

NOTE: A biography of the nominee was made available by the Office of the Press Secretary.

Remarks at the Children's National Medical Center

September 17, 1993

The President. Thank you. Well, Dr. Beard, I promise to free you of the paperwork if you will promise not to use your free time to run for President. [*Laughter*]

Mr. Brown and Ms. Freiberg, Dr. Beard, to all of you who helped to make our visit here so wonderful today, I want to thank this Children's Hospital for bringing us together this morning, for giving us a chance to see some of your patients and their parents and their friends and to witness the miracles you are working. I want to thank Ben Bradlee and Sally Quinn for calling Al and me and telling us to hustle more money for the hospital.

In my former life, when I was a Governor, my wife and I worked very hard for the Arkansas Children's Hospital. Some of you know it's one of the 10 biggest hospitals in the country, and every year we finished first or second in the telethon, even though we come from a small State. There's a lot of grassroots support for people who are doing what you're doing.

We built a tertiary care nursery at our hospital with State funds, the first time anything like that had been done. And I have spent countless hours in our Children's Hospital at home with my own daughter, with the children of my friends, sometimes their last day, sometimes their best day. And I am profoundly grateful to you.

I think the people in the press and maybe some others might have wondered today why in the wide world we would come to a children's hospital, with all of its gripping, wonderful, personal stories, to have an event about bureaucracy and paperwork. After you listen to a nurse say why she couldn't care for a sick child and a doctor plead for more time to be a doctor, maybe you know. There is an intensely human element behind the need to reform the system we have.

When we were upstairs and Dr. Grizzard and Ms. Mahan were showing us some forms, we looked at four case files that they said

had \$14,000 worth of work in them that were absolutely unrelated to the care of the patient. The doctor said he estimated that each doctor practicing in this hospital, 200 in total, spent enough time on paperwork unrelated to patient care every year to see another 500 patients for primary preventive care—times 200. You don't have to be a mathematical genius to figure out that's another 10,000 kids who could have been cared for, whose lives could be better.

People say to me, how in the world do you expect to finance universal coverage and cut Medicare and Medicaid? Let me say first of all, nobody's talking about cutting Medicare and Medicaid; we're talking about whether it doesn't need to increase at 16 percent or 12 percent or 15 percent a year anymore. And it wouldn't if we had some simplification so people could spend the time they have already got on this Earth doing what they were trained to do.

I've got a friend who is a doctor that I grew up with who happens to live in the area, who calls me about once every 3 months to tell me another horror story. And the other day, he called me and he said, "You had better hurry up and get this done." He said, "You know, I'm in practice with this other guy. We've got all of these people doing paperwork. Now we've hired somebody who doesn't even fill out any forms. She spends all day on the telephone beating up on the insurance companies to pay for the forms we've already sent in. We actually had to hire somebody to do nothing but call on the phone." He said, "I'm lost in a fun house here." [*Laughter*] He said, "I went to medical school to try to practice medicine. Now I've got to hire somebody who does nothing but call people on the phone to pay the bills they're supposed to pay, after I've spent all this time filling out these forms?"

People complain about doctor fees going up. I'll give you one interesting statistic. In 1980, the average physician in America took home 75 percent of the revenues that were generated in a clinic. By 1990, that number had dropped from \$.75 on the dollar to \$.52.

Where did the rest of it go? Right there. Most of it went to forms.

Now you know, when we were up in that medical records room, we saw all these forms. We were told that by the time the room was done, the room was already too small because the paper kept coming faster than you could make space for it in this hospital. A lot of you are nodding about that. Now they have records flowing on into a room that is beneath us in the garage, and these files are still growing at the rate of 6.5 feet a week.

We know, of course, from what Dr. Beard and Ms. Freiberg said that that's just some of the story. There are departments in this hospital that spend all their time trying to satisfy hundreds of different insurers. There are 1,500 in America, by the way. No other country has that many. This hospital I think deals with over 300. Each of them want a slightly different piece of information and in slightly different way; so that even if you try to have a uniform form, it's not uniform by the time you finish customizing it.

How did this happen? Hospitals like this one treat people who are most vulnerable, weak, ailing, and in pain. To make sure that sick patients were getting the best care, Government regulators and private insurers created rules and regulations, and with them came forms to make sure you were following the rules and regulations. To make sure doctors and nurses then didn't see the patients that were getting the best care too often, keep them in the hospital too long, or charge them too much, there were more rules and regulations and along with them, more forms.

As more and more insurance agencies and private companies got into the business of selling health insurance—and as I said, there are now more than 1,500 insurers in this country; no other country in the world has anything like that many—each of them had their own forms and their own different list of what they would cover. And so what are you left with? Instead of all this paper and all these medical forms assuring that the rules are followed and people get healthy, we're stuck in a system where we're ruled by the forms and have less time to make children and adults healthy.

When doctors and nurses are forced to write out the same information six different times in seven different ways just to satisfy some distant company or agency, it wastes their time and patients' money, and in the end, undermines the integrity of a system that leaves you spending more and caring for fewer people.

Just think about the patients. I don't know if you've read the stories in the morning paper about the people we invited to the Rose Garden at the White House yesterday. We invited about 100 people who had written us letters. We let 15 of them read their letters. They are part of the 700,000 letters that my wife and her group have received since we started this health care project. And they were all saying more or less the same thing: We want coverage. We don't want to be locked into our jobs, preexisting conditions shouldn't bankrupt families.

But there was one gentleman there from Florida, Jim Heffernan, who told us that he is a retiree on Medicare who spends his time working in hospice programs with people who are much sicker than he is. And he talked about how all the regulations, the reimbursement forms, all the complexities sap the energy and the morale and the vitality of the people that he was trying to help. He describes mountains of paperwork that older Americans face. He told how he now volunteers his time helping these patients to decipher their forms instead of helping them to feel better about their lives and think of something interesting to do every day to make every day count.

The biggest problem with all this, of course, is the waste and inefficiency. We spend more than 20 cents of every health care dollar on paperwork. And after about 4 years of studying this system, long before I even thought of running for President, I got interested in this at home, and I've tried to honestly compare our system with systems in other countries. And it appears to me that we spend about a dime on the dollar more than any other country in the world on bureaucracy and paperwork.

In a medical system that costs \$880 billion, you don't have to be a mathematical genius to figure out what that is. What could we do in this country with that money? How

many people could we cover? How many things could we do? How much more preventive care could we do to lower the long-term cost of the system? How many more children could we care for?

In the last 10 years, our medical providers have been hiring clerical help at 4 times the rate of direct health care providers. That is a stunning statistic. They spend resources that should go into care on other things.

What we want to do with this health security plan is to do away with all of that, to streamline the rules, reduce the paperwork, make the system make sense, and do nothing to interfere with the private delivery of care system that we have now. And we believe we can do it. We think we can do away with the different claims forms, with all the confusing policies, and put the responsibility for measuring quality where it belongs, with you on the front-lines and not with examiners that work for Government or the insurance company thousands of miles away.

Here's how we propose to do it. First, we want to create a single claim form, one piece of paper that everyone will use and all plans will accept. We've already started moving in this direction now. There are some standard forms used by Medicare and others that are aimed at cutting back on all this craziness. But as you know here at Children's, a single form is no good if every insurer uses it differently. You might as well have different forms.

So we will now introduce a single form which we have a prototype of here today. I've got one here, or you can see one here: a single form which would go to every hospital, every doctor's office in the country, which would deal with the basic benefits package and which would replace that and worse. Think of what that will do. Think of how many hours it will free up for all of you.

Now, when we do this, that won't be enough. We'll have to standardize how the forms are used, building on what has been done in other contexts in private industry, building on what we know from the professional associations in health care. We'll ask doctors and nurses and health care plans to decide together on what information absolutely has to be given to guarantee the highest quality and most cost-effective care.

Secondly, in order to make this form work, we'll have to create a single comprehensive benefit package for all Americans. We'll allow consumers of the health care, the employees and others in our country, to make some choices between the packages. But it will essentially be one comprehensive package. No longer will hospitals and doctors have to keep track of thousands of different policies. No longer will they have to chase down who has which insurance and what's covered under what circumstances. If it's covered, it's covered no matter who you are or what plan you're in, no matter whether you have a job or whether you don't. It will simply be covered.

It will simplify your life. And it will also provide security to the American people who worry that if they switch jobs, they'll lose their health care coverage, or it will be so different it will take them 6 months to figure out what's covered and what isn't. They won't have to know—the American people won't—enough jargon to fill a phone book just to come down here and see you. It will mean that more of the money we all pay for health care will go for health care and not bureaucracy.

And finally, the Government will try as hard as we can, and I say that because I've found as President I have to work extra hard to change the culture of the Government when I want to get something done. But our rules are going to be that we are going to rebuild the trust between doctors and hospitals and patients and the Government that is funding some, but by no means all, of the health care.

Federal programs, let's face it, are a big part of the paperwork problem. We will simplify and streamline Medicare reimbursement and claims processes, and we'll refocus clinical laboratory regulations to emphasize quality protection. And we will reduce a lot of the unnecessary administrative burden that the National Government has put on them now.

If we do this right, those of you on the front-lines will spend less time and money meeting the paperwork requirements, and more time and energy treating patients. You'll face fewer crazy rules and regulations, worry less about which insurers cover what,

have better tools and information to help actually protect people and promote quality, rather than constantly having to prove you've done nothing wrong.

You'll hear a lot more about this proposal in the weeks ahead. As the debate evolves, I want to tell the people about these children, these brave children I met upstairs, about the wonderful people who are caring for them, and about how they deserve the opportunity to care more and spend less time with paper and forms.

I value what you do here at this hospital and what people like you do all over America. If the American people really knew what nurses and doctors have to go through today just to treat people, they would be up in arms, they would be marching on Congress, demanding that we do something to solve this problem.

I hope that, by our coming here today, we have made a very real and human connection between these magnificent children and all of the wonderful people who care for them and this awful problem represented by this board up here. If we move here, it means more for them. And that's why we came here.

Thank you very much.

NOTE: The President spoke at 10:20 a.m. in the Atrium. In his remarks, he referred to Lillian Beard, M.D., Washington, DC, pediatrician; Debbie Freiberg, R.N., pediatric cancer nurse; Michael B. Grizzard, M.D., vice president for medical affairs; Michelle Mahan, vice president of finance; Ben Bradlee, vice president at large, the Washington Post; and author and journalist Sally Quinn. A tape was not available for verification of the content of these remarks.

Exchange With Reporters Prior to Discussions With Prime Minister Carlo Azeglio Ciampi of Italy *September 17, 1993*

The President. Hi, Helen [Helen Thomas, United Press International].

Somalia

Q. Hi. How are you? What do you think of Aideed's proposal, Mr. President, concerning Somalia and straightening out his position?

The President. Well, I think we have to—my main concern is not to allow Somalia to deteriorate to the condition which it was in before the United Nations went there. I look forward to talking with the Prime Minister about Somalia today.

Obviously, we would like it if some political initiative could be taken to stop the current violence, but we certainly can't afford to do anything that would permit the country, after all of the efforts the United Nations has made, to deteriorate to its former condition where hundreds of thousands of people are killed or starved at random. So we'll just see—we're discussing it. We're going to discuss it today, and we have it under active discussion here what we should do, and we're looking at our options.

Q. Have you resolved your differences between U.S. and Italy on the question of Somalia?

The President. Well, I hope we have, but we haven't had a chance to talk about it.

NOTE: The exchange began at 11:15 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

The President's News Conference With Prime Minister Ciampi of Italy *September 17, 1993*

The President. Good afternoon. It is a great pleasure for me to welcome Prime Minister Ciampi to the White House and to see him again after our very successful meeting in Tokyo this summer. I deeply value the opportunity to exchange thoughts on all the challenges that we face today with one of Europe's most respected figures.

The domestic reforms which have been undertaken during the Prime Minister's tenure are truly impressive, and I salute him for that. And I congratulate the people of Italy on achieving greater financial stability and laying the foundations for future growth. Our two nations share a wealth of cultural, historical, and personal ties. From the voyage