preserved and enhanced. You will receive your health care from Medicare the way you do now. That will not change. What we do want to do is to provide some additional benefits to Medicare recipients so that you will have insurance coverage for prescription drugs, and we will begin to provide long-term care so that you will not be forced into a nursing home. You will be able to have options like staying at home or going to adult day care during the day, and it will provide more dignity to older Americans than the current system.

If you receive your health care insurance now through your employers, that will continue. But instead of some employers being out there on his own, negotiating with insurance companies, or part of an association that tries to get the best possible rate, you will be pooled through your employer into much larger purchasing co-ops. And that's the concept that causes some confusion in Washington. But it never confused us in Arkansas. We knew what purchasing co-ops were and what they were used for. And what we are trying to do is to create the same kind of opportunity here.

It's not a new bureaucracy, it is not new government. It is a way for people, through businesses, and individually like self-employed farmers, to be able to get the best possible bargain in the market place so that for a change, if you are a small business, or you are an entrepreneur, or you are a rancher, you will get the same low cost insurance that now only government and big business are

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entitled to get.

Now, one thing will change. And that is, the insurance companies will be prohibited from excluding anyone from insurance coverage. You will not have to worry about a pre-existing condition. You will be insured. You will not have to worry about discrimination in pricing based on age where because of the way the insurance company prices insurance, your costs will go way up. And you will not have to worry about life-time limits. There will be no more life-time limits on insurance policies.

Now, if you are working for an employer, as millions of Americans do, that does not contribute to health insurance, then there will be a change. Because under the President's approach he wants to be sure every American has health insurance. And we have thought about this very hard for a very long time.

And there are only three ways to guarantee that every American has health insurance. One is to advocate a government-run health care system, and others have advocated strongly that we have a single government system in which taxes will replace the insurance costs and all individuals will be covered. That is a very important alternative that many people believe in strongly. It is what sometimes has been referred to as the Canadian system. For a number of reasons the President did not decide to go in that direction. But that is an honest way of achieving guaranteed health coverage for every American.

A second way of trying to do that is through what is called an individual mandate in which every American would be required to go out into the insurance marketplace and buy insurance the way some states require you to buy auto insurance. We looked at that very closely because it does recognize that unless everybody is required to be in the insurance pool, then you cannot be sure that everybody is covered, and you cannot be sure that some people will not continue to escape their responsibility and other people will pay more than they should.

The problem with the individual approach is that many employers currently do help provide health insurance. If it were not obligated that they do so, but instead that the individual had to do so, many employers understandably would stop contributing to health insurance. Also, it would

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be very difficult, as it is with auto insurance, to keep track of every individual, to make sure they did have insurance.

If we recognize what we would have to help pay for millions of people who could not afford on their own to buy insurance, where would we set the cutoff? If we set it at people who make twice as much as what poverty requires, what about the people who make a dollar more than that? And if we subsidize some individuals, but not others, aren't we providing a disincentive for those people to continue working? Exactly the opposite of what we want to achieve.

The third way to make sure everybody has health insurance is to do what works for 100 million Americans now, to maintain private insurance, but to eliminate the discriminatory practices of insurance companies and to have employers and employees both contribute, but recognizing that we have to get the costs down for small businesses, to give discounts so that small businesses would be paying very little for their contribution. If everybody is in, then nobody has the competitive advantage over anybody else. And that is the approach the President decided to pursue.

If we are able to get everyone into the health care system, we will begin to be able to control the costs. But that will not be enough for many parts of rural America like the states that are represented here. We have to be sure that there is medical care available. We want to give everyone a health security card so that you know you are entitled, as an American citizen, to health care. But we also want to be sure you have a place to use it.

So we are going to do a lot of things to try to provide more physicians and physician assistants and nurse practitioners in rural areas. We are going to be working very hard to give extra funding to hospitals and clinics that serve rural areas, and we are going to be promoting technology so that, as I have seen, a doctor in one small town can actually hold up an x-ray that can be read in the medical school 400 miles away. That is within our reach if we work on that.

So there are many, many ideas in the President's plan that will help rural America. And what we are hoping is that as this debate goes forward, each of us will listen very

MORE

Carefully to what people say, to be able to cut through all the rhetoric. Listen carefully when someone says they believe in universal access but they don't say coverage or insurance. I believe in access also, but I want to make sure that I can afford to access quality health care. We all have access right now to a Cadillac or a Mercedes Benz, but that doesn't mean we are going to be able to afford it.

So we need to be sure that we are talking about the right issue, guaranteeing health care coverage to every American. And we need to be sure that we know when people run ads with actors pretending to be concerned about the President's health care plan, who they really represent, and what their real agenda is. Because the truth is that if we do nothing, all the choices in our health care system will continue to decrease.

I was talking to the physician and the physician's assistant at the clinic here in Lennox who were telling me that every day they have patients who call up and say, "My employer just changed the health care plan and I can no longer come to see you."

The President's plan guarantees that it will be the patient, not the employer, not the insurance company, and not the government, who has the real choice about what doctors you choose to see.

We have tried in the past to achieve health care reform and we have some very distinguished members of Congress who worked very hard on this issue. Senator Kerrey, for example, has been dedicated to health care reform. But, you know, we have tried and failed before.

Franklin Roosevelt thought Social Security was the first step and health security the second step. Because even back then he knew that if we didn't have real health security, it was going to cost us more than it should to take care of people.

Harry Truman tried really hard, as only President Truman could. And in fact I have gone back and read some of his speeches, and they make us look real tame. He ran after people and named names, but he couldn't get it done because the special interests were arrayed against him, and he wasn't able to get his legislation passed.

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President Nixon had a very far-reaching health care reform proposal very much like this President's. It built on the employer-employee system and required employers and their employees, just as we do, to contribute. Every time a president, Democrat or Republican, and members of Congress have come together to try to deal with health care and to try to give every American the same security that the richest among us have, they have been defeated. You can see the battle lines being drawn in Washington over this latest effort.

The difference is, though, that this time millions of Americans understand what is at stake. They are tired of paying more and more for less choice and less care. They are tired of seeing their needs expand and their coverage contract because they have a disease that makes them uninsurable or raises their costs. And they are tired, as business owners, of footing the bill.

So this year we will have health care reform and it will finally, once and for all, solve the problem that too many Americans face and that all of us could face tomorrow or next year. It will guarantee health security now and into the future as a right for Americans. Thank you very much.

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