Weekly Compilation of

Presidential Documents

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WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, September 24, 1993

Nomination for Ambassador to Brunei

September 17, 1993

The President today announced his intention to nominate career Foreign Service officer Theresa Anne Tull as Ambassador to Brunei.

"Theresa Anne Tull has spent her entire life serving our country in the Foreign Service," the President said. "I am certain she will use that experience to represent America well overseas and am proud that she has accepted this challenge."

NOTE: A biography of the nominee was made available by the Office of the Press Secretary. This item was not received in time for publication in the appropriate issue.

The President's Radio Address

September 18, 1993

Good morning. This week we've seen inspiring examples of people reaching across their differences, having the courage to change, to achieve what is best for everyone.

On Monday, I had the great honor of hosting Israeli Prime Minister Rabin and PLO Chairman Arafat for the signing of the historic peace agreement between two peoples who have been engaged in a century of bitter conflict. Their unforgettable handshake holds the hope of a normal and more secure life for Israelis and Palestinians. And with American leadership we can build on this historic agreement to promote peace throughout the region and beyond.

On Tuesday, I signed agreements strengthening the North American Free Trade Agreement protecting labor and environmental standards in Mexico, Canada, and the United States. I was joined by former Presidents from both parties: President Bush, President Carter, and President Ford. We stood together because NAFTA will create jobs here in the United States, 200,000 jobs by 1995.

This week, Americans began a new chapter in our national discussion about one of our greatest challenges, how to preserve what's right and fix what's wrong with our health care system. In the Rose Garden on Thursday, the First Lady and I and Vice President and Tipper Gore met with a few of the people from all across America who had written to us about their experiences with health care and their growing insecurity.

Nine months ago, when I asked Americans to send us their thoughts about health care, I had no idea we would receive over 700,000 letters. If you read some of those letters, as I have, the picture becomes clear: Even the millions of Americans who enjoy good health care coverage today are concerned that it won't be there for them next month or next year. Their stories make me even more determined than ever to provide health security to every American.

On Thursday morning, I spoke with Mabel Piley from Iola, Kansas. She and her husband own a small garden shop. After they each had minor surgery, their insurance premiums more than tripled in 4 years, until they hit $900 a month. They finally had to drop the coverage. Since then they found new coverage but with a $2,500 annual deductible. She told me, "My concern now is for my children and grandchildren. I sincerely hope our Government can do something about this runaway nightmare of a problem."

And I heard a heartbreaking story from Margie Silverman of Miami, about her 28-year-old daughter who lives in California. Last year, her daughter had a serious operation. And now, at a time when her daughter needs to be with her family, she can't move back home. That's because she's insured through a company that doesn't operate in

Florida. And no other company will cover her because of her preexisting condition.

These problems and many others like them affect us as Americans, not as Democrats or Republicans, and frankly, not as people who consume health care and those who provide it. I talked to doctors and nurses today who are heartsick at the burden of unnecessary paperwork. At the Children's Hospital here in Washington, the doctors told me that $2 million a year is spent on paperwork that has nothing to do with caring for patients, that the average doctor has to give up the chance to see 500 more patients a year just to fill out forms.

I know we can work together, across the lines of partisanship, to solve these problems and find an American answer to this American challenge.

On Wednesday night, when I speak before a joint session of Congress, I will ask the Congress to provide every American with comprehensive health care benefits that cannot be taken away. I'll ask Congress to work with me to reduce costs, increase choices, improve quality, cut paperwork, and keep our health care the finest in the world. And I'll ask members of both parties to work together for this important purpose.

We have to work together because there is so much that is good about American medicine that we must preserve. We have the best doctors and nurses, the finest hospitals, the most advanced research, the most sophisticated technology in the world. We cherish this as Americans, and we'll never give them up, nor will we give up our right to choose our doctors, our hospitals, and our medical treatments. That is especially true for older Americans, who've worked their whole lives and deserve this security. I want to say to those older Americans listening today: Our plan offers you more peace of mind.

First—and this is something I feel strongly about—we will maintain the Medicare program. If you're happy with Medicare, you can stay in it. And we're going to increase your choices and give you the chance to join a less expensive plan, but it'll be your choice. We're also going to maintain your right to choose your own doctor, and you'll continue to get the benefits you get now.

Second, we must do something about the human tragedy of older Americans who are forced to choose, literally choose every week between medicine and food or housing. Prescription drugs, currently the largest out-of-pocket expense for older Americans, will be covered under this proposal.

Third, our initiative will expand services for older Americans with serious illnesses or disabilities. Today, about 75 percent of elderly Americans with serious illness receive care from their families. But often these families can't afford the services they really need. Now, for the first time, all older Americans with serious impairments will be eligible for care in their homes or in community-based settings that they choose. This will help them be near their families while receiving the care they need.

Finally, this initiative will offer tax incentives that will make private insurance more affordable for older Americans seeking coverage for long-term care.

Sixty years ago, in the midst of the Great Depression, America provided Social Security for all Americans so that a lifetime of work would be rewarded by a dignified retirement. Now it's time to provide health security for all Americans so that people who work hard and take responsibility for their own lives can enjoy the peace of mind they deserve. To reach this goal, I want to work with everyone, doctors and patients, business and labor, Republicans and Democrats. At a time when the world is filled with new hope and possibility, let's work together for a great goal worthy of our great Nation.

Thanks for listening.

NOTE: The address was recorded at 6:04 p.m. on September 17 in the Roosevelt Room at the White House for broadcast at 10:06 a.m. on September 18.

Remarks at the Congressional Black Caucus Dinner

September 18, 1993

Thank you very much. Senator Carol Moseley-Braun, I'll never forget the first time I saw you campaigning in Chicago in

the spring of 1992. I told Hillary that night when I called her on the phone that I didn't know if you could be elected to the Senate, but whatever it is you have to have in politics to make it, you've got it. I saw it that night. I knew it then. And now, Jesse Helms knows it, too.

I have had a wonderful time tonight seeing friends from all over America, all kinds of people, people in politics, people in private life. It's been a great joy to see so many of you here. I also had a wonderful time tonight listening to the music. I just want to say again, as a child of the sixties, I love listening to Shanice and Crystal and Penny Wilson. I love seeing the Boyz 2 Men, knowing they could sing some songs that were alive in my childhood and before they were born. And I love hearing Martha Reeves and the Vandellas again. I did play with them 6 years ago, just as she said, up in Michigan, and I'm sorry I was disabled from playing with them tonight, but maybe I can have a raincheck.

I want to thank the chairman of the Congressional Black Caucus, Congressman Mfume; the Caucus Foundation chairman, Alan Wheat, and my neighbor, the honorary chairman of this weekend, Harold Ford. I also want to acknowledge the presence of two people I understand are here, but I have not seen them tonight, the chairman of the Southern Governors' Conference, Governor Doug Wilder of Virginia, and the next Mayor of New York City, David Dinkins.

I have many friends in the Congressional Black Caucus: Some I never met before I was elected President; some I have known for years and years; some I've just had the opportunity to work with; some who walked the long and hard road with me from the beginning of my long and sometimes lonely quest to win the Presidency. But I can tell you this: As a group, they are a group of truly outstanding and committed leaders who do their best to think independently but to act together when it's in the interest of their people.

Tonight, from the bottom of my heart, more than anything else I just wanted to come here and say to them, thank you. Thank you for your support. Thank you for your constructive criticism. Thank you for your vigor and your caring. Thank you for the consistency with which you approach your work. I wish every one of you could see them working, working every day up here on these problems, problems that are as profound as have confronted our country in a very long time. I hope you will be patient with them and maybe a little with your President when we can't work miracles. We don't always have an operating majority, but they are a ferocious crowd, and they get things done, and they have made a difference.

I also would like to thank Senator Moseley-Braun for acknowledging the members of my Cabinet: the Secretary of Commerce, Ron Brown; the Secretary of Agriculture, Mike Espy; the Secretary of Energy, Hazel O'Leary; the Secretary of Veterans Affairs, Jesse Brown; and our Drug Policy Coordinator, for the first time in history a member of the President's Cabinet, Lee Brown, formerly the police chief of New York and Houston and Atlanta.

There are many other African-Americans in this administration at the sub-Cabinet level. I hesitate to begin to mention them for fear I will hurt some others; I saw a lot of them are here in the crowd tonight. But I do want to say a word about a couple of people who are in somewhat nontraditional positions: the person who argues America's case before the Supreme Court, our Solicitor General, Drew Days; the person who is in charge of protecting the President, the Assistant Secretary of the Treasury for Enforcement, Ron Noble, over at the Secret Service, the Customs Department, and the Alcohol, Firearms and Tobacco; and one of my most recently confirmed administration officials, someone I believe will be recognized by all Americans as a great national treasure, and my dinner partner tonight, the new Surgeon General, Dr. Joycelyn Elders from Arkansas. Please stand up. Stand up, Joycelyn.

When I asked Joycelyn Elders to become the director of the department of health in Arkansas, she said, "Well, what do you want me to do?" And I said, "Not much. I want you to cut the rate of teen pregnancy, get the infant mortality rate below the national average, put our State ahead of the curve in dealing with the curse of AIDS, do something about environmental health, and bring

health services into the schools where poor children can get them.'' And she said, ''What else? I'll do that.'' And when her nomination generated a little controversy, as I hoped it would—[*laughter*]—I called our senior Senator, Dale Bumpers, who's got a great reputation as a humorist. And he said, ''Well, you know, every now and then Joycelyn may be a little too outspoken, but you've got to say one thing for her: She plants the corn where the hogs can get at it.'' [*Laughter*]

I was glad, too, to see this slide show tonight acknowledge the contributions of the new United States Ambassador-designate to Jamaica, Shirley Chisholm. And I want to acknowledge the two people whom I believe to be the two highest-ranking African Americans ever to serve in the Office of the White House: the Assistants to the President for Public Liaison and the Chief of Staff to the First Lady, Alexis Herman and Maggie Williams. I thank them for what they do. And yesterday, I appointed to be the Chair of the U.S. Commission on Civil Rights an old friend of many of yours, Mary Frances Berry.

My friends, these and hundreds of other Americans are part of our partnership to fighting battles on old and new fronts. As President, that's my job. As an American, I think it is my moral obligation. As your partner, it is my privilege.

A few days ago, we fought a battle in Vidor, Texas. Henry Cisneros, the Secretary of Housing and Urban Development, went there to deliver our message loud and clear: No more discrimination and segregation in public housing. That message has also been delivered by the Attorney General, Janet Reno, in the areas of employment, education, hate crimes, and voting rights. And we believe that districts drawn to increase the empowerment of minorities are good for America, not bad for America.

If I might say tonight, the end of the cold war imposes on us new responsibilities to fight for democracy and freedom and peace for peoples around the world where we can, consistent with our resources, our reach, and our interests. I am disturbed from time to time to read articles as I did last week, someone who said that President Clinton's problem is he thinks that foreign policy is about helping the weak, when foreign policy is really about dealing with the strong. Well, I thought it was about both. And I remember a time when this country was weak in its beginning, and weak became strong. The United States can never stop worrying about the weak and dealing only with the strong. That's not what we're about, not at home and not abroad.

I would also say, my fellow Americans, there is more than one way to define strength. Tonight I would like to introduce someone I consider to be quite strong; the duly elected President and soon to be returned President of Haiti, President Aristide. Please stand up, sir.

I also want to thank Congressman Mfume, Congressman Rangel, and others who are going to lead a delegation to Haiti in the next few days to make it clear that we deplore the violence of the last few days and we are still intent on working with our allies in the United Nations to restore real democracy, freedom, and peace to the people of that troubled land.

You know, when I look out at all of you tonight and I see so many people here of different racial and ethnic backgrounds supporting this caucus, I am reminded that in 1992, one of the hot political books that was written and widely read by everyone involved in that campaign argued that the Democratic Party had been reduced to permanent minority status because we believe in the empowerment of minorities, and especially African-Americans; that unless we could somehow rid ourselves of our affection for, our allegiance to, and our deep and profound ties to racial minorities, the wide majority would never give us any support again and we could never elect a President again.

Well, I hope that one of the things the 1992 election proved was that most Americans want this country to pull together, not be pulled apart. Most Americans believe that we really are all in this together. Most Americans believe and want the same things: greater opportunity for people who work hard and play by the rules and for their children, a renewed sense of responsibility for ourselves and for our fellow brothers and sisters, a deepened sense of the American community.

Most people really do think we're going up or down together. I remember the first time I went to Detroit, and then I went to Macomb County, which was supposed to be the symbol of the Reagan white flight of the 1980's and seventies, and intentionally gave the same speech to both crowds. Some people thought I had slipped a gasket. But I kind of liked the way it felt, and so before the campaign was over, I went back and did it again. And I found out that most people thought it was kind of nice to have someone who tried to preach to white folks that they couldn't run from black folks, and to black folks that they ought to embrace their allies in every community they could find them.

I confess when I got here tonight, I was sort of tired. I was up for about 22 hours on that magnificent Monday of this week, when the history of the world was changed with a magic handshake between Yitzhak Rabin and Yasser Arafat. When I saw that happen, so close at hand, with a little nudge from their friends, I felt a surge of emotion that I have felt in the last few years only one other time, and that was when my daughter and I, on a Sunday morning, watched from a very long distance as Nelson Mandela walked out of his jail cell for the first time in 27 years.

I thought to myself: If those two old warriors, after decades of fighting against each other, decided it was better for them to put aside their hatred and just call them problems, to no longer allow their enemies to dictate their own energies but instead to think about the long-term interests of their people, then surely we can do what we have to do here at home. Surely those of us who have taken too many years avoiding one another can sit down and work out the plain and present and pressing problems which threaten to rob our children of the American dream.

Oh, I know in the last few months we have made a lot of progress. And I appreciate the things that have been said. But make no mistake about it, my fellow Americans, we still stand at the crossroads in a time of swirling change, generational change, engulfing not just the United States but the entire world. We cannot simply blame on the last 12 years economic difficulties that are more than two decades in building, every wealthy country in the world having difficulty creating jobs, wages stagnant in this country, for more than two decades most families working harder for less and paying more for the basic things in life. Then for the last 12 years, trying trickle-down economics and finding not much trickled down, but the deficit exploded upward. So that now when we need most to invest more in jobs and education and in our future, we are mired in a debt and frozen in a pattern of practice that will never take us where we need to go. We now have to break out of our patterns, just as Israel and the PLO did this week.

I thank the Black Caucus for making the beginning, for helping us finally to get the motor voter law, a genuine expanse of civil rights, for helping working families to be able to take a little time off when there's a baby born or a parent sick without losing a job. I thank them for enacting empowerment zones to see if we can get the private sector to invest in our most distressed areas again. I thank them for reversing the tide and helping to expand women's rights and helping to expand the protection of our environment and helping to pass the national service bill and a dramatic reformation of student loans which will open the doors of college education to all. I thank them for that. And I thank the Congressional Black Caucus for voting for a budget that, for the first time in the history of our country, will use the tax system to lift the people who work for a living and to have children in the home and have modest wages out of poverty, so that we will tax them out of poverty, not into poverty, using the income tax credit. That is the most significant piece of income reform in 20 years, and every member of the Congressional Black Caucus voted for it.

But it is just the beginning. We must find a way to create more jobs in this economy. I believe we can't do it unless as President, I have the freedom to work with other nations to expand world growth. I believe we can't do it unless we can expand global trade. But I know we can't do it unless we invest more in putting our people to work here, in converting from a defense economy, in train-

ing people who lose their jobs, in changing this unemployment system to a reemployment system and revolutionizing the whole notion that when people lose their jobs, we should just wait around and hope something good happens to them. From now on, since most people don't get back the same job they lose, from the minute they're unemployed they should be in a new training program, and people should open up the vistas of the future to them.

I believe that African-Americans want to do something about crime. But it's important that we don't just think of crime as punishment. You can't go around telling people they should say no to things unless they have something to say yes to. People should have something to say yes to. And the best police force is the community police force that prevents crime, not just catches criminals.

And while we're at it, folks, why in the world don't all politicians stop making speeches about crime until they at least pass the Brady bill and take assault weapons out of the hands of teenagers in this country? You can't drink legally until you're 21. And there are cities in this country when the average age of people who commit killing is under 16. And we are giving aid and comfort to the continued disintegration of this society because the grown-ups won't take the guns out of the hands of the kids, because they are afraid to stand up to the gun lobby. It's time to change that, and we ought to do it this year.

And finally, let me say, with all my heart I believe we will never restore health to our budget, we will never restore health to our economy until we provide health to all of our people, comprehensive, affordable health care to all the American people.

This week, we kicked off the administration's efforts to work with Congress, without regard to party or region, to overhaul this country's health care system. We are spending 40 percent more of our income than any country in the world. We have 35 million Americans uninsured. We have an atrocious infant mortality rate. Only two nations in this hemisphere have a worse immunization rate of children. There are millions of people who never get primary and preventive care. There are millions who can never leave the job they're in because someone in their family has been sick.

And I went to the Children's Hospital in this city this week and heard a nurse say that she had to turn away from a child with cancer who wanted her to play with him because she had to go to a school to learn how to fill out yet another new form in the most insane bureaucratic maze of financing that any country on the face of the Earth has. I heard a doctor plead with me—you may have seen her on television—a pediatrician, a native of this city, plead with me to do something to lift the burden of the present health care financing and regulatory system off her back. The Washington Children's Hospital said that the 200 doctors that have privileges at that hospital could see another 500 children a year each, 10,000 more children, if we just had the courage to make the simple changes in our health care system that other nations have already made. I tell you, we can do better, and we must. And we must do it together.

My fellow Americans, and especially the members of the Congressional Black Caucus whom I honor tonight: I ask you to think about how in 5, 10, or 20 years you want to look back on this period. One of your colleagues complained to me the other night that the Congress has already met 40 percent more this year than they did last year. I said, "That's good. That's what we were hired to do." We need to look back on this time and say: In this time of change, when so much was threatened and so much was promised, we beat back the threats and we seized the promise. We revived the American dream. We did right by the people who sent us here. We honored the deepest traditions of America, and we gave our children and the children of the world a better future.

Thank you all, and God bless you.

NOTE. The President spoke at 9:40 p.m. in the Washington Convention Center.

Memorandum on Assistance to Jordan

September 17, 1993

Presidential Determination No. 93–39

Memorandum for the Secretary of State

Subject: Assistance to Jordan

I. Pursuant to the authority vested in me by section 614(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2364(a)) (the ''Act''), I hereby:

(1) determine that it is important to the security interests of the United States to furnish to Jordan, through funds appropriated during fiscal year 1993, up to $20 million of assistance under Chapter 1 of Part I and Chapters 4 and 8 of Part II of the Act, and up to $1 million of assistance under Chapter 5 of Part II of the Act, without regard to section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993 (Public Law 102–391) or any other provision of law within the scope of section 614 of the Act;

(2) determine that it is vital to the national security interests of the United States to furnish to Jordan up to $9 million in assistance under Section 23 of the Arms Export Control Act from Foreign Military Financing funds previously allocated to Jordan without regard to section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993 (Public Law 102–391) or any other provision of law within the scope of section 614 of the Act; and

(3) authorize the furnishing of such assistance.

II. In addition, by virtue of the authority vested in me by section 573 of the Foreign Operations, Export Financing and Related Programs Appropriations Act, 1993 (Public Law 102–391), I hereby determine and certify that the provision to Jordan of the assistance described in paragraph I above is in the national interest of the United States.

You are authorized and directed to transmit this determination to the Congress and to publish it in the *Federal Register*.

William J. Clinton

NOTE: This memorandum was released by the Office of the Press Secretary on September 20.

Remarks to Physicians and Supporters on Health Care Reform

September 20, 1993

Good morning. I thank you for coming here, and I thank Dr. Koop for his stirring remarks. He always makes a lot of sense, doesn't he? And the Nation is in his debt for his work as Surgeon General and now, for the work he is about to undertake in behalf of the cause of health care reform.

I also want to thank the many physicians from all across America, from all walks of medical life who have made a contribution to the debate as it has progressed thus far. I got very interested in this subject years ago when, as the Governor of my State, I noticed I kept spending more and more for the same Medicaid and had less and less to spend on the education of our children or on preventive practices or other things which might make a profound difference in the future.

In 1990 I agreed to undertake a task force for the National Governors' Association, and I started by interviewing 900 people in my State who were involved in the delivery of medical care, including several hundred doctors. Some of them are in this room today. I thank them for their contributions, and I absolve them of anything I do which is unpopular with the rest of you. [*Laughter*]

I'm glad to see my dear friend and often my daughter's doctor, Dr. Betty Lowe, the incoming President of the American Academy of Pediatrics; my cardiologist, Dr. Drew Kumpuris, who pulls me off a treadmill once a year and tells me I'm trying to be 25 when I'm not—[*laughter*]—and Dr. Morriss Henry from Fayetteville, Arkansas, back here, an ophthalmologist who hosted the wedding reception that Hillary and I had in Morriss and Anne's home almost 18 years ago next month; Dr. Jim Weber, formerly president of the Arkansas Medical Society. We started a conversation with doctors long before I ever thought of running for President, much less knew I would have an opportunity to do this.

This is really an historic opportunity. It is terribly important for me. One of the central reasons that I ran for President of the United States was to try to resolve this issue, because I see this at the core of our absolute imperative in this sweeping time of change to both

give the American people a greater sense of security in the health care that they have, and call forth from our people—all of our people, including the consumers of health care—a renewed sense of responsibility for doing what we all ought to do to make this country work again.

I am determined to pursue this in a completely bipartisan fashion. And I have reached out to both Republicans and Democrats, as well as the thoughtful independents to help. There is one person in the audience I want to introduce, a longtime friend of mine who has agreed to help mobilize support for this approach among the Democrats of the country, the distinguished former Governor of Ohio, my friend Dick Celeste, who's here. Thank you for being here.

When Dr. Koop talked about the ethical basis of this endeavor, he made perhaps the most important point. If I have learned anything in these years of public endeavors, or anything in the last several months of serving as your President, it is that once people decide to do something, they can figure out how to do it.

When, one week ago today, on the South Lawn of the White House, Yitzhak Rabin and Yasser Arafat signed that peace accord, they did not even know what the ultimate map-drawing of the city of Jericho would be, or how all the elections would be held, or how the Palestinians' candidates would advertise on the radio since the radio stations don't belong to the Palestinians. I could give you a hundred things they did not know the answer to. They knew one thing, they couldn't keep going in the direction they were going, and so they decided to take a different direction.

When President Kennedy's administration challenged this country to go to the Moon, they didn't have a clue about how they were going to go. The Vice President knows more about science than I, so he can tell it in a funnier way about they didn't understand what kind of rocket they were going on and what their uniforms would be like and on and on and on. But the ethical imperative is perhaps the most important thing. We have to decide that the costs, not just the financial costs but the human costs, the social costs of all of us continuing to conduct ourselves within the framework in which we are now operating is far higher than the risk of responsible change.

We have certainly tried to do this in a responsible way. I want to thank the First Lady and all the people who work with her. I want to thank Tipper and Ira and Judy and everybody who was involved in this. We have really worked hard to reach out to, literally, to thousands and thousands of people in this great medical drama that unfolds in America every day.

I want to thank Donna Shalala and the Department of Human Services for the terrific work they have done. We have really tried to do this in an embracing and a different way, almost a nonpolitical way. If you look around this room, we have doctors from Maine to Washington, from Minnesota to Florida. Some of you see patients in rural Virginia, some in public hospitals, others of you devote your lives to training the next generation of physicians.

But I think every one of you is committed to seeing that we provide the finest health care in the world. That means as we undertake this journey of change, we clearly must preserve what's right with our health care system: the close patient-doctor relationship, the best doctors and nurses, the best academic research, the best advanced technology in the world. We can do that and still fix what's wrong. In fact, we can enhance what's right by fixing what's wrong.

If we reduce the amount of unnecessary paperwork and governmental regulation and bureaucracy, that will by definition enhance the doctor-patient relationship. If we spend less money on paying more for the same health care and the incentives to churn the system, we will have some more money, for example, to invest more in medical research and advanced technology and breaking down the barriers which still limit our ability to solve the remaining problems before us. We need a discussion. We need constructive criticism. We need constructive disagreement on some points. This is a very complex issue.

I worked at this for over a year and realized when I was a Governor I was just beginning to come to grips with it. When we started this great enterprise and I asked Hillary to undertake this task and she looked at me as

if I had slipped a gasket—[*laughter*]—I knew more about it than she did. Now, she knows a lot more about it than I do.

This is a learning effort. We are going to start today, as many of you know, this health care university, we call it, for Members of Congress, and about 400 Members of Congress have signed up for 2 intensive days of learning. That is an astonishing thing. I have never seen anything like it: these Members, without regard to their party and completely without respect to the committees they are on, since most of them are on committees that would not have direct jurisdiction over this, hungering to know what you go through every day, hungering to learn, wanting to avoid making an irresponsible decision but determined that they should make some decisions to change this system. I think that is a terrific cause for hope.

For patients, the reform we seek will mean more choices. Today, employers are too often forced by rising health care costs to decide which plans to offer their employees, and often they are inadequate or too costly. The decision is usually based on the bottom line, and is a moving bottom line as more and more Americans every month actually lose their health insurance for good. Our plans give consumers the power to choose between a broad range of plans within their region, giving them more freedom to find and to stay with a doctor they like.

For doctors, reform will mean the flexibility to choose which networks or providers you want to join. If you want to be involved with one, that's fine. If you want to be involved with more than one, that's fine. So that whatever you want to do to continue to see the patients you see today, you will be able to do it. It's your choice.

We intend to see a reform that drastically simplifies this system, freeing you from paperwork and bureaucratic nightmares that have already been well discussed. I cannot tell you how moved I was when we were at the Washington Children's Hospital the other day and we heard not only the statistics that the hospital has calculated that they spend $2 million a year on paperwork unrelated to patient care and keeping up with the procedures, but the human stories. I mean, we had a nurse actually tell us about being pleaded with by a young child with cancer to play with the child, and she couldn't do it because she had to go to a little seminar on how to learn how to fill out a new set of forms that they were being confronted with, and she said, that really was a picture of what their life was like; an eloquent doctor who said she wanted to live in Washington, DC, she wanted to care for the poor children in the area. She did not go to medical school to spend her life poring over a piece of paper. And all of you have had that experience.

We can do better than this. We also know we're going to have to trim back Government regulations that get in your way and do little to protect the patients or provide better care. If we simplify the system, we will reduce the apparently insatiable bureaucratic urge that runs through administrations of both parties and seems to be a permanent fixture of our national life to micromanage whatever aspect of tax dollars they have some jurisdiction over. We are determined to undo much of that. We want to respect your training, your judgment, and your knowledge and not unduly interfere with what you do.

We also are determined to preserve the quality of health care that our people receive. Today, part of the reason we have the finest doctors in the world are the academic health centers. For years they have been the guardians, the guarantors of quality, training doctors and health care professionals and reaching into surrounding communities to provide help for those in need. In the coming years, these centers, if our plan passes, will have even greater responsibility to turn out high quality physicians, particularly primary care physicians who will work in underserved areas, and to create a system of lifelong learning for health care professionals. And they must continue to expand their partnerships with communities around them.

The initiative I am offering offers the possibility of giving real building blocks to this Nation's health care system to fill in a lot of the gaps which exist for millions of Americans, not just universal coverage gaps but also organizational problems and the lack of adequate access.

I want this plan to be fair, compassionate, and realistic, and I believe it is. Health security can be provided to the American people

so that you don't lose your health care when you lose your job; you don't get frozen into a job because someone in your family has been sick and you're in the grip of the preexisting condition syndrome, which is literally undermining labor mobility in a world where the average 18-year-old American must change work eight times in a lifetime to be fully competitive, when security means the ability to continuously learn and find new and evermore challenging work, not to stick in the same rut you're in anymore. We don't have that option. We are literally rendering people insecure through job lock, undermining their potential, keeping them from moving on, and also keeping others from moving up into the positions they previously held. This is a serious economic problem.

This plan will guarantee that every patient who walks in your door is covered. It will make sure you are paid to keep your patients healthy as well as to treat them when they're sick. It will give you the flexibility and freedom you need to do your jobs. In return, it must demand more responsibility from all of us. We must have a new generation of doctors which has a recommitment to primary care. We don't have enough primary care physicians in America, and I think we all know it. We have to care about family practice, pediatrics, and preventive medicine. And we all have to work together to get medical costs under control.

But I'm convinced with your leadership we can do that. Without your help, we could not have covered as much ground as we have covered so far. I thank Dr. Koop for what he said. But the attention to detail by this project is the direct result of the painstaking effort and the hours that have been provided by physicians and other health care providers who have come to this town and spent day after day after day after day almost always at their own expense just to do something to help their country as well as to improve the quality of their own practice. We know that this will not be done overnight. We know that we will have to have a long-term commitment from individuals, from Government, from businesses, and from health care professionals. But we know that we have to begin now. This is a magic moment.

Let me just say two things in closing. There are a lot of other things we haven't discussed, and I know that, but we didn't come here for a seminar on the details of it. We are trying some innovative approaches to the malpractice problem, which I think will find broad favor. We are going to do some things that will increase public health clinics' ability to access people who are otherwise left out of the system and try to deal with these horrible statistics on immunization and the absence of prenatal care. There are a lot of those things that are going to be dealt with.

But I want to make two points in closing. First of all, there are a lot of disconnects as you might imagine between Washington, DC, and the rest of America, which everybody loves to talk about when they get alienated from the Federal Government. But one of the most amazing in this has been the following thing: I don't talk to any doctor or any hospital administrator or any nurse with any seniority in nursing who doesn't believe that there's a huge amount of waste in this system, that has nothing to do with caring for people, which can be gotten rid of. I don't talk to anybody in Washington who thinks you can do it. [*Laughter*]

Our friends in the press are laughing because you know I'll finish this talk, then they'll go talk to somebody on the Hill who will say, "Aahh, they can't save that money in Medicare and Medicaid. It's got to be that way. We really need a room under the garage in the Children's Hospital in Washington, DC, which is piling up paper 6½ feet a day. We've got to have that. How would we function?"

Hillary goes to the Mayo Clinic; they've already got their annual average cost increases now down under 4 percent. And we talk about, you know, maybe getting it down over the next 3 or 4 years to inflation plus population plus 2 percent, and they talk about how we are slashing Medicare and Medicaid, when what we really want to do is take the same money and not take it out of health care, but use it to cover the uninsured, unemployed, use it to cover some new services to do more preventive primary health care. So this is an interesting thing. Dr. Koop said: In the past, reform has been

imposed on the doctors. You might have to come up here and impose it on the politicians and the bureaucrats. You may have to do that.

I say that not to be critical of the Congress. We are all—all of us see the world—[*laughter*]—no, no, no, I don't—all of us see the world through the prism of our own experience, don't we? You do. I do. We all do that. And they are so used to believing that the only way they can be decent stewards of the public trust, to take care of the poor on Medicaid and the elderly on Medicare, they are so used to believing that the only way they can do it is just to write out a check to pay more for the same health care, never mind if it's 2 or 3 or 4 times the rate of inflation; never mind if there's a 16-percent increase in the Medicaid budget for the coming year, when we estimate no more than a 2-percent increase in the enrollments in Medicaid.

We're just so used to believing that in this town that we have to have your help to believe that it can be different, and you can enhance the care people get, not undermine it. I don't want to minimize that. Yes, we need your critical scrutiny of the specific plan the administration will propose. Yes, we do. But we also need for you to convince the people who live here, who believe we are trapped in this system, that it can be different. And you are the ones who have responsibility for caring for people. If you can believe it can be different, you can convince the Congress that it can be different, that they are not going to hurt, they are going to help by making some of these changes.

The second point I want to make in closing is this: This is really a part of a great national discussion we have to have about what kind of people we are and what kind of country we're going to be. And Dr. Koop said it better than I could, but we can't really get the kind of health care system we need until there is a real renewed sense of responsibility on the part of everyone in this system. It is terribly important to recognize that we have certain group behaviors in this country that, unless they are changed, we will never get health care costs down to the level that our competitors have.

It's not just high rates of AIDS and excessive smoking; it's high rates of teen pregnancy, of low birth weight, of poor immunization of children. It's outrageous rates of violence that we willfully refuse to deal with by taking away the main cause of it, which is the unrestricted access that young people in our most violent areas have to guns that give them better weapons than the police.

Yes, within the health care system, doctors shouldn't perform unnecessary procedures, patients shouldn't bring frivolous malpractice suits, people who use the health care system now, who aren't in it now, are going to have to pay a little for their health care, so they realize there is a price for everything instead of when all of the money just comes from a third-party source they don't know. There needs to be more responsibility within this system but we also have got to remember that if we can plant the ethical roots that Dr. Koop talked about, we may then be able not only to change this system but to use this success to try to change some of the destructive group behavior that is tearing this country apart.

But believe me, it all begins here. If we can give the security of decent health care to every American family, it will be the most important thing that the Government has done with—not for but with—the American people in a generation. And it can only happen if people like you lead the way.

Thank you very much.

[*At this point, Hillary Clinton invited participants to breakfast.*]

Senator Moynihan

Q. Mr. President, is Senator Moynihan wrong?

The President. [*Inaudible*]—you heard what he said yesterday? What he said was absolutely right. I mean, based on the experience of the last decade, you can't get the cost down to zero, but that's not what we proposed. We proposed working over a 5-year period to move the Government's cost to inflation plus population growth. And in the beginning—we have inflation plus population growth plus another 2 or 3 percent. Where this group care is working well, like at the Mayo Clinic, they now are down to less than inflation plus population growth. So I believe that if you give us 5 years to do

it, we can get there. But it will require some substantial changes.

What I said was true. People in Washington can't imagine that it can be different because of the experiences they've had over the last 5 years. But to say we're trying to cut Medicare and Medicaid, it's not true. We propose never to take it below inflation plus population growth.

NOTE: The President spoke at 8:45 a.m. in the East Room at the White House. In his remarks, he referred to C. Everett Koop, former Surgeon General; Ira Magaziner, Senior Adviser to the President for Policy Development; and Judith Feder, Principal Deputy Assistant Secretary for Planning and Evaluation at the Health and Human Services Department. The exchange portion of this item could not be verified because the tape was incomplete.

Nomination for Posts at the Department of the Treasury

September 20, 1993

The President today announced his intention to nominate Joan Logue-Kinder as Assistant Secretary for Public Affairs and Public Liaison at the Department of Treasury. The President also announced his appointment of Darcy Bradbury as Deputy Assistant Secretary for Federal Finance.

"Secretary Bentsen and I are pleased to have these two talented individuals on board," the President said. "I am sure they will work hard to ensure the Treasury Department works well for the American people."

NOTE: Biographies of the nominees were made available by the Office of the Press Secretary.

Remarks on Signing the National and Community Service Trust Act of 1993

September 21, 1993

Thank you very much, Mr. Vice President. I always wanted to be introduced by the host of the David Letterman Show. [*Laughter*] I was thinking about what my top 10 list would be, the best things about having Al Gore as Vice President. He educates me on things great and trivial, and that's 10. And numbers nine through one are, he has a vote in the United States Senate. He said, "And I'm always on the winning side when I vote." [*Laughter*]

I want to welcome you all to America's backyard, a fitting place to come to celebrate the opportunity to serve our neighbors and the opportunity to rebuild the American community. I have harbored this dream for years. It was stoked in me by so many thousands of experiences, I cannot even recall them all.

When the Vice President and I went across this country last year, I was deeply moved by forces that were both good and bad that kept pushing me to believe that this was more important than so many other things that all of us do in public life. I saw the wreckage, the insanity, the lost human potential that you can find now not only in our biggest cities but in every community. And yet, I saw even in the most difficult circumstances the light in the eyes of so many young people, the courage, the hunger for life, the desire to do something to reach beyond themselves and to reach out to others and to make things better.

I listened and learned from so many people. I saw the examples of the service programs that you have represented here on this stage. I watched people's dreams come to life. I watched the old and the young relate in ways they hadn't. I watched mean streets turn into safer and better and more humane places. I saw all these things happening, and I realized that there was no way any Government program could solve these problems, even if we had the money to spend on them, which we don't, but that the American people, if organized and directed and challenged and asked, would find a way.

I am in debt to so many people, all of whom have been at least referred to. But I would like to say a particular word of thanks to those who sponsored previous legislation for a limited basis. I want to say a special word of thanks to the Republicans and the Democrats who joined together in the Con-

gress to make sure that this would know no party and that we would somehow reach beyond the normal debate and dialog to unify this country, starting with the Congress. I thank the people who helped me before I became President to understand more about national service, the people who wrote books and articles, the people who worked with me in the DLC and other organizations. I thank all of you because all of you played a role in this day. But most of all, I want to thank the young people of this country who were so wonderfully represented by these three young people, Reshard and Derek and Priscilla. Weren't they terrific? Let's give them another hand. [*Applause*]

I don't believe there was a stop on our bus tour across the country when the Vice President and I didn't mention our commitment to national service as a part of our drive to make college education affordable to all but also as part of our deeper desire to bring the American community back together.

I have to say a special word of appreciation to Eli Segal. I have known him for about half my lifetime. I can still remember when we were young with the dreams and the enthusiasms that these young people on this stage have today. I could not have known when we first met in our attempt to do the best we could by our country so long ago, that someday we would be standing here on this stage to do this. But I know this: This national service bill and this project would not be in the form it is and we would not be here celebrating today in the way we are if it had not been for his brilliant, dedicated leadership. And I thank him for that. Relying on the ancient adage that if it ain't broke, don't fix it, I am today forwarding to Senator Kennedy and the United States Senate the nomination of Eli Segal to be the Chief Executive Officer of the Corporation for National and Community Service.

I also want to acknowledge, as has already been referred to, the roots of our history in all this day and people who have contributed to this day because of what they did in their time. Twice before in this century Americans have been called to great adventures in civilian service. Sixty years ago in the depths of depression, Franklin Roosevelt created the CCC and gave Americans the chance not only to do meaningful work so that they could feed themselves and their families but so that they could build America for the future. And down to this day there is not a State in this country that is untouched by the continuing impact of the good work done by the people who labored in the CCC.

Today we have two veterans of President Roosevelt's Civilian Conservation Corps, William Bailey and Owen Davis. Would they please stand wherever they are? There they are. Thank you. It is with special pride that I will use President Franklin Roosevelt's pen set, with which he signed nearly every piece of legislation as President, to sign our bill here today.

We also point with pride, as the Vice President said, to the enduring legacy and the continued vitality of John Kennedy's Peace Corps, created by legislation which President Kennedy signed 32 years ago tomorrow. I want to acknowledge, as the Vice President did, the wonderful work of Sargent Shriver not only as the first Director and guiding spirit of the Peace Corps but for what he did with the VISTA program. And I want to acknowledge—[*applause*]—thank you—and to say with some pride that it was my privilege, influenced by people like the Vice President whose sister served with such distinction in the Peace Corps, to appoint the first Peace Corps volunteer to actually direct the Peace Corps, Carol Bellamy. And I thank her for her leadership. Thanks to the generosity of Sargent Shriver, I will also use the pen President Kennedy used 30 years ago—32 years ago to sign the Peace Corps legislation, to create a new national service corps for America. We will call it Americorps.

When I asked our country's young people to give something back to our country through grassroots service, they responded by the thousands. You heard a couple of them here today. Eli's office was literally swamped with letters asking to serve. These two young people today represent 20,000 young people next year and 100,000 young people 3 years from now. And I hope, believe, and dream that national service will remain throughout the life of America not a series of promises but a series of challenges across all the generations and all walks of life to help us to rebuild our troubled but won-

derful land. I hope that some day the success of this program will make it possible for every young American who wishes to serve and earn credit against a college education or other kinds of education and training, to do that. And I believe it will happen.

This morning our Cabinet and the heads of our Federal Agencies were directed to redouble their efforts to use service, community grassroots service, to accomplish their fundamental missions. We want them to help reinvent our Government, to do more and cost less, by creating new ways for citizens to fulfill the mission of the public. We believe we can do that. Already departments have enlisted young people and not so young people to do everything from flood cleanup to housing rehabilitation, from being tour guides in our national parks to being teachers' aides in our schools. In the coming months we will also challenge States and nonprofit organizations to compete for Americorps volunteers. We'll ask our friends in higher education and the foundation world and in business to continue their leadership in the growing movement of national service.

But beyond the concrete achievements of Americorps, beyond the expanded educational opportunities those achievements will earn, national service, I hope and pray, will help us to strengthen the cords that bind us together as a people, will help us to remember in the quiet of every night that what each of us can become is to some extent determined by whether all of us can become what God meant us to be.

And I hope it will remind every American that there can be no opportunity without responsibility. The great English historian Edward Gibbon warned that when the Athenians finally wanted not to give to society but for society to give to them, when the freedom they wished for most was freedom from responsibility, then Athens ceased to be free.

My fellow Americans, there are streets and neighborhoods and communities today where people are not free. There are millions of Americans who are not really free today because they cannot reach down inside them and bring out what was put there by the Almighty. This national service corps should send a loud and clear message across this country that the young people of America will preserve the freedom of America for themselves and for all those of their generations by assuming the responsibility to rebuild the American family. That is the dream which drove this idea to the reality we find today.

I am so proud of all of you who are a part of this. I am profoundly grateful to you. I ask you only now to remember that as we move toward the 21st century, the success of our great voyage—of this, the longest experiment in free society in human history—to remember that it is at the grassroots, in the heart of every citizen, that we will succeed or fail. Today we are taking a stand in this country for the proposition that if we challenge people to serve and we give them a chance to fulfill their abilities, more and more and more we will all understand that we must go forward together. This is the profoundest lesson of this whole endeavor. And it will be the great legacy of the wonderful people who make it come alive.

Thank you, and God bless you all.

NOTE: The President spoke at 11:15 a.m. on the South Lawn at the White House. In his remarks, he referred to Summer of Service participants Reshard Riggins, Derek Gottfried, and Priscilla Aponte. H.R. 2010, approved September 21, was assigned Public Law No. 103–82.

Interview With Tabitha Soren of MTV

September 21, 1993

National Service Program

Q. Obviously, this is a huge success, getting national service passed so quickly. One of the goals of national service is to have kids have a multicultural experience. But yet, in the pilot program, Summer of Service, within a couple of days, the black kids were in black caucuses, there were Hispanic caucuses and gang groups. How are you going to make sure during national service, when it gets going, that they serve side by side?

The President. Well, those are the kinds of projects we'll favor. But I think if you look all across the world today, there's always going to be some ethnic cohesion. People are going to pull together, talk together, feel a

greater initial comfort level. That's just true worldwide.

But what we also saw in the Summer of Service is that people really were working together across racial and ethnic groups to an extent greater than they had before. I think what we have to do is let people be themselves but favor those programs that have multiracial makeup, and we will do that.

Health Care Reform

Q. Okay. As far as health care is concerned, isn't it true that because your health care plan is community based that many young people, because they're young and healthy and they get discounts on insurance now, may end up paying more with your plan?

The President. Yes, in the first year, those who have insurance may pay more, depending on whether they work for small or big businesses. Very young people who are basically in plans that have big businesses insuring them may pay some more in the first year. Even they, however, within 5 years should be paying less, because we slow the rate of growth in these premiums.

Young people who work for small businesses probably won't pay more because they're paying too much already, all small businesses. And they'll be in great big groups. But I would also point out that an awful lot of young people who don't have health insurance—and some young people do have access; some young people do get sick; some young people even have serious illnesses—so it will help them. And I would say, also, to all these young people, if we change it in this way so that we're all rated as a community, what it means is, is that some family gets a sick child, it means that they won't lose their health insurance if they change jobs, or they won't be locked into the job they're in. And all of the young people—I can certify because I was one once—will someday be middle-aged, will someday be older, and they will then benefit from that.

So the fair thing for America to do is to do what Hawaii has already done, what a couple of other States have already done, and what other nations do, which is to have the nation in big pools of people so that we can keep overall costs down.

Abortion

Q. In terms of the health care plan, last time I spoke with you, you said you wanted abortion to be covered under the health care plan. And now I understand the language says "medically necessary, pregnancy-related services" are covered.

The President. That's what it says——

Q. Does that mean that anyone who wants an abortion can get one and have it covered under the plan?

The President. It means that it will be just like it is today in most private plans. Most private plans absolutely cover it. But no insurance plan specifically mentioned any surgical procedure. The surest way to eliminate any kind of abortion coverage from this act would be to mention it specifically, because no other surgical procedure, none, are mentioned specifically. And all private insurance plans which cover abortion may cover pregnancy-related services, and the doctor and the woman make the decision. So what we propose to do is to put low-income people who are covered by the Government today into these big pools with people who are privately insured, give everybody a private plan.

Q. I'm sorry, I don't—is it more than the Hyde amendment in terms of——

The President. Oh, yes, absolutely.

Q. How so? I don't——

The President. Because the Hyde amendment prohibits any public funding for abortions, except when the life of the mother is at risk.

Q. But I thought the Hyde amendment was self-certifying now, and you could say, I have a heart condition, therefore——

The President. Well, I don't know about that, but you have to prove that your life is at risk.

Q. Or rape and incest.

The President. Not in the Hyde amendment.

Q. No? Okay.

The President. No. We tried to expand it and broaden it, but this would simply put people who get Government funds into big private insurance pools, and they would then be treated like other people in private insurance pools. It's just what we did for the public employees this year; we got rid of the

Hyde amendment for public employees this year.

Q. You couldn't have just put ''abortion'' instead of ''pregnancy-related''?

The President. Absolutely not. And it would have been wrong to do that. Then people would say, ''Well, why don't you put brain surgery in there; why don't you put appendectomies in there; why don't you put other surgeries in there?'' And that would have sparked a whole reaction. They would say, ''Why are we giving special preference to one kind of procedure over all others?'' This will guarantee that most plans will cover abortions.

Now, there will be religious exemptions, which there are today. Catholic churches or other religious groups that have health plans don't have to cover it; doctors who have religious—don't have to do it. But if a doctor and a woman decide that that is an appropriate pregnancy-related service under this plan, then it can be provided.

Health Care Cost Estimates

Q. In terms of paying for universal health care, why are you trying to sugar-coat it? Why not just give us the bitter medicine of how much it's going to cost us in taxes?

The President. I'm not trying to sugar-coat it. I have worked harder to get better cost estimates on this than anybody ever has. Moynihan—in all respect to Senator Moynihan, he's a very brilliant man, but he and his committee staff have not done anything like the work that I've done on this. Now, they may not want to pass Medicare cuts; they should say that. It doesn't mean the numbers aren't right. We have had——

Q. ——some people say——

The President. No. We have had four different Government Agencies, for the first time, working together to verify these numbers. We have had outside actuaries from people who work for private business working to verify these numbers. It may be difficult to pass because the Congress will not want to make the administrative changes necessary to lower the rate of increase. But I want to tell—first of all, there are no Medicaid cuts in this. The inflation rate in this country today is about 3 percent. Medicaid's going up this year at 16 percent. We're talking about, over an 8-year period, bringing down the rate of inflation in health care costs to the rate of inflation in the economy plus the number of people who are increased into the program. That's all we're talking about doing.

For the next 5 years, health care costs will still go up more than prices as a whole in this economy. I don't think that is fantasyland, if you have a systematic change. Other countries do it. The Mayo Clinic, which is normally thought of as having some of the finest care in the world, is now charging less for many basic services than an awful lot of ordinary health care plans all across America today because they manage their business better.

So it is not fantasy to say that the numbers are right and they can be achieved. Will it be politically difficult to do? You bet. Why? Because there are a lot of people who make a lot of money out of the inefficiencies of the system today. And because there are a lot of people who honestly don't believe you can ever do more with less. But I do, and I think there's a lot of evidence of that.

So, Senator Moynihan is right, it's going to be tough to pass. I don't think that the numbers are wrong. And let me also say something nobody else has noticed. There are 85 Members of the House of Representatives who want the Government to basically eliminate the private health insurance companies, get out of it altogether, have a huge tax increase to pay for health care but eliminate the premiums. They propose bigger cuts in Medicare and Medicaid than I do. So I just think that the numbers are entirely defensible, and I think we'll be able to persuade the Congress.

Entertainment at Signing Ceremony

Q. I forgot to ask you about—why Soul Asylum?

The President. They were supportive in the campaign, and they made that wonderful song about runaway children, which had a big impact on young people throughout the country. We just thought they'd be a good group to be here.

Q. Does Chelsea like them?

The President. Yes. I do, too. I heard them play last night, you know. So I sort of

got caught up on my music last night, listening to them practice.

Q. Have people that looked like that ever walked into your Oval Office before?

The President. Oh, sure. [*Laughter*] This is everybody's Oval Office. I'm just a tenant here.

Q. I see.

The President. Thanks.

Q. Most people here tend to bathe, however. [*Laughter*] Thanks.

The President. Thanks. Bye.

NOTE: The interview began at 12:02 p.m. in the Colonnade at the White House. The band Soul Asylum played at the beginning of the signing ceremony for the National and Community Service Trust Act of 1993. A tape was not available for verification of the content of this interview.

Interview With Radio Talk Show Hosts

September 21, 1993

The President. Thank you very much and welcome to the Executive Office Building and to the White House, and thank you for coming today. I—what did you say, nice tie? [*Laughter*] That's a Save the Children tie.

Audience member. All right!

The President. I wore it for the national service signing today.

It's interesting, we just had a lunch with a number of columnists——

Audience members. Lunch? Lunch? [*Laughter*]

The President. Lunch? I'm sorry. I'm sorry. Would it make you feel better if I said I didn't enjoy it? I mean—[*laughter*]—anyway, and they knew you were all here, and we had 700 or 800 people out on the lawn for the national service signing. And four or five of these folks that have been covering Washington for 20 years said they had never seen the White House so busy. I didn't know if they were happy or sad about it, but anyway, it's busy.

I thank you for coming today. I hope this will be the first of a number of opportunities we have to provide people who have radio talk shows and who communicate with millions of Americans on an intimate basis, daily, to come to the White House to have these kinds of briefings. You've already heard all the basic approaches that the administration is going to take on health care and that will be hopefully crystallized in a compelling way in my address to the Congress and to the country tomorrow evening.

So, I thought what I would do is make a general statement about how this fits into the overall approach the administration is taking and then answer your questions. I'd rather spend time just answering your questions.

But let me just make a general comment, that I think you can—that runs through the thread of debate that we had on the economic program, on the health care issue, on NAFTA, on the crime bill that's coming up, on the welfare reform issue, on all the major things we're trying to come to grips with.

It is now commonplace to say that we are living through a time of profound change, not only in our country but around the world. People are trying to come to grips with a rate and nature of change that comes along less frequently than once a generation.

You may know that just since you've been sitting here, Boris Yeltsin has dissolved the Russian Parliament and called elections for that Parliament in December, and his major opponent has apparently declared himself President. I mean, they are going through these things, trying to come to grips with what it means to be a democracy and what it means to try to change the economy.

In our country, if we're going to continue to be the leading power of the world, not just militarily but economically, socially, the shining light of the world, this has to be a good place for most Americans to live. Most people have to know that if they work hard and play by the rules that they can make the changes that are sweeping through this country and the world their friends and not their enemies. They have to believe that as citizens they can work together and trust the major institutions of our society to function well, to meet these changes, to respond to them.

We confront this bewildering array of challenges: the size of the deficit, the fact that we have an investment deficit, too, in many critical areas, the health care crisis, at a time when most people are quite insecure in their

own lives and most Americans have worked harder for stagnant or lower wages for the last 10 to 20 years, when they're paying more for the basics in life, when they have lost faith in the fundamental capacity of political institutions to represent them and to solve problems.

I think you can see that in the 700,000 letters we got on health care. The number of people who would say, you know, ''What's wrong with me? I worked hard all my life, and I lost my health insurance,'' or ''My child got sick, and now I can never change my job,'' or ''My wife and I spend 60 hours a week running our business. And our health insurance was $200 a month 4 years ago, and it's over $900 a month today,'' you know that things are out of control. I say that because I believe providing security in the health care area and in meeting the other objectives we talked about, quality and choice and cost controls and all, is a necessary precondition, not only to improve the health care of the American people but to help root the American people again in this moment, to make them freer to face the other challenges that we face. I see in this debate over NAFTA—which I have wrestled with in my own mind, that is, the whole nature of our trade relations with Mexico and other countries and where we are going for far longer than I've been President, I had to deal with it when I was a Governor. I see people, some of them looking ahead with confidence in the future that we can triumph in the world of the 21st century, that we can compete and win, that we can create tomorrow's jobs, and others so uncertain about it, just trying to hold on to today and to yesterday's jobs.

So, what I am trying to do is to give the American people a greater sense of security over those things that are basic to their lives that they can control and at the same time challenge our people to assume responsibility for dealing with our problems and for marching confidently into the future. That's what this national service issue is all about that we celebrated today on the White House lawn.

And therefore, the health care issue is about more than health care. It is about restoring self-confidence to America's families and businesses. It's about restoring some discipline to our budget and investment decisions, not only in the Government but in the private sector. It's about giving us the sense that we actually can move forward and win in the face of all these changes. I cannot under—or I guess I cannot overstate how important I think it is, not only on its own terms but also for what it might mean for America over the long run.

Yes.

Health Care Reform

Q. Does anybody really know whether this will work, from the administration? Have you parsed the numbers that fine, that you can say if this is passed in toto, it will indeed do what you say, cut costs, maintain quality of care, cover everybody?

The President. We know it will do that, but that's not exactly what you asked. That is, we know that if this plan is adopted, it will provide universal coverage, that it will achieve substantial savings in many areas where there is massive waste.

Dr. Koop, who was, you know, President Reagan's Surgeon General, who was with us yesterday, and the doctors that we had, said that in his judgment, there was at least $200 billion of waste, unnecessary procedures, administrative waste, fraudulent churning of the system, at least, in our system. So, we know that those things will achieve those objectives? We do. Do we know that every last dollar is accurate, or that there will be no unintended consequences, or that the timetable is precisely right? No we don't know that because nobody can know that exactly.

But I would like to make two points. Number one, our administration has gone further to get good health care numbers than anyone ever has before. Until I became President I didn't know this, but the various Agencies in the Federal Government responsible for various parts of health care financing and regulation had never had their experts sit down in the same room together and agree on the same set of numbers and the same methodologies for achieving them. So that's the first thing we did. No wonder we had so much fight over what something was going to cost and the deficit was going crazy. The Government had never gotten its own act together.

Then the second thing we did was to go out and solicit outside actuaries from private sector firms who made a living evaluating the cost of health care and asked them to review our numbers. Now, that is very important that you understand that, because there is going to be—there should be a debate over whether the course I have recommended is the best course to achieve the goals we all want to achieve, whether there is a better course, whether we can achieve the Medicare and Medicaid cuts that we say we can achieve without hurting the quality of care. That's fine. But I want you to understand that we really have killed ourselves at least to get the arithmetic right, to give people an honest starting point, a common ground to start from, so that we can have the arguments over policy.

Yes, sir.

Q. Do you feel that your plan places undue hardship on business with the employer mandate versus an individual plan that has been proposed with other proposals?

The President. No, and I'll say why. First of all, let's just look at the employer mandate. Most employers cover their employees. I like your question in the sense that the question assumes that we should have universal coverage, and that's a good assumption. If you don't have universal coverage, you can never really slow the rate of waste in cost, because you'll always have a lot of cost shifting in the system. That is, people who aren't covered will still get health care, but they'll get it when it's too late, too expensive, somebody else will pay the bill, and it will have real inefficiencies and distortions, as it does today.

If you want to cover everybody, there are essentially three ways to do it. You can do it the way Canada does. You can abolish all private health insurance premiums, raise taxes to replace the health insurance premiums, and have a single-payer system, just have the Government do it. That's the most administratively efficient. That is, the Canadian system has very low administrative costs, even lower than Germany and Japan. The problem is, it's not very good for controlling costs in other ways, because the Government makes all the cost decisions. The citizens know they've already paid for this through government. So they make real demands on the system. Whereas if you have a mixed system where employers and employees are actually in there knowing what they're spending on health care and lobbying for better management and to control costs, like in Germany, you don't have costs go up as fast. So the Canadian system, even though it's administratively the cheapest, is the second most expensive in the world. We're spending 14 percent of our income; they're spending 10 percent of theirs. Everybody else is under 9.

Now, the second system is the individual mandate. It's never been tried anywhere. The problem with the individual mandate is that it could—and again, I want a debate on this. I think the Republicans are entitled to their day in court on this, and I want them to have it. Really, I do. I mean, I want an honest, open discussion on this. I am so impressed with the spirit that is pervading this health insurance—we had 400 Members of Congress show up for 2 days at our health care university just trying to get everybody to have enough information to be singing out of the same hymnal when we talk to one another.

The dangers of the individual mandates are that it could cause the present system we have for most Americans, which is working well for most Americans, to disintegrate. That is, you have to have some subsidies with an individual mandate. So will companies that now cover their employees basically start covering their upper income employees or not their lower income employees? Will they dump all their employees and make them go under the individual mandate system? How are you going to keep up with all these individuals when you realize who you've got to subsidize or not? In other words, we believe it has significantly more administrative burdens, and it has the potential to cause the present system to come undone. But they deserve their day in court on it, and we'll debate it.

Let me just say this. Our system for small businesses, I'd like to make the following points: We propose to keep lower the premiums of small businesses with fewer than 50 employees, including all those that are just starting up. And they get more if their wages

of their employees are low, and low-wage workers also get a subsidy to try to make sure nobody goes out of business. But the point I want to make is, most small businesses who do cover their employees, and that's the majority of them, are paying too much for their health insurance. They are being burdened by it. That's one reason 100,000 Americans a month permanently lose their health insurance, as well as at any given time in a year, as many as one in four may be without it.

So what we propose to do will actually help more small businesses than it will hurt. And over the long run, they'll all be better off, because if you put everybody under this system, then the rate of increase in health care costs will be much lower. And it's just not fair, at some point, for anybody who can pay something to get a free ride, because keep in mind, we all get health care in this country. But if we're not insured, we get it when it's too late, too expensive. Usually we show up at the emergency room, the most expensive of all, and then somebody else pays the bill. That's one of the things that's driving these costs out of sight.

Yes, sir.

Q. We've heard a lot about every group today, except for the doctors. And from the doctors that I'm hearing from, they're saying that this is going to hit them in their pockets. In my experience before in being in operating rooms and seeing doctors after the diagnostic related groups started setting some prices of procedures back in the eighties, a lot of doctors that went into business for themselves were either multi-using single-use items or resterilizing items that were made for single-use so that they wouldn't lose any of the money that was going to be coming to them, so they wouldn't take a personal hit out of it. How does your plan guarantee us an uncompromised medical plan?

The President. Well, for one thing, the quality standards that govern medical care today will still be in effect. That is, most of them are professional standards, and they're not enforced by the Government today.

Q. They're talking about doing more procedures to make up the money. They're saying, "Well, I'm going to have to see more patients and spend less time with them."

The President. Yes, but that's what's happening today. I mean, the truth is that as we've tried to control the costs of Medicare and Medicaid, particularly Medicare, by holding down costs, you see dramatically increased numbers of procedures. What we want to do is to remove the incentive for having large numbers of procedures by having big blocks of consumers pay for their annual health care needs in a block, so that you won't have so much fee-for-service.

I would also point out to you that one of the big problems we've had with doctor costs going up is that doctors are having to negotiate their way through the mine field of 1,500 separate health insurance companies writing thousands of different policies, having to keep up with it in ways that no doctors anywhere in the world but our doctors have to deal with.

We've already had the American Academy of Family Practice and a lot of other doctors groups have endorsed our plan. The AMA has been quite interestingly supportive in general terms. They say they want to see all the details. They believe there ought to be universal coverage. Dr. Koop has agreed to come in and sort of moderate this discussion. But we had a couple hundred doctors here yesterday, most of whom were extremely supportive. And let me just give you one big reason why. This is the flip side of the argument you made.

In 1980, the average doctor was taking home 75 percent of the money generated by a clinic. In 1990, the average doctor was taking home 52 cents on the dollar, 52 percent of the money generated by a clinic. Twenty-three cents on the dollar increase in the amount of money the doctor was having to spend on people, basically to do clerical work in the clinics.

The Children's Hospital at Washington told us last week that the 200 doctors on staff there spent enough time in non-health-care-related paperwork every year because of the administrative cost of this system—a dime on the dollar more than any other system in the world—to see another 500 patients each a year, 10,000 more kids a year. So, a lot of doctors are going to feel very liberated by this because they are going to be freer to practice medicine, and the incentives to

churn the system just to pay for all their paperwork will be less.

Yes, sir.

Mr. Strauss. Time for one more question.

Q. I guess I have the opportunity, I'll make it a two-part question because it's a rare opportunity, and I appreciate it. First of all, if you receive everything that you want, that you're hoping for, and we hear about the 37 million uninsured and the many underinsured people, I'm wondering if there's anybody that will be disappointed with the new system——

The President. Oh yeah.

Q. ——if you get everything you want, and who those people might be? And secondly, I hear very little about medical fraud and medical malpractice problems, as if it isn't a major problem, and we are led to believe that it is.

The President. It is a big problem. Maybe I should answer that question first, because it's a quicker one. Then let me try to tell you how to sort through the winners and losers. Okay?

First of all, in this system if you put consumers of health care, employers and employees, particularly the small businesses, in large buying groups where they will have more market power and more oversight authority, you will inevitably—we are going to change the economic incentives as well as the private sector oversight to reduce fraud and abuse—we are definitely going to see big savings there.

Secondly, what was the other thing you asked me?

Q. The medical malpractice.

The President. Medical malpractice. Doctors——

Q. Doctors spending—[*inaudible*]——

The President. Well, doctors——

Q. [*Inaudible*]

The President. One of the things that we don't know is how much extra excess procedures and tests are done as defensive medicine or to churn the system, to go back to your other question. The economic incentives to churn the system will be dramatically reduced under these kind of payment plans.

It will be more like the way the Rochester, New York, system works, the way the Mayo Clinic system works. More and more people will be in a system where they pay up front, and then they take what they need. And the doctors are going to get paid out of that.

But the malpractice issue is a problem. We will propose some significant reforms, including limiting the percentage of income lawyers can get in contingency fees in lawsuits. But I have to tell you, what I think the most significant—and alternative dispute resolution mechanisms—but I think the most important one will be permitting the professional associations to draw up medical practice guidelines which, when approved, will protect the doctors to some extent, because if they follow the guidelines in any given case, it will raise a presumption that they weren't negligent. And that will be a real protection against just doing an extra procedure because you're trying to hedge against a lawsuit.

The State of Maine pioneered this because they wanted more general practitioners in rural Maine to do more things for people like help deliver babies because they didn't have anybody else to do it. So, the idea of giving people practice guidelines I think is very good.

Now, you asked who's going to win and who's going to lose. Can we talk through that?

Q. Yes, sir.

The President. I'll tell you who will have to pay more. You know, there will be some people who will have to pay more. The news magazines this week did a pretty good job of analyzing this.

If we go to community rating, so that we can allow people, for example, who have had a sick child not to be bankrupt by their insurance costs and to move from job to job, and you put everybody in a broad community, it means young, single, super healthy people will pay more in the first year of this than they would have otherwise. Now, here's why I think that's a good deal for young, single, super healthy people. Number one, all young, single, super healthy people will get insured, and they aren't now. Number two, they'll all be middle-aged someday, too, and they'll win big. Number three, their cost will go up less every year. So even though they might pay more this year, within 5 to 8 years, if this plan goes through, everybody will be

paying less than they would have. So, they would pay more.

Secondly, there are some businesses who don't insure at all. They'll have to pay something. There are others who insure but only for catastrophic. They will have to pay more, but they'll get much better benefits, and their rates will go up less. So, there will be some people who will pay more now than they were paying. But I believe that if we can—keep in mind, if we can stop the cost of health care from going up at 2 and 3 times the rate of inflation, if we can get it down where the rate of increase is much lower, by the end of the decade everybody will be way better off than they were.

Russia

Q. Mr. President do you approve of—Boris Yeltsin's announcement that he's going to dissolve the Parliament, and does the United States support him in his power struggle with his opponents?

The President. Well, first of all, let me say I have had only a sketchy briefing about this, and I have not talked to President Yeltsin yet. I would like to reserve the right to issue a statement after I attempt to talk to President Yeltsin. In any case, I will issue a statement before the end of the day, but I think at least I should have a direct briefing.

Yes sir, one more. Go ahead.

Health Care Reform

Q. President Clinton, tomorrow you'll be speaking before a joint session of Congress and there are 535 people, individuals, in Congress that will have their own specific plans of what they want——

The President. Yes.

Q. If you could say that you could put your name on one or two or three specific parts of this that you want to say, "This is my health care plan," that you want to see no matter what 535 other people want to see, that you feel you want to be part of your Clinton health care program, what two or three items, specifically?

The President. Number one, every American would have security in their health care system. You would be able to get health insurance, there would be adequate benefits, and you wouldn't lose them. Number two, the system would impose a far higher level of responsibility for managing costs than it does now on all the players, including the consumers. Number three, people would keep their choice of physicians and medical providers. And number four, we would guarantee adequate access to preventive and primary care so we could stop some of the big things that are happening to us before they get going. And five, we would have market incentives to bring costs down. Those are the things that I want to be the hallmark of our program.

I wish I could stay all day. I'm sorry, but thank you very much.

NOTE: The President spoke at 3:06 p.m. in Room 450 of the Old Executive Office Building. Richard Strauss is the White House radio services coordinator.

Statement on the Situation in Russia

September 21, 1993

From the beginning of my administration, I have given my full backing to the historic process of political and economic reform now underway in Russia. I remain convinced that democratic reforms and the transition to a market economy hold the best hope for a better future for the people of Russia.

The actions announced today by President Yeltsin in his address to the Russian people underscore the complexity of the reform process that he is leading. There is no question that President Yeltsin acted in response to a constitutional crisis that had reached a critical impasse and had paralyzed the political process.

As the democratically elected leader of Russia, President Yeltsin has chosen to allow the people of Russia themselves to resolve this impasse. I believe that the path to elections for a new legislature is ultimately consistent with the democratic and reform course that he has charted.

I called President Yeltsin this afternoon to seek assurances that the difficult choices that he faces will be made in a way that ensures peace, stability, and an open political process this autumn. He told me that it is of the utmost importance that the elections he has

called be organized and held on a democratic and free basis.

In a democracy, the people should finally decide the issues that are at the heart of political and social debate. President Yeltsin has made this choice, and I support him fully. I have confidence in the abiding wisdom of the Russian people to make the right decision regarding their own future.

Proclamation 6594—National Historically Black Colleges and Universities Week, 1993

September 21, 1993

By the President of the United States of America

A Proclamation

Our Nation's historically Black colleges and universities have long been a beacon of hope, a door to advancement, and a source of pride for African Americans. Founded upon a commitment to equal opportunity and academic excellence, these distinguished institutions have enabled thousands of people to receive a quality education and to pursue distinguished careers in fields such as education, law, medicine, business, the arts, engineering, and the military.

Historically Black colleges and universities once offered African Americans their best, and often only, opportunities for higher education. Fortunately, the courts have now struck down legal barriers that forced the creation of separate schools for African Americans. Yet historically Black colleges and universities continue to play a vital role by adding to the diversity and caliber of the Nation's higher education system. Furthermore, these institutions remind all Americans of our obligation to uphold the principles of justice and equality enshrined in our Constitution.

By an Executive order issued on April 28, 1989, the President's Board of Advisors on Historically Black Colleges and Universities was established to advise the President and the Secretary of Education on strengthening these valued institutions. The Executive order directed Federal agencies to devise ways to increase the ability of historically Black colleges and universities to participate in Federally funded programs. It also underscored the importance of increasing private sector support for these schools through such devices and activities as matching funds programs, management assistance, technical development, and curriculum planning.

Now, Therefore, I, William J. Clinton, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, and in recognition of the rich heritage and prominent role in our country of historically Black colleges and universities, and of the many contributions these institutions and their graduates have made to our society, do hereby proclaim the period beginning September 19, 1993, and ending September 25, 1993, as National Historically Black Colleges and Universities Week. I call upon all Americans to observe this week with appropriate programs, ceremonies, and activities as an expression of their support for these important educational institutions.

In Witness Whereof, I have hereunto set my hand this twenty-first day of September, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 2:49 p.m., September 22, 1993]

NOTE: This proclamation was published in the *Federal Register* on September 24.

Proclamation 6595—National Farm Safety and Health Week, 1993

September 21, 1993

By the President of the United States of America

A Proclamation

The men and women who toil in America's agricultural sector endure many challenges and hardships in bringing to market their diverse and high quality foods and grains. This dedication to efficient production contrib-

utes significantly to the competitiveness of our Nation. Because we benefit from the bountiful harvests of these farmers and ranchers, it is fitting and appropriate that we observe National Farm Safety and Health Week to promote public awareness of the need for and the importance of agricultural worker health and safety.

For decades, much has been accomplished through initiatives aimed at providing a safer environment for farmers, ranchers, and farm workers. Significant engineering advances have provided guards, shields, and protective equipment, which reduce the hazards and risks associated with agriculture. Educators and concerned organizations have increased knowledge and changed attitudes and behaviors relating to safe work practices in the agricultural sector. However, there is still much to be accomplished.

The arena of agricultural worker health presents many challenges. Long hours, the pressures associated with growing crops and raising livestock, and the vagaries of weather contribute to the creation of stressful situations to both body and mind. For example, agricultural workers have been shown to be particularly susceptible to skin problems, most notably skin cancer, due to exposure to the sun. Prolonged periods of loud noise are contributing to higher than normal levels of permanent hearing loss among farmers and ranchers. Constant exposure to hazardous chemicals may also predispose workers to health problems. While farming and ranching offer their practitioners many great returns, it should be recognized that agricultural professions are among the most dangerous.

The next generation of farmers and ranchers is at special risk. Children are routinely exposed to powerful, complex farm equipment. Some chemicals and some work hazards such as dusts and flowing grain may detrimentally affect the health and safety of children. Their maturity and development must always be considered with regard to agricultural work. During National Farm Safety and Health Week, all of our Nation's citizens should resolve to make health and safety initiatives an integral part of America's great farming traditions.

Now, Therefore, I, William J. Clinton, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the Week of September 19–25, 1993, as "National Farm Safety and Health Week." I urge all citizens of our great Nation to make the enhancement of farmer, rancher and farm worker health of utmost priority. I call upon the agencies, organizations and businesses which serve production agriculture to strengthen their commitment to agricultural safety and health programs.

In Witness Whereof, I have hereunto set my hand this twenty-first day of September, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 2:50 p.m., September 22, 1993]

NOTE: This proclamation was published in the *Federal Register* on September 24.

Message to the Congress Transmitting the Report of the National Science Foundation

September 21, 1993

To the Congress of the United States:

In accordance with section 3(f) of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1862(f)), I am pleased to send you the annual report of the National Science Foundation for Fiscal Year 1992. This report describes research supported by the Foundation in the mathematical, physical, biological, social, behavioral, and computer sciences; engineering; and education in those fields.

Achievements such as the ones described in this report are the basis for much of our Nation's strength—its economic growth, national security, and the overall well-being of our people.

As we move toward the 21st century, the Foundation will continue its efforts to expand our Nation's research achievements, our pro-

ductivity, and our ability to remain competitive in world markets.

William J. Clinton

The White House,
September 21, 1993.

Message to the Congress Transmitting the Report on Mine Safety and Health

September 21, 1993

To the Congress of the United States:

In accordance with Section 511(a) of the Federal Mine Safety and Health Act of 1969, as amended ("the Act"), 30 U.S.C. 958(a), I transmit herewith the annual report on mine safety and health activities for fiscal year 1992. This report was prepared by, and covers activities occurring exclusively during the previous Administration. The enclosed report does not reflect the policies or priorities of this Administration.

My Administration is committed to working with the Congress to ensure vigorous enforcement of existing mine safety and health standards. We are also intent on improving these rules where necessary and appropriate to better protect worker health and safety.

William J. Clinton

The White House,
September 21, 1993.

Message to the Congress Transmitting the Report of the Saint Lawrence Seaway Development Corporation

September 21, 1993

To the Congress of the United States:

I transmit herewith the Saint Lawrence Seaway Development Corporation's Annual Report for fiscal year 1992. This report has been prepared in accordance with section 10 of the Saint Lawrence Seaway Act of May 13, 1954 (33 U.S.C. 989(a)), and covers the period October 1, 1991, through September 30, 1992.

William J. Clinton

The White House,
September 21, 1993.

Remarks Prior to a Meeting With Congressional Leaders and an Exchange With Reporters

September 22, 1993

The President. Ladies and gentlemen, I want to say, in the presence here of the press, this is the last meeting I will have a chance to have with the large bipartisan leadership in Congress on health care issues. But I do want to say a profound word of thanks on behalf of not only myself but the entire administration for the work that has been done by people in both parties in the Congress since the first bipartisan leadership meeting I had on January 26th, when I asked that people be designated to work with us from both parties on this health care issue.

I'm not sure that any consultative process like this has ever been carried out before where there's been so much common work, not only between and among ourselves but also with people in the country who are interested in this issue. We have met with over 1,100 groups, with literally thousands of doctors, nurses, and other affected folks in this process. But the most important thing to me has been the spirit of genuine searching and determination that I have seen from leaders in both parties on this issue.

I just want to say, as I prepare to give this speech tonight, how much I appreciate that and how much I look forward to continuing that process in the weeks and months ahead. I'm very grateful to you, and we're going to talk for about an hour here, and then the Senate has to go make a vote, I think. But we're going to have a chance to talk about health care one more time before I speak tonight.

Health Care Reform

Q. Mr. President, you're about to start something tonight that has been tried and

failed several times in recent years. Why is this——

The President. Throughout the whole century.

Q. Throughout the whole century. Why is this different?

The President. Well, I think, you know, if you go back and look at the history of health care, I think there are two things that are different. One is, there is almost unanimous consensus that the cost of continuing on the present course is greater than the cost of change. With health care costs rising at more than twice the rate of inflation and rising much faster than that for small businesses, with more people losing their coverage every month so that we're paying more for less health care, with the range of choices available for Americans dropping dramatically and the administrative cost to the system escalating at a breathtaking rate, that the cost of going on is greater than the cost of change. I don't think that there has ever been that much consensus before.

The second thing is, I think you've got all of the people trying to work together now. If you go back through the whole history of the 20th century, you can find times when Republicans wanted to do something about health care and Democrats didn't, some when Presidents wanted to do something and the Congress didn't. There's one example when, early in this century, when the American Medical Association wanted to have a national health care bill and the labor movement didn't.

I mean, these things have been flip-flopped. If you read the history of health care, it's like people, you know, passing each other in the night. And I think now you've finally got everybody in the country focused on it. So I think we have a moment in history when we can seize it and move forward if we can maintain this determination to stay in touch with the real problems of our people and with this sort of spirit that we have now of working together.

Taxes

Q. Can you tell us what the sin taxes are going to be for people to help pay for this?

The President. Tonight.

Q. [*Inaudible*]—tell us tonight—[*inaudible*]—an hour and a half.

Q. Are you purposely avoiding that topic today?

The President. No, no. Lord, no.

Q. Are you concerned about the story tomorrow——

The President. No. There will be less than you think, I'll say that.

Russia

Q. Mr. President, do you have anything on the situation in Russia? Are you more reassured now than yesterday?

The President. Well, the situation is calm, and I am hopeful. You know what my position is on it, and I still think the United States has to be on the side of reform and democracy in Russia, and President Yeltsin represents that. But I know nothing more today than I knew last night when we talked, except that I've obviously gotten my morning briefing, and the situation is calm, and we're hopeful.

Q. Are you trying to contact world leaders, sir, to encourage them to come out in support of him as well?

The President. I called Mr. Kohl last night, and we communicated in other ways with Prime Minister Major and President Mitterrand, Prime Minister Balladur in France, and others. I noted that Prime Minister Major came out today in support, and I know Chancellor Kohl issued a statement yesterday. So I very much appreciate that.

NOTE: The President spoke at 11 a.m. in the State Dining Room at the White House.

Address to a Joint Session of the Congress on Health Care Reform

September 22, 1993

Mr. Speaker, Mr. President, Members of Congress, distinguished guests, my fellow Americans, before I begin my words tonight I would like to ask that we all bow in a moment of silent prayer for the memory of those who were killed and those who have been injured in the tragic train accident in Alabama today.

[*At this point, the Chamber observed a moment of silence.*]

Amen.

My fellow Americans, tonight we come together to write a new chapter in the American story. Our forebears enshrined the American dream: life, liberty, the pursuit of happiness. Every generation of Americans has worked to strengthen that legacy, to make our country a place of freedom and opportunity, a place where people who work hard can rise to their full potential, a place where their children can have a better future.

From the settling of the frontier to the landing on the Moon, ours has been a continuous story of challenges defined, obstacles overcome, new horizons secured. That is what makes America what it is and Americans what we are. Now we are in a time of profound change and opportunity. The end of the cold war, the information age, the global economy have brought us both opportunity and hope and strife and uncertainty. Our purpose in this dynamic age must be to make change our friend and not our enemy.

To achieve that goal, we must face all our challenges with confidence, with faith, and with discipline, whether we're reducing the deficit, creating tomorrow's jobs and training our people to fill them, converting from a high-tech defense to a high-tech domestic economy, expanding trade, reinventing Government, making our streets safer, or rewarding work over idleness. All these challenges require us to change.

If Americans are to have the courage to change in a difficult time, we must first be secure in our most basic needs. Tonight I want to talk to you about the most critical thing we can do to build that security. This health care system of ours is badly broken, and it is time to fix it. Despite the dedication of literally millions of talented health care professionals, our health care is too uncertain and too expensive, too bureaucratic and too wasteful. It has too much fraud and too much greed.

At long last, after decades of false starts, we must make this our most urgent priority, giving every American health security, health care that can never be taken away, health care that is always there. That is what we must do tonight.

On this journey, as on all others of true consequence, there will be rough spots in the road and honest disagreements about how we should proceed. After all, this is a complicated issue. But every successful journey is guided by fixed stars. And if we can agree on some basic values and principles, we will reach this destination, and we will reach it together.

So tonight I want to talk to you about the principles that I believe must embody our efforts to reform America's health care system: security, simplicity, savings, choice, quality, and responsibility.

When I launched our Nation on this journey to reform the health care system I knew we needed a talented navigator, someone with a rigorous mind, a steady compass, a caring heart. Luckily for me and for our Nation, I didn't have to look very far.

[*At this point, the Chamber applauded Hillary Clinton, and she acknowledged them.*]

Over the last 8 months, Hillary and those working with her have talked to literally thousands of Americans to understand the strengths and the frailties of this system of ours. They met with over 1,100 health care organizations. They talked with doctors and nurses, pharmacists and drug company representatives, hospital administrators, insurance company executives, and small and large businesses. They spoke with self-employed people. They talked with people who had insurance and people who didn't. They talked with union members and older Americans and advocates for our children. The First Lady also consulted, as all of you know, extensively with governmental leaders in both parties in the States of our Nation and especially here on Capitol Hill. Hillary and the task force received and read over 700,000 letters from ordinary citizens. What they wrote and the bravery with which they told their stories is really what calls us all here tonight.

Every one of us knows someone who's worked hard and played by the rules and still been hurt by this system that just doesn't work for too many people. But I'd like to tell you about just one. Kerry Kennedy owns

a small furniture store that employs seven people in Titusville, Florida. Like most small business owners, he's poured his heart and soul, his sweat and blood into that business for years. But over the last several years, again like most small business owners, he's seen his health care premiums skyrocket, even in years when no claims were made. And last year, he painfully discovered he could no longer afford to provide coverage for all his workers because his insurance company told him that two of his workers had become high risks because of their advanced age. The problem was that those two people were his mother and father, the people who founded the business and still work in the store.

This story speaks for millions of others. And from them we have learned a powerful truth. We have to preserve and strengthen what is right with the health care system, but we have got to fix what is wrong with it.

Now, we all know what's right. We're blessed with the best health care professionals on Earth, the finest health care institutions, the best medical research, the most sophisticated technology. My mother is a nurse. I grew up around hospitals. Doctors and nurses were the first professional people I ever knew or learned to look up to. They are what is right with this health care system. But we also know that we can no longer afford to continue to ignore what is wrong.

Millions of Americans are just a pink slip away from losing their health insurance and one serious illness away from losing all their savings. Millions more are locked into the jobs they have now just because they or someone in their family has once been sick and they have what is called the preexisting condition. And on any given day, over 37 million Americans, most of them working people and their little children, have no health insurance at all.

And in spite of all this, our medical bills are growing at over twice the rate of inflation, and the United States spends over a third more of its income on health care than any other nation on Earth. And the gap is growing, causing many of our companies in global competition severe disadvantage. There is no excuse for this kind of system. We know other people have done better. We know people in our own country are doing better. We have no excuse. My fellow Americans, we must fix this system, and it has to begin with congressional action.

I believe as strongly as I can say that we can reform the costliest and most wasteful system on the face of the Earth without enacting new broad-based taxes. I believe it because of the conversations I have had with thousands of health care professionals around the country, with people who are outside this city but are inside experts on the way this system works and wastes money.

The proposal that I describe tonight borrows many of the principles and ideas that have been embraced in plans introduced by both Republicans and Democrats in this Congress. For the first time in this century, leaders of both political parties have joined together around the principle of providing universal, comprehensive health care. It is a magic moment, and we must seize it.

I want to say to all of you I have been deeply moved by the spirit of this debate, by the openness of all people to new ideas and argument and information. The American people would be proud to know that earlier this week when a health care university was held for Members of Congress just to try to give everybody the same amount of information, over 320 Republicans and Democrats signed up and showed up for 2 days just to learn the basic facts of the complicated problem before us.

Both sides are willing to say, "We have listened to the people. We know the cost of going forward with this system is far greater than the cost of change." Both sides, I think, understand the literal ethical imperative of doing something about the system we have now. Rising above these difficulties and our past differences to solve this problem will go a long way toward defining who we are and who we intend to be as a people in this difficult and challenging era. I believe we all understand that. And so tonight, let me ask all of you, every Member of the House, every Member of the Senate, each Republican and each Democrat, let us keep this spirit and let us keep this commitment until this job is done. We owe it to the American people. [*Applause*]

Thank you. Thank you very much.

Now, if I might, I would like to review the six principles I mentioned earlier and describe how we think we can best fulfill those principles.

First and most important, security. This principle speaks to the human misery, to the costs, to the anxiety we hear about every day, all of us, when people talk about their problems with the present system. Security means that those who do not now have health care coverage will have it, and for those who have it, it will never be taken away. We must achieve that security as soon as possible.

Under our plan, every American would receive a health care security card that will guarantee a comprehensive package of benefits over the course of an entire lifetime, roughly comparable to the benefit package offered by most Fortune 500 companies. This health care security card will offer this package of benefits in a way that can never be taken away. So let us agree on this: Whatever else we disagree on, before this Congress finishes its work next year, you will pass and I will sign legislation to guarantee this security to every citizen of this country.

With this card, if you lose your job or you switch jobs, you're covered. If you leave your job to start a small business, you're covered. If you're an early retiree, you're covered. If someone in your family has unfortunately had an illness that qualifies as a preexisting condition, you're still covered. If you get sick or a member of your family gets sick, even if it's a life-threatening illness, you're covered. And if an insurance company tries to drop you for any reason, you will still be covered, because that will be illegal. This card will give comprehensive coverage. It will cover people for hospital care, doctor visits, emergency and lab services, diagnostic services like Pap smears and mammograms and cholesterol tests, substance abuse, and mental health treatment.

And equally important, for both health care and economic reasons, this program for the first time would provide a broad range of preventive services including regular checkups and well-baby visits. Now, it's just common sense. We know, any family doctor will tell you, that people will stay healthier and long-term costs of the health system will be lower if we have comprehensive preventive services. You know how all of our mothers told us that an ounce of prevention was worth a pound of cure? Our mothers were right. And it's a lesson, like so many lessons from our mothers, that we have waited too long to live by. It is time to start doing it.

Health care security must also apply to older Americans. This is something I imagine all of us in this room feel very deeply about. The first thing I want to say about that is that we must maintain the Medicare program. It works to provide that kind of security. But this time and for the first time, I believe Medicare should provide coverage for the cost of prescription drugs.

Yes, it will cost some more in the beginning. But again, any physician who deals with the elderly will tell you that there are thousands of elderly people in every State who are not poor enough to be on Medicaid but just above that line and on Medicare, who desperately need medicine, who make decisions every week between medicine and food. Any doctor who deals with the elderly will tell you that there are many elderly people who don't get medicine, who get sicker and sicker and eventually go to the doctor and wind up spending more money and draining more money from the health care system than they would if they had regular treatment in the way that only adequate medicine can provide.

I also believe that over time, we should phase in long-term care for the disabled and the elderly on a comprehensive basis. As we proceed with this health care reform, we cannot forget that the most rapidly growing percentage of Americans are those over 80. We cannot break faith with them. We have to do better by them.

The second principle is simplicity. Our health care system must be simpler for the patients and simpler for those who actually deliver health care: our doctors, our nurses, our other medical professionals. Today we have more than 1,500 insurers, with hundreds and hundreds of different forms. No other nation has a system like this. These forms are time consuming for health care providers. They're expensive for health care consumers. They're exasperating for anyone who's ever tried to sit down around a table and wade through them and figure them out.

The medical care industry is literally drowning in paperwork. In recent years, the number of administrators in our hospitals has grown by 4 times the rate that the number of doctors has grown. A hospital ought to be a house of healing, not a monument to paperwork and bureaucracy.

Just a few days ago, the Vice President and I had the honor of visiting the Children's Hospital here in Washington where they do wonderful, often miraculous things for very sick children. A nurse named Debbie Freiberg told us that she was in the cancer and bone marrow unit. The other day a little boy asked her just to stay at his side during his chemotherapy. And she had to walk away from that child because she had been instructed to go to yet another class to learn how to fill out another form for something that didn't have a lick to do with the health care of the children she was helping. That is wrong, and we can stop it, and we ought to do it.

We met a very compelling doctor named Lillian Beard, a pediatrician, who said that she didn't get into her profession to spend hours and hours—some doctors up to 25 hours a week—just filling out forms. She told us she became a doctor to keep children well and to help save those who got sick. We can relieve people like her of this burden. We learned, the Vice President and I did, that in the Washington Children's Hospital alone, the administrators told us they spend $2 million a year in one hospital filling out forms that have nothing whatever to do with keeping up with the treatment of the patients.

And the doctors there applauded when I was told and I related to them that they spend so much time filling out paperwork, that if they only had to fill out those paperwork requirements necessary to monitor the health of the children, each doctor on that one hospital staff, 200 of them, could see another 500 children a year. That is 10,000 children a year. I think we can save money in this system if we simplify it. And we can make the doctors and the nurses and the people that are giving their lives to help us all be healthier a whole lot happier, too, on their jobs.

Under our proposal there would be one standard insurance form, not hundreds of them. We will simplify also—and we must—the Government's rules and regulations, because they are a big part of this problem. This is one of those cases where the physician should heal thyself. We have to reinvent the way we relate to the health care system, along with reinventing Government. A doctor should not have to check with a bureaucrat in an office thousands of miles away before ordering a simple blood test. That's not right, and we can change it. And doctors, nurses, and consumers shouldn't have to worry about the fine print. If we have this one simple form, there won't be any fine print. People will know what it means.

The third principle is savings. Reform must produce savings in this health care system. It has to. We're spending over 14 percent of our income on health care. Canada's at 10. Nobody else is over 9. We're competing with all these people for the future. And the other major countries, they cover everybody, and they cover them with services as generous as the best company policies here in this country.

Rampant medical inflation is eating away at our wages, our savings, our investment capital, our ability to create new jobs in the private sector, and this public Treasury. You know the budget we just adopted had steep cuts in defense, a 5-year freeze on the discretionary spending, so critical to reeducating America and investing in jobs and helping us to convert from a defense to a domestic economy. But we passed a budget which has Medicaid increases of between 16 and 11 percent a year over the next 5 years and Medicare increases of between 11 and 9 percent in an environment where we assume inflation will be at 4 percent or less. We cannot continue to do this. Our competitiveness, our whole economy, the integrity of the way the Government works, and ultimately, our living standards depend upon our ability to achieve savings without harming the quality of health care.

Unless we do this, our workers will lose $655 in income each year by the end of the decade. Small businesses will continue to face skyrocketing premiums. And a full third of small businesses now covering their employees say they will be forced to drop their insurance. Large corporations will bear big-

ger disadvantages in global competition. And health care costs will devour more and more and more of our budget. Pretty soon all of you or the people who succeed you will be showing up here and writing out checks for health care and interest on the debt and worrying about whether we've got enough defense, and that will be it, unless we have the courage to achieve the savings that are plainly there before us. Every State and local government will continue to cut back on everything from education to law enforcement to pay more and more for the same health care.

These rising costs are a special nightmare for our small businesses, the engine of our entrepreneurship and our job creation in America today. Health care premiums for small businesses are 35 percent higher than those of large corporations today. And they will keep rising at double-digit rates unless we act.

So how will we achieve these savings? Rather than looking at price control or looking away as the price spiral continues, rather than using the heavy hand of Government to try to control what's happening or continuing to ignore what's happening, we believe there is a third way to achieve these savings. First, to give groups of consumers and small businesses the same market bargaining power that large corporations and large groups of public employees now have, we want to let market forces enable plans to compete. We want to force these plans to compete on the basis of price and quality, not simply to allow them to continue making money by turning people away who are sick or old or performing mountains of unnecessary procedures. But we also believe we should back this system up with limits on how much plans can raise their premiums year-in and year-out, forcing people, again, to continue to pay more for the same health care, without regard to inflation or the rising population needs.

We want to create what has been missing in this system for too long and what every successful nation who has dealt with this problem has already had to do: to have a combination of private market forces and a sound public policy that will support that competition, but limit the rate at which prices can exceed the rate of inflation and population growth, if the competition doesn't work, especially in the early going.

The second thing I want to say is that unless everybody is covered—and this is a very important thing—unless everybody is covered, we will never be able to fully put the brakes on health care inflation. Why is that? Because when people don't have any health insurance, they still get health care, but they get it when it's too late, when it's too expensive, often from the most expensive place of all, the emergency room. Usually by the time they show up, their illnesses are more severe, and their mortality rates are much higher in our hospitals than those who have insurance. So they cost us more. And what else happens? Since they get the care but they don't pay, who does pay? All the rest of us. We pay in higher hospital bills and higher insurance premiums. This cost shifting is a major problem.

The third thing we can do to save money is simply by simplifying the system, what we've already discussed. Freeing the health care providers from these costly and unnecessary paperwork and administrative decisions will save tens of billions of dollars. We spend twice as much as any other major country does on paperwork. We spend at least a dime on the dollar more than any other major country. That is a stunning statistic. It is something that every Republican and every Democrat ought to be able to say, we agree that we're going to squeeze this out. We cannot tolerate this. This has nothing to do with keeping people well or helping them when they're sick. We should invest the money in something else.

We also have to crack down on fraud and abuse in the system. That drains billions of dollars a year. It is a very large figure, according to every health care expert I've ever spoken with. So I believe we can achieve large savings. And that large savings can be used to cover the unemployed uninsured and will be used for people who realize those savings in the private sector to increase their ability to invest and grow, to hire new workers or to give their workers pay raises, many of them for the first time in years.

Now, nobody has to take my word for this. You can ask Dr. Koop. He's up here with us tonight, and I thank him for being here.

Since he left his distinguished tenure as our Surgeon General, he has spent an enormous amount of time studying our health care system, how it operates, what's right and wrong with it. He says we could spend $200 billion every year, more than 20 percent of the total budget, without sacrificing the high quality of American medicine.

Ask the public employees in California, who've held their own premiums down by adopting the same strategy that I want every American to be able to adopt, bargaining within the limits of a strict budget. Ask Xerox, which saved an estimated $1,000 per worker on their health insurance premium. Ask the staff of the Mayo Clinic, who we all agree provides some of the finest health care in the world. They are holding their cost increases to less than half the national average. Ask the people of Hawaii, the only State that covers virtually all of their citizens and has still been able to keep costs below the national average.

People may disagree over the best way to fix this system. We may all disagree about how quickly we can do the thing that we have to do. But we cannot disagree that we can find tens of billions of dollars in savings in what is clearly the most costly and the most bureaucratic system in the entire world. And we have to do something about that, and we have to do it now.

The fourth principle is choice. Americans believe they ought to be able to choose their own health care plan and keep their own doctors. And I think all of us agree. Under any plan we pass, they ought to have that right. But today, under our broken health care system, in spite of the rhetoric of choice, the fact is that that power is slipping away for more and more Americans.

Of course, it is usually the employer, not the employee, who makes the initial choice of what health care plan the employee will be in. And if your employer offers only one plan, as nearly three-quarters of small or medium-sized firms do today, you're stuck with that plan and the doctors that it covers.

We propose to give every American a choice among high quality plans. You can stay with your current doctor, join a network of doctors and hospitals, or join a health maintenance organization. If you don't like your plan, every year you'll have the chance to choose a new one. The choice will be left to the American citizen, the worker, not the boss and certainly not some Government bureaucrat.

We also believe that doctors should have a choice as to what plans they practice in. Otherwise, citizens may have their own choices limited. We want to end the discrimination that is now growing against doctors and to permit them to practice in several different plans. Choice is important for doctors, and it is absolutely critical for our consumers. We've got to have it in whatever plan we pass.

The fifth principle is quality. If we reformed everything else in health care but failed to preserve and enhance the high quality of our medical care, we will have taken a step backward, not forward. Quality is something that we simply can't leave to chance. When you board an airplane, you feel better knowing that the plane had to meet standards designed to protect your safety. And we can't ask any less of our health care system.

Our proposal will create report cards on health plans, so that consumers can choose the highest quality health care providers and reward them with their business. At the same time, our plan will track quality indicators, so that doctors can make better and smarter choices of the kind of care they provide. We have evidence that more efficient delivery of health care doesn't decrease quality. In fact, it may enhance it.

Let me just give you one example of one commonly performed procedure, the coronary bypass operation. Pennsylvania discovered that patients who were charged $21,000 for this surgery received as good or better care as patients who were charged $84,000 for the same procedure in the same State. High prices simply don't always equal good quality. Our plan will guarantee that high quality information is available in even the most remote areas of this country so that we can have high quality service, linking rural doctors, for example, with hospitals with high-tech urban medical centers. And our plan will ensure the quality of continuing progress on a whole range of issues by speeding research on effective prevention and

treatment measures for cancer, for AIDS, for Alzheimer's, for heart disease, and for other chronic diseases. We have to safeguard the finest medical research establishment in the entire world. And we will do that with this plan. Indeed, we will even make it better.

The sixth and final principle is responsibility. We need to restore a sense that we're all in this together and that we all have a responsibility to be a part of the solution. Responsibility has to start with those who profit from the current system. Responsibility means insurance companies should no longer be allowed to cast people aside when they get sick. It should apply to laboratories that submit fraudulent bills, to lawyers who abuse malpractice claims, to doctors who order unnecessary procedures. It means drug companies should no longer charge 3 times more per prescription drugs, made in America here in the United States, than they charge for the same drugs overseas.

In short, responsibility should apply to anybody who abuses this system and drives up the cost for honest, hard-working citizens and undermines confidence in the honest, gifted health care providers we have. Responsibility also means changing some behaviors in this country that drive up our costs like crazy. And without changing it we'll never have the system we ought to have, we will never.

Let me just mention a few and start with the most important: The outrageous costs of violence in this country stem in large measure from the fact that this is the only country in the world where teenagers can rout the streets at random with semiautomatic weapons and be better armed than the police.

But let's not kid ourselves; it's not that simple. We also have higher rates of AIDS, of smoking and excessive drinking, of teen pregnancy, of low birth weight babies. And we have the third worst immunization rate of any nation in the Western Hemisphere. We have to change our ways if we ever really want to be healthy as a people and have an affordable health care system. And no one can deny that.

But let me say this—and I hope every American will listen, because this is not an easy thing to hear—responsibility in our health care system isn't just about them. It's about you. It's about me. It's about each of us. Too many of us have not taken responsibility for our own health care and for our own relations to the health care system. Many of us who have had fully paid health care plans have used the system whether we needed it or not without thinking what the costs were. Many people who use this system don't pay a penny for their care even though they can afford to. I think those who don't have any health insurance should be responsible for paying a portion of their new coverage. There can't be any something for nothing, and we have to demonstrate that to people. This is not a free system. Even small contributions, as small as the $10 copayment when you visit a doctor, illustrates that this is something of value. There is a cost to it. It is not free.

And I want to tell you that I believe that all of us should have insurance. Why should the rest of us pick up the tab when a guy who doesn't think he needs insurance or says he can't afford it gets in an accident, winds up in an emergency room, gets good care, and everybody else pays? Why should the small business people who are struggling to keep afloat and take care of their employees have to pay to maintain this wonderful health care infrastructure for those who refuse to do anything? If we're going to produce a better health care system for every one of us, every one of us is going to have to do our part. There cannot be any such thing as a free ride. We have to pay for it. We have to pay for it.

Tonight I want to say plainly how I think we should do that. Most of the money will come, under my way of thinking, as it does today, from premiums paid by employers and individuals. That's the way it happens today. But under this health care security plan, every employer and every individual will be asked to contribute something to health care.

This concept was first conveyed to the Congress about 20 years ago by President Nixon. And today, a lot of people agree with the concept of shared responsibility between employers and employees and that the best thing to do is to ask every employer and every employee to share that. The Chamber of Commerce has said that, and they're not in

the business of hurting small business. The American Medical Association has said that.

Some call it an employer mandate, but I think it's the fairest way to achieve responsibility in the health care system. And it's the easiest for ordinary Americans to understand because it builds on what we already have and what already works for so many Americans. It is the reform that is not only easiest to understand but easiest to implement in a way that is fair to small business, because we can give a discount to help struggling small businesses meet the cost of covering their employees. We should require the least bureaucracy or disruption and create the cooperation we need to make the system cost-conscious, even as we expand coverage. And we should do it in a way that does not cripple small businesses and low-wage workers.

Every employer should provide coverage, just as three-quarters do now. Those that pay are picking up the tab for those who don't today. I don't think that's right. To finance the rest of reform, we can achieve new savings, as I have outlined, in both the Federal Government and the private sector through better decisionmaking and increased competition. And we will impose new taxes on tobacco. I don't think that should be the only source of revenues. I believe we should also ask for a modest contribution from big employers who opt out of the system to make up for what those who are in the system pay for medical research, for health education centers, for all the subsidies to small business, for all the things that everyone else is contributing to. But between those two things, we believe we can pay for this package of benefits and universal coverage and a subsidy program that will help small business.

These sources can cover the cost of the proposal that I have described tonight. We subjected the numbers in our proposal to the scrutiny of not only all the major agencies in Government—I know a lot of people don't trust them, but it would be interesting for the American people to know that this was the first time that the financial experts on health care in all of the different Government agencies have ever been required to sit in the room together and agree on numbers. It had never happened before. But obviously, that's not enough. So then we gave these numbers to actuaries from major accounting firms and major Fortune 500 companies who have no stake in this other than to see that our efforts succeed. So I believe our numbers are good and achievable.

Now, what does this mean to an individual American citizen? Some will be asked to pay more. If you're an employer and you aren't insuring your workers at all, you'll have to pay more. But if you're a small business with fewer than 50 employees, you'll get a subsidy. If you're a firm that provides only very limited coverage, you may have to pay more. But some firms will pay the same or less for more coverage.

If you're a young, single person in your twenties and you're already insured, your rates may go up somewhat because you're going to go into a big pool with middle-aged people and older people, and we want to enable people to keep their insurance even when someone in their family gets sick. But I think that's fair because when the young get older they will benefit from it, first, and secondly, even those who pay a little more today will benefit 4, 5, 6, 7 years from now by our bringing health care costs closer to inflation.

Over the long run, we can all win. But some will have to pay more in the short run. Nevertheless, the vast majority of the Americans watching this tonight will pay the same or less for health care coverage that will be the same or better than the coverage they have tonight. That is the central reality.

If you currently get your health insurance through your job, under our plan you still will. And for the first time, everybody will get to choose from among at least three plans to belong to. If you're a small business owner who wants to provide health insurance to your family and your employees, but you can't afford it because the system is stacked against you, this plan will give you a discount that will finally make insurance affordable. If you're already providing insurance, your rates may well drop because we'll help you as a small business person join thousands of others to get the same benefits big corporations get at the same price they get those benefits. If you're self-employed, you'll pay less, and you will get to deduct from your

taxes 100 percent of your health care premiums. If you're a large employer, your health care costs won't go up as fast, so that you will have more money to put into higher wages and new jobs and to put into the work of being competitive in this tough global economy.

Now, these, my fellow Americans, are the principles on which I think we should base our efforts: security, simplicity, savings, choice, quality, and responsibility. These are the guiding stars that we should follow on our journey toward health care reform.

Over the coming months, you'll be bombarded with information from all kinds of sources. There will be some who will stoutly disagree with what I have proposed and with all other plans in the Congress, for that matter. And some of the arguments will be genuinely sincere and enlightening. Others may simply be scare tactics by those who are motivated by the self-interest they have in the waste the system now generates, because that waste is providing jobs, incomes, and money for some people. I ask you only to think of this when you hear all of these arguments: Ask yourself whether the cost of staying on this same course isn't greater than the cost of change. And ask yourself, when you hear the arguments, whether the arguments are in your interest or someone else's. This is something we have got to try to do together.

I want also to say to the Representatives in Congress, you have a special duty to look beyond these arguments. I ask you instead to look into the eyes of the sick child who needs care, to think of the face of the woman who's been told not only that her condition is malignant but not covered by her insurance, to look at the bottom lines of the businesses driven to bankruptcy by health care costs, to look at the "for sale" signs in front of the homes of families who have lost everything because of their health care costs.

I ask you to remember the kind of people I met over the last year and a half: the elderly couple in New Hampshire that broke down and cried because of their shame at having an empty refrigerator to pay for their drugs; a woman who lost a $50,000 job that she used to support her six children because her youngest child was so ill that she couldn't keep health insurance, and the only way to get care for the child was to get public assistance; a young couple that had a sick child and could only get insurance from one of the parents' employers that was a nonprofit corporation with 20 employees, and so they had to face the question of whether to let this poor person with a sick child go or raise the premiums of every employee in the firm by $200; and on and on and on.

I know we have differences of opinion, but we are here tonight in a spirit that is animated by the problems of those people and by the sheer knowledge that if we can look into our heart, we will not be able to say that the greatest nation in the history of the world is powerless to confront this crisis.

Our history and our heritage tell us that we can meet this challenge. Everything about America's past tells us we will do it. So I say to you, let us write that new chapter in the American story. Let us guarantee every American comprehensive health benefits that can never be taken away.

You know, in spite of all the work we've done together and all the progress we've made, there's still a lot of people who say it would be an outright miracle if we passed health care reform. But my fellow Americans, in a time of change you have to have miracles. And miracles do happen. I mean, just a few days ago we saw a simple handshake shatter decades of deadlock in the Middle East. We've seen the walls crumble in Berlin and South Africa. We see the ongoing brave struggle of the people of Russia to seize freedom and democracy.

And now it is our turn to strike a blow for freedom in this country, the freedom of Americans to live without fear that their own Nation's health care system won't be there for them when they need it. It's hard to believe that there was once a time in this century when that kind of fear gripped old age, when retirement was nearly synonymous with poverty and older Americans died in the street. That's unthinkable today, because over a half a century ago Americans had the courage to change, to create a Social Security System that ensures that no Americans will be forgotten in their later years.

Forty years from now, our grandchildren will also find it unthinkable that there was

a time in this country when hardworking families lost their homes, their savings, their businesses, lost everything simply because their children got sick or because they had to change jobs. Our grandchildren will find such things unthinkable tomorrow if we have the courage to change today.

This is our chance. This is our journey. And when our work is done, we will know that we have answered the call of history and met the challenge of our time.

Thank you very much, and God bless America.

NOTE: The President spoke at 9:10 p.m. in the House Chamber at the Capitol.

Proclamation 6596—National Rehabilitation Week, 1993 and 1994

September 22, 1993

By the President of the United States of America

A Proclamation

Millions of Americans with disabilities are able to achieve independence and lead active, productive lives with the assistance of rehabilitation therapy. Estimates indicate that half of the Nation's population will at some point in their lives need assistance in overcoming some form of physical, mental, emotional, or social disability. ''National Rehabilitation Week'' seeks to recognize not only the individuals who have learned to cope with their disabilities but also the dedicated health care professionals who have provided assistance through research, education, and therapy.

In tribute to these individuals and their many contributions to our society, the Congress, by Senate Joint Resolution 50, has designated the periods beginning September 19 and ending September 25, 1993, and beginning September 18 and ending September 24, 1994, as National Rehabilitation Week, and has authorized and requested the President to issue a proclamation in observance of these weeks.

Now, Therefore, I, William J. Clinton, President of the United States of America, do hereby proclaim the periods beginning September 19, 1993, and ending September 25, 1993, and beginning September 18, 1994, and ending September 24, 1994, as National Rehabilitation Week. I call upon all Americans to observe these weeks with appropriate programs, ceremonies, and activities as an expression of their support.

In Witness Whereof, I have hereunto set my hand this twenty-second day of September, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 4:04 p.m., September 23, 1993]

NOTE: This proclamation was published in the *Federal Register* on September 27.

Proclamation 6597—Energy Awareness Month, 1993

September 22, 1993

By the President of the United States of America

A Proclamation

Politically, economically, and environmentally, our world is changing, and so are our energy choices. Our Nation has been blessed with a wide variety of energy resources. America's diverse climate, geography, and natural resources give us a flexibility unmatched in the world. It is our duty to use our energy resources wisely by increasing energy efficiency, commercializing renewable resources, and developing innovative, clean technologies.

The energy choices we make affect every aspect of our lives. The theme of Energy Awareness Month, 1993, New Energy Choices for a Changing World, highlights the importance of these decisions. In our homes, energy efficient appliances and ''green'' computers, such as those that qualify under the Environmental Protection Agency (EPA) Energy Star Program, save us money and help to preserve the environment. On our Nation's highways, powering our vehicles

with alternative fuels will help us conserve energy, develop new resources, and reduce our dependence on foreign oil. In our industries, advanced lighting, such as the systems promoted by the EPA Green Lights Program, makes our businesses more efficient, more environmentally sound, and more competitive in world markets. In the coming century, the challenge will be very great to protect our precious environment and produce sustainable economic growth. Our Nation's energy use is a critical and significant part of this challenge. We must work to find more efficient ways to use current resources, and search for new ones.

To encourage each American to join in this effort to improve our Nation's energy future, I urge participation in activities that further our understanding and appreciation of how we can meet energy challenges and contribute to energy solutions in our changing world.

Now, Therefore, I, William J. Clinton, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim October 1993 as Energy Awareness Month.

In Witness Whereof, I have hereunto set my hand this twenty-second day of September, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 4:05 p.m., September 23, 1993]

NOTE: This proclamation was published in the *Federal Register* on September 27.

Statement on the Cost-Share Adjustment for Midwest Flood Recovery

September 22, 1993

I have been in the Midwest four times since early summer when the floods first began to exact their steep toll on the lives and livelihoods of thousands of hardworking Americans. I've seen firsthand the magnitude of the damage, the submerged towns, and the drowned fields, shops, and farms—some temporarily out of business, some permanently destroyed.

I promised that when the Midwest asked the Federal Government for help, the Federal Government would answer swiftly and strongly. And I'm very proud of the speed and efficiency with which our Government, led by FEMA, has met this challenge.

But the job is far from done. The extraordinary duration and force of the floods caused an unprecedented degree of damage to the economies in the Midwest, damage that will take dozens of months and billions of dollars to repair. And as I pledged, the Federal Government will not leave the people of the Midwest to handle this alone.

That's why earlier I announced that in States where the cost of flood damage was at least $64 a person, the Federal Government would adjust the requirement that States assume 25 percent of the cost of FEMA-provided relief. Instead, the National Government would pay fully 90 percent of those costs.

However, as the damage toll continues to mount, it's becoming increasingly clear to me that we must not view flood relief as local assistance only. The scope of this disaster is so great that it has the potential to have a dampening effect on our entire national economy, and we must respond accordingly.

Therefore, today I have established a second standard that will be used to address those disasters with wider economic impact. In multiple State disasters with significant impact on the national economy, the alternative threshold has been established at .1 percent of the gross domestic product. That means I have approved the reimbursement of eligible public FEMA assistance disaster costs for the nine Midwest States affected by this summer's catastrophic flooding at a 90 percent Federal/10 percent non-Federal cost-share basis.

As the families of the Midwest struggle to restore order to their lives and rebuild their communities, I want them to know that this administration plans to be with them every step of the way. And I'm determined that our commitment remains as clear in our actions as it is in our words and our prayers.

Remarks at a Health Care Rally

September 23, 1993

The President. Thank you very much, Tipper and Vice President Gore and to the First Lady and all of you. This has been an incredible 10 days on the lawn of the White House, in the Nation's Capital and in the life of your President, for me as a citizen as well as the President.

After the Middle East peace signing, we had just a couple of days ago the signing of the national service bill here, with hundreds of young people, a bill I believe literally has the capacity to change not only the lives of hundreds of thousands of young people but the fabric of life and the strength of community all across America. I signed the bill with two pens, one, the pen that President Roosevelt used to sign his bills with, and the other the pen that President Kennedy signed the Peace Corps bill with 32 years ago. And I thought to myself, this is why I went to the snows of New Hampshire. This is why I wanted to be President, because together we can make this democracy work.

And then last night, speaking to the Congress and sensing the incredible historic opportunity we have to reach across party and regional lines, to unite people who are worried about universal coverage and people who are worried about cost control and people who are worried about the disabled and people who are worried about men and women with AIDS and people who are worried about mental health and people who are worried about elderly, to get everybody together to try to find a solution that will permit us at once to provide comprehensive lifetime health care benefits to all the people in our country and at the same time to stop the waste, the bureaucracy, and the unconscionable increase in cost that is putting a terrible burden on our economy and our Government's budget, to have the opportunity literally of a generation to see the American people come together around a common goal and achieve it. That's truly awesome.

But what I want to remind you of today is this: First, we should be grateful that the moment has come when vast margins of our fellow citizens understand in their gut, even if they don't know all the details of this complex system, that the cost of staying with what we have is far greater than the cost and the risk of change. Secondly, that for the first time in the 20th century, we sort of have everybody in the same place at the same time. Believe it or not in the first two decades of this century, there was one instance in which the American Medical Association wanted a national health program, and the AFL–CIO opposed it. It didn't take long until that turned around. Then there were times when Democrats wanted to do it but Republicans didn't. And then there was President Nixon who offered an employer mandate to get universal coverage, and the political consensus for it wasn't there.

It's almost like for this whole century someone would decide that this was a terrible problem, that someone ought to do something about it, but all the other players were like ships passing in the night. Now you have big business and small business and health care providers and health care consumers, families who have been broken and workers who are trapped in their jobs all agreed that the time has come to act.

I think my job today is to tell you that as much as I wish this to be a celebration, to thank you for everything you've done, it's to remind you that our work is beginning, that the real celebration will be when you come back in even larger numbers to this lawn when I sign a bill to solve these problems.

In the next few days the Congress will begin in earnest to take this issue up. It is, as all of you know as well or better than I, a matter of mind-boggling complexity on the one hand and simply truths on the other. Even all of us in this audience do not agree on every detail about how to reach the goal that we all share.

So, just for one minute I would like to reiterate what I said last night; let us at least commit ourselves to the principles which must shape the final legislation. First, and most important, is security. We have simply got to provide for every American for a lifetime, health care that is comprehensive, that is always there and cannot be taken away.

Second, we must make this system more simple, more simple because it will have

more integrity and more support because it will free up doctors and nurses and other medical professionals to do the work that they hired out to do in the first place. And thirdly, because we will never get real savings out of massive parts of this system until we simplify it.

Next, we must insist that through simplicity and other mechanisms, we actually get savings. And I've said this before, I want to say it again, we had a couple hundred doctors in here the other day, and I said, you know, one of the most controversial parts of the argument we're making is that we can finance health care for the unemployed, uninsured through savings in the system. Most people in Washington don't believe it, but everybody I've talked to outside of Washington who is in health care believes it because they live awash in the waste every day. Everybody I talked to believes that.

I say to all of you who know something about this, we must continue to hammer the points of opportunity to save money so we can free up funds to do the things we all know we ought to do, to cover the unemployed, uninsured through public funds; to provide savings to the private sector that will permit them to cover the employed, uninsured without going broke; to extend coverage to prescription drugs for all Americans, including the elderly, to bring in long-term care for the disabled.

I want to point out again, if you look at this system, all of you know, but it is still sinking in on our fellow citizens that we are already spending 35 percent more than any other nation on Earth as a percentage of our income, 40 percent more than our major competitors as a percentage of our income. They cover all their folks and we don't, and their standard benefit package is better than most of our people have. We can achieve savings, but it will require discipline and concentration and effort and belief. And you can help make that happen. Our dream of security can be undermined unless we have the courage and the discipline to keep fighting for savings.

Fourthly, we have to guarantee choice. The American people simply won't put up with it if they think they have no choices in their health care. But again, I ask for an injection of the real world. Most of the decision-makers here may have choice, but fewer and fewer Americans have any real choice in their health care. So under this system we do propose to give all persons a choice between three plans, three options that they can buy into. We also propose to give physicians more choices about the plans in which they participate, because unless they have choices, obviously the consumer's choice is limited as well. We have to do that. It's an American value, and we can do it without adding to the cost of the system.

Next, we have to ensure quality. And quality means value for service. You heard me say last night that the task force that Hillary headed uncovered among other things a remarkable effort in Pennsylvania to just publicize to health care consumers the quality and cost of various services and found out that for heart surgery, the same operation could cost between $21,000 and $84,000 in Pennsylvania with no discernible difference in health outcomes. If there's no difference in health outcomes, you might argue it's healthier to pay $21,000 than $84,000. This is an important issue. We have a friend in our home State who showed us two different bills for the same surgery he performs—a bill sent out from the hospitals, from two different hospitals—wildly different prices, exact same procedure and exact same outcomes.

So I say to you, we must tell the American people we believe in quality. And we must provide quality in other ways. We must provide quality by understanding that by depriving ourselves of certain kinds of services, we inevitably undermine the quality as well as raise the cost of health care.

And I just want to reiterate how thrilled I was last night to get a good response when I pointed out that our package would cover the whole range of preventive services because that is an important part of quality health care.

And finally, let me say that we must all have responsibility, too. Everyone of us has pointed our finger at someone else and told them they should be responsible. It's that old saying, do as I say, not as I do. You know, we all know that there are sometimes when doctors order unnecessary procedures. We

all know that some malpractice claims are frivolous. We all know that some practices of pharmaceutical companies can't be defended. We can all cite somebody else in the health care system. We all know that sometimes the insurance premiums go up or people get cut off in ways that are unconscionable. But it's time for us to admit that the vast mass of Americans have some responsibility problems, too.

None of the people I just mentioned are responsible for the fact that we have higher AIDS rates than any other advanced nation. None of the people I just mentioned are responsible for the fact that we have much higher teen pregnancy rates than anybody I just mentioned—than any other country we're competing with—or higher rates of low-birth-weight babies. And they're certainly not directly responsible, the public isn't, for the fact that we have the third worst rate of immunization in the Western Hemisphere. And they're not responsible for the fact—that got such a nice line of applause last night—that we literally are raising tens of thousands, indeed millions, of children in war zones in which other children have access to weapons more sophisticated than police. No one can imagine, in other countries, why we would let that happen.

Now, neither are those people responsible, or any of other actors in the health care system, when we behave in ways that are personally irresponsible. They don't control it if we drink too much, if we smoke. They don't control it if we don't take care of ourselves. They don't control it if we don't even give a second thought to the way we access the health care system and pretend that it doesn't cost anything just because it's not coming out of our pocket. And it is too easy for us to blame the people who are providing the services, when we do things that are also wrong and unjustifiable. And it is very important that those of you who have worked so long for this effort also say that an essential principle of this health care plan will be responsibility from all Americans, including us, not just them, but us. I want you to stay with me on that.

Now, there's still a lot of people that don't think we're gonna get this done. You know, Roosevelt tried it; Truman tried it; Nixon tried it. President Johnson wanted to do it. President Carter wanted to do it. But we are going to get it done because things are different. Circumstances are more dire, it is more obvious to people that we must change. The system itself is hemorrhaging. Not only do one in four Americans find themselves without adequate coverage at least at some point in every 2-year period but about 100,000 Americans a month are losing their coverage permanently. It is hemorrhaging. We can't go on. But we have to do it right. And we have to do it right now. We don't want to rush this thing; it's too complicated. But we don't want to delay it using complexity as an excuse.

So, I ask you to leave here today not simply celebrating what happened yesterday or lauding the work of the First Lady's task force for the last 8 months but leaving here determined to help the Congress keep the commitment that it made last night across party lines to get this done, to do it right, to do it for America, to make this opportunity of a generation a reality in the lives of every man and woman, every boy and girl in this country. Leave here with that dedication, and we'll be back here, sure enough, for a celebration in the future.

Thank you, and God bless you all.

NOTE: The President spoke at 2:16 p.m. on the South Lawn at the White House.

Remarks in the ABC News Nightline Town Meeting in Tampa, Florida

September 23, 1993

Ted Koppel. Welcome. A standing ovation. It's got to be downhill from here on in. [*Laughter*]

The President. A lot of the work is still to be done.

Mr. Koppel. Indeed. I'm going to begin with what may seem like a rather trivial thing, although I'll tell you it wasn't trivial to you yesterday. There you were. You were in front of the joint session of Congress. You had the Joint Chiefs of Staff there. You had your Cabinet there. You were talking to tens of millions of people. And you step up to the po-

dium, and if you'd be good enough to take a look at one of those monitors out there, we're going to run—[*applause*].

[*At this point, the audience watched television monitors which showed videotape from the previous evening.*]

The President. You can see the teleprompters there. You can see them. I am telling the Vice President, ''Al, they've got the wrong speech on the teleprompter.'' He said, ''That's impossible.'' I said, ''You're not reading it. Read it.'' That's what I said. [*Laughter*]

So it turned out that the people with our communications department had typed in the speech for the teleprompter on the disk that also had my State of the Union speech in February. And when the disk was called up, it started at the State of the Union instead of at the health care speech. And I thought to myself, that was a pretty good speech but not good enough to give twice. [*Laughter*] So that's what happened.

Mr. Koppel. When I was looking at the First Lady there—you must have talked to her later on—it was almost as though she was telepathic. She looked worried. She knew there was something wrong.

The President. She knew there was something wrong. My daughter, actually, watching at home, told me she also sensed that there was something wrong. And I just decided to go on and give the talk. I mean, I had, you know, I'd internalized it. I'd worked hard on writing it with our folks. The only problem is when you have to go through a lot of points, and you can't just read it. So I would just look at the first line and try to recall from memory. I didn't want to miss anything.

And the other problem is if the teleprompter goes off, that's one thing. You just look at the audience just like I'm looking at you. But imagine if I've got these teleprompters here, and I'm trying to speak to you, and the wrong words are going up on the screen which is what we started out to do.

So I had to ignore all these words and try to look through the words to the people. But about 8, 9 minutes into the speech, the fellow figured out what was wrong, pulled up the right speech and then whizzed through it to figure out where I was. And from then on in it was reasonably normal.

Mr. Koppel. Well, I've got to tell you, Mr. President, as a communications specialist—and it may be the last nice thing I say to you or for you this evening—you have my admiration. I can't tell you how tough that is when you've got the wrong speech going by. You did an extraordinary job.

Let us take at look at how the speech played. We've got some phone numbers there. Before the speech you can see, we took a poll and 43-percent approval of your health care plan, 41-percent disapproval. Let's take a look at after the speech: up to 56-percent approval; 24-percent disapproval. You're too good a political pro to put too much faith in that sort of kick that you get right after a speech. How tough is it going to be to hold onto that?

The President. I think it depends upon how good a line of communication we can maintain with the American people and how open we can be in working this process through Congress. There will be a lot of people who will honestly disagree with certain things I have recommended. There will be a lot of other people who will not want it to happen because they will make less money out of the system that we propose or because it will require them to change. And they will all be heard. So the important thing is that everyone understand that this is an extremely complicated thing. You interviewed me before, and I saw you showed it out here. I've been working on this issue seriously for 3½ years, and I've been dealing with health care as a Governor and attorney general and a citizen for a long time, but really working on the systematic problems for 3½ years and talking to hundreds of doctors, of other experts all around the country. It's a complex thing.

But I think if the American people know that Hillary and I and our administration, that we're listening to people and that we're really shooting them straight, then I think we can maintain support for change. Because the reason there's so much support for change among Republicans and Democrats and all the people in the health care system is that those who know the most, know we cannot afford to continue with the system we

have. It's bankrupting the country and not helping people.

Mr. Koppel. Mr. President, we've got an awful lot of people here who I know want to ask questions. I just want to show you one more poll result. Take a look. ''I worry my future health care costs won't be taken care of.'' Now, look at how many people agree——

The President. They should worry.

Mr. Koppel.——with that statement. That's after hearing your speech.

The President. They should worry about that.

Mr. Koppel. Why do you think it's still so high? Two-thirds of the American public still worry that their future health care costs won't be taken care of.

The President. Because health care costs have been going up at twice the rate of inflation, or more. For people insured in small businesses, more than twice the rate of inflation. Because in any given 2-year period, almost one in four Americans don't have any health insurance, because about 100,000 Americans a month lose their health insurance permanently. So how could people not? And even if that hasn't happened to you, almost every one of us know someone that it's happened to.

Mr. Koppel. Let me ask you a favor, Mr. President. I've already talked to the audience out here and asked them the same favor. They're going to introduce themselves to you, tell you their names and who they are. We've got so many people who want to talk to you, to the degree that we can, let's zip through as many questions and answers as we can.

[*A homemaker indicated that her son had nearly drowned and that she and her husband had the best insurance coverage available to cover the costs of weekly treatment. She asked if her coverage would be lost under the new health care plan.*]

The President. Well, first of all, it won't get any worse. That is, if you're paying for it now and you have coverage that covers that, there's nothing to prevent that from continuing in our system. Anybody, for example, who's got a situation at work where your employer is paying 100 percent of your premiums, that can continue. So you shouldn't worry about that.

But in all probability, because of the changes in our plan, you will have more secure coverage. That is, if this plan passes, you will know that the coverage you have can never be taken away from you and that we will cover the primary and preventive services, and those kinds of long-term care services for children are very important.

Also what we want to do—it's very important, especially in the event your husband has to change jobs—we're going to rate all families in America under a broad-based community rating system so that people go into big pools. Insurance companies make money like grocery stores do, a little bit of money on a lot of people, instead of a lot on a few, and we all share the risks in ways that will guarantee that you'll always be able to get insurance at lower rates than would otherwise be the case.

Mr. Koppel. All right, let me move right on. And forgive me, I know that none of you is going to be completely satisfied and would like to ask follow-up questions, but we are going to try and move around.

Go ahead, sir.

[*A psychiatrist asked if mental health outpatient services would be paid at a cost equal to other medical illnesses or paid at a lesser rate.*]

The President. It depends. The reimbursement rate will depend upon what plan the person joins who wants the mental health care. For example, each individual will choose what health plan they belong to. If you choose, for example, a preferred provider organization where a lot of doctors get together and offer to give services, they will prescribe what the reimbursement rate will be and what the cost of the plan will be.

If a person joins a fee-for-service plan, then the reimbursement rate will be published on the front end, and it will be agreed to by the doctors in the beginning. But the Government won't set the rate. So there will be some more flexibility there.

And let me also say, because I don't want to overpromise in this thing, I really believe it's important for us to cover mental health benefits. But we're not going to be able to

cover the full range of mental health benefits because we don't know how to cost them out very well, as much as I think we should, until the year 2000. So there won't be unlimited visits, for example, until the year 2000. But we'll start with some hospitalization that's significant and a number of visits per year and then build up to full coverage over the rest of the decade.

Mr. Koppel. Mr. President, we also have our financing plan here. We have to take some commercial breaks. We're going to take the first of them right now. We'll be back with President Clinton and our audience here in Tampa in just a moment.

[*At this point, the network took a commercial break.*]

Mr. Koppel. If you take a look at the poll—I don't know if you can read—your eyes are probably better than mine. I can't read those results from here. Can we put it up on the big screen? Can we see the poll up there?

The President. Yes, I see it.

Mr. Koppel. Can you read it? Well, will you be good—there we go. They think your plan versus the present system: 64 percent think it's better; 17 percent think it's worse; 3 percent think it's the same. Again, that's pretty good. I mean, you can't expect it to do much better.

The President. Sixty-four percent are right. [*Laughter*] They're right.

Mr. Koppel. Just to keep things from getting too dull, let's see if we can get a question from one of the 17 percent. Go ahead.

[*A homemaker indicated that she provides care to her mother and husband both of whom suffer from Alzheimer's disease, and she asked what the new health care plan would do for caregivers.*]

The President. It will do three things. First of all, for people with Alzheimer's and other problems that require institutional care, we will continue to cover that. And we will cover it at least as well or better as now.

But secondly, over a period of years—now, we can't do all this at once, because we have to phase-in the coverage as we realize more savings from the waste in the existing system. But over a period of years, we will also reimburse people for in-home care, because often times it's less expensive to maintain people in homes than in nursing homes. So we will, for the first time, have a system by which people can actually have coverage for in-home care. And that will include respite care, too. If, for example, you are taking care of a parent or a spouse, you're doing an incredible service for a society. You're keeping your family together, and you're saving money for the system, but you're entitled to a little time off. And so under this system, over a period of years we'd actually set up a reimbursement system so you could be reimbursed or covered to bring in a nurse, for example, if you wanted to take a 4-day weekend or something just to get away from the pressure of your duties.

And over the long run, this will enable more people to keep their families together, lower the cost of care by keeping more people out of institutions and make for, I think, a better quality of life in our country.

Mr. Koppel. To the degree that you can, Mr. President, can you give a sense of what the progression of years is going to be? In other words, you keep saying we're not going to be able to do all of this right away.

The President. Sure. Yes. Let me say, first of all, we assume that it will take a period of several months for the Congress to work through this. But I must tell you, this is the best spirit I have ever seen in the Congress, at least in modern times, among Democrats and Republicans, first to learn everything they can and second, to work together. We're in Florida tonight. We have six members of the Florida delegation up here, three Democrats and three Republicans who came down here with me tonight, and that's sort of the attitude that's going on.

So, let's assume we pass a bill sometime next year. The first and most important thing we have to do is to lock in basic security for everyone; so we want to get that done by 1996. That is, everybody's covered with comprehensive benefits. And then, between 1996 and the year 2000, we want to phase in each year more of these long-term care benefits. So it'll be about a 5-year period after the basic benefits come out.

Mr. Koppel. You have got to be concerned, because I mean, there's a little thing called "reelection" that has to kick in before

you can be sure that you're going to be able to continue doing these things into a second term. You must feel tremendous pressure to get a lot of this done by the end of your first term.

The President. What I feel the pressure to do is to at least pass the legislation and get the security in. I want everybody to have their health security card so I know they'll have comprehensive benefits that can't be taken away, that they can't lose. If that happens, I believe that the public feeling for this will sweep across America without regard to party, to region, to age, and that the American people will see this as a decent, humane thing that we have waited too long to do, and that it will then be a tide that no one can turn back, and no one will really want to turn back.

Mr. Koppel. Let me ask you to swivel around. And I know you wanted to acknowledge the Attorney General, who is sitting up there. If we can just do that.

The President. Say hello to Attorney General Reno. [*Applause*] She wanted to come home with me—you know, Janet Reno is from Florida—for two reasons. First of all, we're going to do an event tomorrow dealing with young people and crime and the costs that that imposes on our health care system, and because she also is deeply concerned about what she can do to help deal with some of the issues here. The Attorney General must enforce the Americans With Disabilities Act, for example. The Attorney General has the power to reach and deal with our young people in ways that can have a direct impact on the quality of their lives and health care in this country. So she came down here, and I'm glad she's here.

Mr. Koppel. Swivel your attention over to the left, the gentleman up there at the microphone. Go ahead, sir.

The President. Yes. sir.

Q. Good evening, Mr. President.

The President. Good evening, sir.

[*A retired educator with AIDS indicated that some AIDS victims cannot get treatment because of the limitations of Medicaid.*]

Mr. Koppel. Do me a favor, if——

The President. I know what you're—can I get to the—I know the question. First of all, there are a lot of doctors who don't treat Medicaid patients because it's an incredible paperwork hassle fooling with the Federal Government, and because often the reimbursement rates are so much below regular insurance reimbursement rates for Medicaid. People with AIDS at some point have to quit working, and often times don't have insurance on the job, so they quit working just so they can get Medicaid.

Two things will happen under this system that will really help you and people like you all over America. There are one million Americans that are HIV or AIDS today:

Number one, because you will be covered with health insurance while you're able to work, including a drug benefit that will make you able to work longer, along with everybody else, you will always have health insurance, and it won't break your employer because you'll be part of a big community pool. So your rates will be the same as everybody else. So the first thing is, more people with HIV positive will be able to work longer without bankrupting their employers.

Number two, if you do have to quit work and you go onto what we now—now the Medicaid program, it won't be a separate Medicaid program. Medicaid patients will be in these big health alliances with self-employed people, small business people, the employees of big corporations, everybody will be in there together. Everybody will pick their plans together. And the plan will treat you just like everybody else, because the reimbursement for you will be just like everybody else, and there will be one form to fill out for you, just like everybody else. So there will no longer be an incentive or the option to turn you down. They won't even know, for all practical purposes, whether you're Medicaid or not, because you'll just be in the plan with everyone else.

That's a huge thing. It's a very important thing.

Mr. Koppel. I told our audience before we went on the air, let me take this opportunity to tell our audience at home, we have three panels of experts: One in Boston; they're experts on public finance from Harvard's Kennedy School of Government group. In Chicago, they're practicing physicians; they're professors of medicine at the

University of Chicago. And I'd like to turn now to a panel in Los Angeles. They're three experts on public health policy at UCLA.

Only one of them, if you would be kind enough, gentlemen, but I know you have some thoughts on what we've discussed thus far. And I need all the help I can get, please.

[*Dr. Robert Brook asked about flexibility to have different family members receive care from different medical sources.*]

The President. We will basically have, I think, two assurances of quality of care. First of all, the plans that will be provided and the prices that will be offered in these plans will be influenced heavily by the physicians and the other caregivers. But there will be a lot of incentive to lower cost, because your administrative cost would be so much lower.

Secondly, the National Government, as happens now with the Government in different ways, will prescribe certain quality standards, and then each State will offer information to people in these plans about not only the price of services but the outcomes.

For example, as you probably know, Pennsylvania now has a program in which they presently publicize the price of certain services and the outcomes. And it enables people to make judgments about both quality and price that they couldn't otherwise make. So we're going to give consumers more information, we're going to give professionals more capacity to figure out how to manage the system while maintaining quality, and we will have ultimately, Government standards as the guarantor of quality practice.

Mr. Koppel. Go ahead, Doctor, if you want to make one more quick comment. Then we've got to go to a break.

[*Dr. Brook expressed gratitude that the new health care plan called for universal coverage and asked how the plan will assure quality care.*]

The President. That's a good question. Let me try to answer it. First of all, every person will have at least three choices. Most people will have more choices, but every person will have at least three. And so let me try to say what they would be.

You can choose to stay in a traditional fee-for-service medicine. That is, you pick your doctor, and they charge you by the service. That may be more expensive, but it may not be if big networks of doctors get together to offer these services together. In that case, you would have a cardiologist and a pediatrician working together.

Secondly, you could go into what's called a ''preferred provider organization'' which is normally an organization that is organized by health care managers but that have all kinds of specialists in them.

Thirdly, you can go into an HMO which will have a range of specialists, but it'll be a closed panel. That is, the people that work there will be on salary. So you may not have the specialists you want.

In the first two cases, you'll probably be able to do exactly what you want for the price that you pay up front. In the third case, if you're in an HMO, you'll still be able—if you say, ''Look, my child is really sick, and I want this child to see a pediatrician who is not in this HMO who is in another State,'' you'll still be able to go to that other State, but that pediatrician will be reimbursed by your insurance plan only at the rate that the HMO pediatrician will be reimbursed, then you would pay the difference. But that plan will be the cheapest, so you'll come out about the same, no matter what.

Mr. Koppel. We're going to take another short break.

The President. Least expensive. I don't like that word ''cheap.''

[*At this point, the network took a commercial break.*]

Mr. Koppel. Now, you see the results of that poll. New taxes to pay for the health plan, you were being a little bit cagey in your speech last night. You were saying no broadbased taxes——

The President. That's right.

Mr. Koppel. You are going to have taxes on cigarettes. You haven't yet decided whether you're going to have taxes on alcohol, liquor.

The President. But let me tell you what—[*applause*]. I know you all have a lot of questions. Let me just make some general points about this. Our analysis shows—and let me say, we have consulted with health care finance experts in Fortune 500 companies, in big accounting firms. We have talked to ev-

erybody we can talk to who have dealt with the health system for years. They believe that if we can get the kind of savings we know are there—keep in mind, in the American health care system, we spend 10 cents on the dollar more on paperwork. That's more than $80 billion a year more than any other country, a dime on the dollar more just on shuffling paper. If we can get the savings that I talked about last night, they believe that 63 percent of Americans that have health insurance will pay the same or less for the same or better coverage, that the people that have virtually no insurance but just a skeleton policy will pay a little more, and that young single workers, because they'll go into community ratings with people who are older and sicker, will pay about $6 more a month. Now, that's what they think. Why?

With only a modest—I mean, a cigarette tax, not modest but a little under $1—and a fee on the big corporations who opt out of the system and continue to self-employ——

Mr. Koppel. You haven't decided on alcohol yet——

The President. Self-insured.

Mr. Koppel. ——whether to put a tax on it.

The President. No, I don't think it's necessary.

Our numbers show that with a cigarette tax and if the big employers who opt out of the system because we let them self-insure, they should be asked to pay a little more, because they should pay for medical education, the health education centers, the preventive care networks, all the things that all the rest of us will pay for in our premiums.

They still, by the way, will be big winners. Their premiums will drop a lot anyway, because big employers are paying way too much now because they're bearing the cost of the uninsured. That is, when people who are uninsured get real sick, they get health care, and then the rest of us pay the bill in higher hospital bills and higher insurance premiums. So we think that the larger employer fee plus the cigarette tax plus the savings, plus—keep in mind—requiring the people who are presently uninsured, but employed, and their employers to pay something, that those things will pay for it. I don't think we should raise a big general tax on people to pay for the uninsured when most people are paying too much for their insurance already. Keep in mind, 63 percent of the people under this plan will pay the same or less for the same or better coverage.

Mr. Koppel. You know that much of the criticism is coming from small businessmen. I know because this gentleman came up and asked a question before the program started. Go ahead, sir, and ask it. If you'd be good enough to identify yourself, too.

Q. Mr. President, I am a small business owner here in Tampa. I have 10 employees. Right now my percentage of my payroll is 4 percent. Now, under our plan——

Mr. Koppel. Your percentage that you spend on——

Q. That we spend.

Mr. Koppel. On health care?

Q. Four percent of my payroll.

Mr. Koppel. Right.

[*At this point, the participant asked about paying insurance for dependents of his employees.*]

The President. First of all, let me ask you a question. How many of your employees have a spouse which also works?

Q. Three.

The President. Okay. Then, here's the short answer. The seven, you will have to provide a family plan under my—the three, which have spouses at work, they will be able to decide whether you or the other employer, they'll take the children's coverage, because they'll pay more, too, keep in mind.

Now, because you are a small business person with under 50 employees, you will be eligible for a discount that could take your premiums as low as 3.5 percent of payroll, even for the family coverage. So in all probability, you will be paying about what you're paying now, even though you will be covering seven families at a minimum, in addition to the seven employees. Because, the way we set this up—in other words, we understand, and let me go back a second—we went out and interviewed hundreds of small businesses. And my Small Business Administrator took the lead in this. He's from North Carolina, and he's spent the last 20 years of his life starting small businesses.

So we were in a real dilemma here, because small businesses who cover their employees have premiums going up at roughly twice the rate that other people's premiums are going up. There's a 35-percent difference now between small business premiums and big business premiums. And I don't know what you cover, but basically that's the rule. One-third of the small businesses in America, according to a representative poll recently, said they were going to drop all their coverage if somebody didn't do something to stop the rate of cost increase.

So the only way to stop the rate of cost increase is to get everybody covered, and then put them in these big groups, so you can have the same market forces working for you that big businesses do. But it's not fair for me to put you out of business, because small businesses are also creating most of the new jobs in America. So that's why we've got the discount system. Part of what we're going to do with the money we're going to raise is to fund a discount system for people with fewer than 50 employees, so you won't have to pay the 7.9 percent of payroll, and you may pay as little as 3.5 percent. In all probability, because you only have 10 employees, you'll pay almost exactly what you do now, and you'll get more coverage for it.

Mr. Koppel. Let me just ask you quickly, though. Right now, paying 4 percent on 10 people, you're saying 3.5 percent. He would than have to pay the 3.5 percent on all the dependents, other than the three who are working.

The President. No, it's 3.5 percent of the payroll of his employees. So he would pay about——

Mr. Koppel. Total?

The President. Correct. He would pay about what he's paying now. Because he's a small business person, there would be a discount for his premiums.

Mr. Koppel. Okay. Does that answer your question? We've got to take another break, we'll be back in a moment.

[*The network took a commercial break.*]

Mr. Koppel. And let us get right to the questions again. Mr. President, if I could ask you to swivel around. We have a question back there also on money from a larger employer.

[*An IBM employee asked what effect the new health care plan would have on large businesses which are self-insured.*]

The President. Well, actually, the biggest companies in the country are the ones most likely to benefit from this, because they are actually—even though they're self-insuring, when you self-insure, when you're big, the good news is that you acquire market power, and you can normally keep your rates from going up as fast as they otherwise would. The bad news is, you're still paying part of the costs of uncompensated care. That is, people are shifting the cost to you.

We estimate that for a company like IBM that self-insures, you will save, the company will save on premiums, for whatever you're doing now, you'll save about $10 a month an employee under our system, which is a huge amount, simply by stopping the cost shifting to IBM, with no change in the benefits. No, you can keep on doing exactly what you're doing.

Now, let me just give you an example of how it can get even bigger. For companies that have huge cost shifts and big retiree burdens like the big auto companies and the big steel companies, they will save even more.

But the people that will be least affected by this are big companies with over 5,000 employees that choose to continue to self-insure. You will, however, benefit by the increased competition of the system. What I want everybody else to do is to have the benefits that IBM has. You won't lose anything. Xerox has cut their costs by $1,000 an employee a year through better managed care without taking anything away from the employees. And we think we can do that for all Americans.

Mr. Koppel. Mr. President, let me be the doubting Thomas for a moment. Big companies are going to save money. The little businesses are going to save money. The 37 million people who you say are underinsured or uninsured right now——

The President. They'll pay more.

Mr. Koppel. They'll pay more, but they're going to be insured for the first time. Everybody's going to be better off——

The President. No, not everybody.

Mr. Koppel. Who's not going to be better off?

The President. Well, let me just say this. In the long run everybody will be better off if we bring health care inflation down to the regular rates of inflation.

Mr. Koppel. Who is going to get hurt in the short term?

The President. The following people will get less money, or will pay more: single, healthy workers who are insured in big plans now so they have low costs because they're at least risk, will pay more. They'll pay about $6 a month apiece more to help to cover that gentleman up there with AIDS or older people, just who get older, it costs more. They'll pay more. People who provide only the scantiest catastrophic illness—for example, I met a man, a man came into my office in the White House today with a group of folks, who travels with an entertainment group. He's got a $5,000 deductible with a modest income. He might as well not have any insurance. Now, he'll have to pay a little more, but he'll have something when he pays it.

People that don't pay anything now will have to pay more if they have jobs, and their employer will have to pay something, although we're going to try to keep the small businesses from being hurt too badly. All those people will pay more.

Who will get less under this system? You've got to squeeze—somebody's got to get less. Who will get less? The people who benefit from the paperwork explosion will get less. Hospitals in the future will hire fewer clerical workers, doctors' offices won't have to hire an extra person just to spend all day long calling insurance companies, beating up on them to pay the money that they owe anyway. Insurance companies will not grow as rapidly, and there may be fewer of them unless they can get in here and provide these plans at competitive costs. So that's the major squeeze in the management of the system.

There will also be savings, frankly, in the provision of services. We had, in the Pennsylvania case I just cited, they published a heart procedure where the prices charged in the State of Pennsylvania varied from $21,000 to $84,000 for the same procedure, with no differences in health outcomes. When all of you get into big groups so that you have the power that the IBM employees do, you will take the $21,000 choice every time as long as there's no difference in the outcome.

And so, everybody there, there will be some losers. But, on balance, most Americans will win, and the security is worth something. And then, over the long run, we'll all win if we can bring health costs closer to inflation.

Mr. Koppel. Let me direct your attention to the balcony up there. Go ahead, sir.

[*A participant asked about the effect on the tobacco industry of a tax on tobacco.*]

The President. Arguably, if we raise the tax, it will reduce consumption. But the answer to your question is, I don't think it's right to have a big, broad tax—I'll say again: tax everybody in America, most of whom are paying too much for what they've got to pay for those who haven't paid anything. I don't think that's right when there are savings. So, we didn't in the beginning know if there would be any tax. But we wound up with a gap in what we think the program will cost in the early years, for about 5 years before it starts to get big savings by the way, and what we had. And we had to figure out how best to make it up. And I thought that a tobacco tax and a tax on the biggest companies who will get big benefits out of this, a modest one just to make sure they contribute, as I said, to medical education, to medical research, and to preventive services like everybody else will, that those were the two fairest ways to get it.

And the truth is, that smoking is one thing, unlike drinking for example, where it's a terrible thing if you do it to excess. We know that there is some risk in any level of it, and that it imposes enormous extra costs on the health care system which the rest of us have to pay. So it seemed to me that that was a fair way to get some money.

Mr. Koppel. Mr. President, I want to take advantage of one of our experts again, this time in public finance up at the Kennedy School in Harvard. Mr. Forsythe, would you go ahead, please?

[*Mr. Dell Forsythe expressed concern about job losses in the health industry.*]

The President. There will also be job gains in the health industry. There will be hundreds of thousands of new jobs in people providing home health care, in other kinds of preventive and primary care, so that we think even within the health industry, the job gains in direct health care providers will offset the job losses in clerical work.

Secondly, there are bound to be job gains when you lower the payroll costs that a lot of major employers are paying today. You give them more money that they will either use to give their employees pay increases, and I might say millions of people in this country have foregone any pay increases for the last 4 or 5 years, because the pay increases have gone into higher medical costs. So you're either going to have more folks hired or pay increases going back to employees for the first time. So we believe there will be a net economic benefit by shifting the way this money is spent. I don't think that all investments are equal, and I think since you're going to shift the way money is spent, and we're not going to cut, keep in mind, we are not cutting spending on health care. America at the end of 5 years will still be spending 40 percent more than any other country, maybe even a little more. But we're going to spend the money differently in ways that we think will produce more jobs, not fewer jobs.

Mr. Koppel. Let me just see if I can slip one more question in. We've only got about a minute and half left. Where is the lady who was at the microphone? You'll see—right over there. Go ahead.

[*A participant asked whether the doctor or the insurance company would decide when to discharge a patient from the hospital.*]

Mr. Koppel. We've got 1 minute, Mr. President.

The President. The doctor, the doctor will make the decision. The coverage will be comprehensive, and the doctor will make the decision.

Can I say one thing real quick? I want to make a specific point here. A lot of people have coverage that have lifetime limits. That is, they look real generous, but if you run up to a certain dollar amount, it's gone. Another real benefit of this—and the only way you can guarantee real security is to say there are no lifetime limits, you just have the coverage—and again, I know it's counterintuitive—a lot of people just don't believe you can ever save money on anything. But all I can tell you is that every doctor and every health care expert that we have ever consulted who has really studied this believes that there are billions and billions of dollars of savings which can be made that will enhance the quality of care, not undermine it. And that's what I urge you—I don't ask you to just take my word for it, just watch the debate unfold and listen to the people who have spent their lives do it.

Mr. Koppel. Mr. President, on that note, we've got to take one more quick break, and then I'll come back with a program note. This program is going to be going on but in another form. I'll tell you about that in a moment.

[*The network took a commercial break.*]

Mr. Koppel. We're just about out of time in our prime time segment. But I do want to make a quick program note. First of all, the President has indicated he wants to amend one of the answers that he gave before. We don't have enough time to do that there and now, but we will be back after your local news. Most of the country will be taking it at 11:35 p.m. Eastern Time. And the President has agreed to stay with us on an open-ended basis. Now, that means, I guess, until he gets tired or you get tired or we all get tired.

[*The network took a commercial break.*]

Mr. Koppel. Good evening, ladies and gentlemen. Those of you who were with us in prime time know what we're up to. Those who are just joining you now in our regular Nightline slot, let me point out that this is a special open-ended edition of Nightline. Obviously, you recognize the gentleman to my immediate left, the President of the United States, who has been answering questions from a wide variety of the thousand-odd people or so that we have with us here in Tampa, Florida.

And, Mr. President, if you don't mind, we'll get right back to the questions. There are a couple of things I know you want to

pick up from the last program. We'll do that in a couple of minutes. Go ahead, sir.

[*A participant described his overwhelming medical bills from his daughter's surgery and asked what to do.*]

The President. Well, first of all, I don't think there can be a better case for changing the present system. What I think will happen before we have a change is that if your daughter has to have surgery next year, they'll probably do it, and do a good job, and that stack of bills will get higher and somehow the costs will just be spread among everybody else until we fix this system.

But let me tell you what would happen if the proposal I have made were law now. First of all, as a self-employed person, you would be able to buy a health insurance policy for your family, even though your daughter has previously been sick, on the same terms as other self-employed people. And instead of that policy being totally out of your reach, you would be able to buy it more or less on the same terms as other small business people, because we would put you and the farmers and the other self-employed people into a big pool like everybody else. So you would be able to take advantage of an economy of scale. So you'd be able to buy a more affordable policy.

Secondly, because you're self-employed, you'd get 100-percent deduction on your taxes for it. Today, you only get a 25-percent reduction. So it would be lower costs, comprehensive benefits, you couldn't be denied coverage because your daughter had a terrible problem, and you'd have 100-percent deductibility. That's one of the reasons we ask single, young people to pay a little more. But all those single, young people will be in your situation, too, someday, if they're fortunate.

I wish I had an answer for you right now. I don't. The answer right now is for the hospital to just step right up to the plate and the doctor and do what they did last time until we get this thing fixed. Once we get it fixed, then you won't be in this position again.

Q. Her pediatrician, Dr. Augustine Martin, knows that he's not getting paid for this, and he knows it but he's taking care of her, and he's not even worried about that, which is great.

The President. You know, I'm really glad you said that, because we heard a sad story here before about doctors who wouldn't take Medicaid patients, which leaves the patients out in the cold, although Medicaid is a real pain. But for every case like that, there's a case like this. And those doctors need our thanks.

Q. Yes.

Mr. Koppel. Mr. President, we've got so many people who want to talk to you here. We want to move over there to the wheelchair section. Go ahead, sir, please.

[*A participant described the fear disabled people have of losing Medicare and Medicaid benefits if they are employed.*]

The President. First of all, by providing insurance to everyone based on a community-based rating. We would never put an employer in the position of saying, I'd like to hire you, but you're disabled and something terrible might happen to you. And if I had to take care of it on my insurance, my premiums will go up 40 percent the next year, and I'd have to drop you anyway. So I can't do it, which is basically what happens now. A lot of disabled people are going basically to waste in our country because they could be gainfully employed, they could be making major contributions, and they're not hired because people either can't get insurance for them, or because they're afraid it will bankrupt them.

Under our system, you'd be just like any other American citizen. You would pick a plan, you would go into it, and because of the community rating system, you would be insured. And therefore, there would never be a disincentive for an employer to hire you. And you would always have that insurance.

And if you needed supporting services, even at work as we build in these long-term care services, we'll be able to have not only long-term care in the home, but some support services associated with people who work. That will save this country a lot of money over the long run, because you're going to have a lot of folks who don't work now working.

But there are a lot of people who are disabled, as you know, who are on Medicaid only because they couldn't get private health insurance as workers. And just like this man who just talked to us over here about his daughter, there are people in this country who have quit their jobs and gone onto welfare and drawn Medicaid only because of the illness of their children. So that's something the disabled population has in common with people like him. That will never happen again. People will be able to keep working. It's very important.

Mr. Koppel. Mr. President, we're going to have to take another quick break. When we come back, though, we've got a public policy expert up at Harvard who is just seething at some of the numbers. He wants to have at you. And I know you want to correct a couple of things or at least make an amendment to a couple of things that you said in our prime time segment. So we have all of that ahead of us when we come back in just a moment.

[*The network took a commercial break.*]

Mr. Koppel. That's another one of our poll results, Mr. President: What will happen to your quality of health care? Twenty-seven percent think it's going to get better, 27 percent think it's going to get worse, and 42 percent think it's going to stay the same. You've obviously got some missionary work to do there. Do you want to comment on that poll and then get to the amendments, to what you wanted to correct?

The President. Sure. I don't blame anybody for thinking that, because while Americans know more about their own health care than almost any other subject, most of us have never had a chance to learn anything about how the system as a whole works. So it's against our common experience to believe that you can get more and pay the same or less, or that if you control costs, you won't have to give up something really valuable for it. That's against our common experience. But if you study the system, you'll find that we have, literally—I'll say again—just in paperwork alone, a dime on the dollar more waste in our system than any other system in the world, that we have more variations in prices with no differences in outcomes than any other system in the world, that there are all kinds of waste in this system that can be managed down.

You don't have to take my word for it. I saw what those folks said, but let me just give you one example. The Mayo Clinic, we would all agree that they have pretty good health care, wouldn't we? I mean, their inflation is 3.9 percent this year; that's less than half the medical rate of inflation in the country. And I could give you lots of other examples of plans with very high consumer satisfaction where people are very happy with what they have and where they have squeezed out massive amounts of waste with no loss of quality. And so, that's what this debate ought to be about. I want that debate.

Remember what I said last night? The first thing is security, simplicity, savings, choice, quality, and responsibility. If we give up quality, the rest of this stuff won't happen, because you can't have security without quality. So we'll debate it, but I'm telling you, the more you study this, the more you become convinced that we can achieve these savings.

Mr. Koppel. President Clinton, we've got a public policy expert, John White, sitting up at the Kennedy School in Harvard. Am I misstating it, Mr. White, when I say that you don't think the figures add up?

[*Mr. White asked why the President doesn't phase in benefits more slowly in the new health care plan.*]

The President. Let me answer that. First of all, the benefits that we don't phase in, basically the benefits that we start with in 1996 that are new, are primarily two: First of all, the preventive and primary services, you know, the PAP smears, the mammograms, the well-baby care, all those things, we believe that those achieve net savings fairly quickly, and almost all medical experts do. That is the relevantly low-cost, relatively quick benefits. The other major costs are the drug benefits. We provide prescription drug benefits in all health care plans, and for Medicare clients as well as Medicaid ones because there are so many older people who aren't poor enough to be on Medicaid but have huge drug bills. Now, that will cost more.

We went around, John, to all the people we could find who knew something about

pharmaceutical costs and tried to pick a high figure. That is, we didn't try to lowball the cost of the drug benefit. And then, we believe that the money we're raising from cigarettes and from the fees on big corporations will cover that, and we believe that we have—all the other benefits will be phased from '96 forward over a 5- or 6-year period, and we believe during that time period, we'll be able to achieve these savings.

Now, I believe this is another decision that the Congress will have to make. But I believe that having the universal coverage—that is, getting everybody insured by '96—is critical to the savings because that's what enables people to get basic care early rather than have care when it's too expensive only at the emergency room.

Mr. Koppel. Let me just let John White come in one more time, please.

[*Mr. White suggested that the system should ensure that cost savings are in place before the benefits are put in place.*]

The President. I agree with that, except for the two examples I mentioned. But let me make another comment. One of the things I've asked the Congress to do is to work with me to construct a system that, in effect, has to be monitored closely every year and adjusted if the money doesn't work out right. We cannot afford to aggravate the problems we already have. But if you look, John, at the cost estimates we have, even under our plan, even under our plan we project health care costs to go from 14 percent to over 17 percent of our income between now and the year 2000. We'll still be spending a lot more than any other country. I think we'll have more savings than we estimated. And I agree, and I want to just say this about the point he made. All of us have to be prepared to face the consequences if the cost savings don't materialize. And I don't want to sign a bill, and I don't have any intention of signing a bill that doesn't at least have the process built in that I recommended. If something happens and they don't materialize, then we're going to either have to slow down the benefits or raise more money. I don't think it will happen, but he's right. And that's why we've got to phase these things in carefully so it doesn't get away from us.

Mr. Koppel. Mr. President, we've got to take another break. I promise, when we come back, the amendments to what you said an hour and a half ago, or whenever it was. We'll be right back.

[*At this point, the network took a commercial break.*]

Mr. Koppel. Let me just explain two things to you. First of all, those of you who are watching Nightline, we just kept going after our 10:00 p.m. show, which ended at 11:00 p.m. Eastern time, and began taping so that we could save time. So technically what you're seeing right now is on tape, but we are still here live talking and it's going to go on in an open-ended fashion now.

At the end of our live segment, the prime time segment, there was a lady up there who asked you a question and you gave her a very quick answer. It was a question having to do with whether doctors or insurance companies were going to decide when you have received adequate care at a hospital.

The President. That's correct.

Q. You send them to your plan, the doctor would decide.

The President. That's correct. There are two questions that were asked that I want to clarify. One is the lady said, "Who decides when I leave the hospital, the doctor or the insurance company?" And I said the doctor. That is right with one exception. Keep in mind what I said. Mental health benefits under this plan cover limited hospital stays until the year 2000. With that single exception, the doctor decides. The second point I want to make: You remember the gentleman who stood up over here and said he had 10 employees, and he paid 4 percent of payroll, and what was going to happen. And I said he'd pay about the same amount. I want to clarify that in a couple of ways.

Number one, you're eligible for a subsidy if you have fewer than 50 employees. But you don't get the subsidy on employees with incomes of over $24,000. Almost all small businesses have incomes less. So I want to make it clear. So we're actually trying—before the end of the show, we should be able to tell him exactly what his rate will be. But let's say, for example, he had to go up to 5 percent or 6 percent from 4—got more

generous benefits—two other things would happen which might make it a good deal for him anyway. Number one, we're going to fold in the health care costs of workers' comp into this system, and the health care costs of workers' comp have been going up even more than regular health care costs for most businesses.

Number two, if you have a claim against you or against your employee as a small business, your rates can go up 20 percent in a year, or 25 percent in a year just if you have a claim. Under our system, the small business would be protected from that. They'd be able to be basically on the same wavelength as some big company and would have a very marginal impact on rates because they'd be in a huge pool instead of just out there.

Mr. Koppel. Let me ask you to swivel around again if you would. We've got a question from a medical student back there. Go ahead, please.

[*A medical student asked if the plan would defer the debt incurred by the cost of medical school, implement malpractice reform, dictate specialties, and reallocate health care funds, especially those spent on care at the beginning and end of life.*]

The President. Let me try to remember them all. First of all, on your debt—and medical school is very costly—we propose to do two things. Number one, we have already passed a sweeping reform of the student loan program, which will enable people to borrow money without regard to their incomes at lower interest rates than have been available in the past, and then pay those loans off, not based just on the amount that you had to borrow but as a percentage of your income, which will make it easier for all people to pay their college loans off. I wouldn't call this a catch, but I have to say we're also going to be much tougher on collecting the loans than we have in the past, but they'll be easier to pay back.

Secondly, we're going to expand the health service corps concept that will enable physicians to practice in underserved areas and pay their medical loans off. And that's been constricted in the last several years. We want to expand that. That's the first question.

The second question you asked was malpractice, right?

Q. Yes, sir.

The President. We propose to do a couple of things in malpractice to—and let me just say, malpractice not only affects doctors with higher premiums but a lot of people believe it adds to the cost of the system, because doctors practice what is called defensive medicine and order procedures they otherwise wouldn't just to keep from being sued.

We propose to do three things: number one, develop more alternative-dispute-resolution mechanisms to lawsuits; number two, limit the amount of contingency fees lawyers can get in those lawsuits to one-third of the fees, not more, and number three, and I think most important, develop working with the medical specialists as well as GP's, general practitioners, a set of accepted medical practice guidelines that doctors can have that operate—to oversimplify it, almost like the checklist that you see a private pilot check off before they—if you've ever ridden in a private plane. So if you follow the medical practice guideline for whatever you're doing in your area, that will raise a presumption that you were not negligent. That can do more than anything else. This was pioneered for rural doctors in Maine, this whole theory. We believe it can do more than anything else to reduce the number of malpractice suits.

The third thing you asked was what about the Government trying to force you into certain specialties.

Q. Yes, sir.

The President. The truth is, if you look at how the Government spends its money, it's heavily weighted towards specialties now. What we propose to do is to change the formula by which the Federal Government funds medical schools now to favor more—not to say you can't be a specialist but to slightly tilt more in the favor of general practice, because only 15 percent of the doctors coming out of medical school today are general practitioners. The average nation has—you know, like Germany or Japan or Canada—half the doctors will be general practitioners. We can't do what we need to do in medically underserved areas without more family doctors.

And the fourth question you asked was?

Q. The reallocation of funds.

The President. Yes. Perhaps the most important thing, long-term, in this package is that we pay for things like pregnancy visits, well-baby care visits. We pay for immunizations for all children. In other words, we try to pay for a lot of preventive and primary services starting very early, and dental care for children although not for adults, as a mandated service.

Mr. Koppel. We've got to take a short break again, but we will be back, live from—no, not live, on tape—from Tampa in just a moment.

[*The network took a commercial break.*]

Mr. Koppel. In case you're wondering what happens during the commercial breaks while you're gone, don't feel badly. The same thing happens as when you're here. People keep asking questions, and the President keeps answering them. Let's get on the microphone over there.

Go ahead, sir.

[*A dentist asked about dental benefits under the new health care plan.*]

The President. Let me just mention the dental issue first. Under our proposal, the comprehensive benefit package would include dental benefits for children up to 18, but not mandates for adults. That doesn't mean any employer plan that now covers dental benefits is perfectly free to keep doing so. And since they'll have all kinds of economic incentives to keep their costs down, they'll probably keep doing it. But we don't think we can, again, recognizing the costs of this, afford to do more than this at this time. But there's nothing to prohibit that.

Most people, as you know now, who have dental benefits through their employers actually buy the benefits in an override policy, and that will all still be available. The problem with the present insurance system, let me say again is that, first of all, too many people are uninsured, and the complexity of it is so great. But we are the only country in the world that has 1,500 different companies writing thousands of different policies, requiring every hospital and doctor's office to keep up with hundreds of different forms, so that we literally add about a dime to every dollar of health care cost on paperwork that has nothing to do with keeping people well.

So what we're trying to do is get down to one form, and this health security card, so that, number one, your life will be a lot simpler. The time you have to spend on forms and the time you have to hire people to spend on forms will be less; the time you spend practicing dentistry will be greater. And the time all of our medical professionals spend doing what they hired out to do in the first place will be greater. That's what we're trying to do.

Mr. Koppel. How detailed is that form going to be? I mean, that one form is going to have to be a killer form to—[*laugther*].

The President. Well, not necessarily. The form—actually I should have brought it tonight—but there will be basically a model form for the doctors and one for the hospitals and one for consumers, because they'll have slightly different information needed, and they'll have some variations because of the differences in plans. Everybody will have some choice in plans, but once you have comprehensive benefits and uniform insurance schemes, you won't have to have a lot of variations.

Let me just say this. I want to hasten to say this does not mean that physicians will stop keeping patient records on patient care. In fact, one of the ways we're going to reduce the amount of problems with malpractice, as I said, is by establishing uniform guidelines and then enabling physicians to demonstrate that they follow the guidelines and, therefore, to raise the presumption that they were not negligent.

So we're talking about paperwork over and above what is required for the basic practice of medicine. Washington Children's Hospital, where I visited last week with the Vice President, says they spend $2 million a year in that one hospital over and above the recordkeeping necessary for patient care.

Mr. Koppel. You saw that devastating study a few weeks ago that indicated there were roughly 60 million Americans are—I guess the only fair word is "semi-literate," all but illiterate. You know, you're doing a terrific job here trying to explain what is obviously a terribly complex plan. How do you reach those people? Because my assumption

is that the 37 million people you're talking about who are uninsured, underinsured, probably many of them will fall into that same category, and that is people who have a very hard time understanding any forms, let alone something as complex as a medical form.

The President. First, let me say that if you go back to that study, it also says that people are more literate now than they ever have been, but there are more challenges for them now than ever before. All of the research indicates that one of the things people know a lot about is the health care benefits they have and the problems with it. As a matter of fact, one of the problems that I'm having convincing you that we can save money in this system is that you know an enormous amount about your own health situation or that of your employees, and you know it costs more every year. But you've never had a chance to know about how the system itself operates; so it's hard for you to imagine that we can actually save any money—especially where the Government's involved, right?

But when you come back to the basic thing, I believe if you simplify the system and you tell everybody you get three different plans at least and here's what the plans do, I think people have had enough experience negotiating their way through the mine field of the American health care system that most of them will do quite well.

Mr. Koppel. A question over here on microphone B. Yes, ma'am?

[*A participant asked if abortion would be covered under the new health plan.*]

The President. It will probably become a political football because so many people feel so strongly about it on both counts. But the answer is that we are trying to privatize this system, not make it more Government-dominated. And so the answer to your question is, it will be because it is now by private plans. And what we propose to do is to fold people who get their Government health care into the private plans. That is, keep in mind, if you're on Medicaid today, you show up at the hospital, you've got all your Medicaid forms—that's why the doctors don't like to treat Medicaid patients, a whole different set of forms—and you get a specific fee for a specific service. And today, if you're on Medicaid, abortions are not covered by the Federal Government unless the life of the mother is endangered. But they are covered in some States where the States pay for it.

Under this system, people on Medicaid will join a health alliance just like other people. And then they will get to choose among plans. The plans will offer pregnancy-related services. Most private plans today that offer pregnancy-related services do offer abortions. They don't all.

There is a conscience exemption for religious reasons that covers hospitals and doctors, and that will be covered again today. And people who want to join those plans will do it. By the way, there are no specific surgical procedures guaranteed here, not knee surgery, not abortions, not brain surgery, not heart surgery. They never are. The procedures are not prescribed. The problems are covered. So you have to cover pregnancy-related services.

Let me say, since you're in Planned Parenthood, abortion under our Constitution is legal. But let me say, I also think there are too many every year, and I think this could be—[*applause*]—I think if you want it to be legal, safe, and rare, we have got to fund more preventive outreach.

I want to make this very clear. This plan, for the first time ever, not only acknowledges the constitutional legality of abortion but funds preventive services in ways that will reduce the number of abortions by reducing the number of unwanted pregnancies. And I want to make that—that's very important. That's part of the preventive strategy of this plan. It will do both.

Mr. Koppel. Let me ask you to hold on to that thought for a minute, Mr. President, because when we come back we're going to hear from someone who is prolife, as no doubt you expected. We'll be back in Tampa in just a moment.

[*The network took a commercial break.*]

Mr. Koppel. And we are back, once again, from Tampa. The President shaking hands with a few well-wishers here. I figured if we didn't restart the program, we'd never get you back from there, Mr. President.

The President. Tell the girls to come back later. Hey kids, I'll come back there. Later I'll be there. You wait here, and when we next take a break we'll shake hands, okay?

Mr. Koppel. What are we—come on. Shake hands. Get it over with. Come on up. Now, while we're feeling good, you might as well tell the folks what the head of St. Vincent's Hospital told you when he——

The President. St. Joseph's?

Mr. Koppel. St. Joseph's. I beg your pardon.

The President. This gentleman is the head of the hospital who took care of the daughter of the independent contractor with the $186,000 worth of bills. He said, "We took care of it before, and we'll take care of it again until we get this—[*applause*]. But he also said we need to reform, because he's entitled to be reimbursed for it.

Mr. Koppel. Yes. Now, you don't expect all the questions to be that easy, do you?

The President. No.

Mr. Koppel. Okay.

The President. They've all been hard.

[*A participant expressed her disapproval of taxes being used to fund abortion.*]

The President. Well, let me say again—let's talk about what the present law is. The present law is that there is a constitutional right to abortion, but the Supreme Court has never ruled that that meant that poor women had to have equal access to it. In other words, that if the Federal Government or a State government decided not to fund abortion services through the Medicaid program, that that was legal. So the Congress for many years has said we will not specifically fund abortions unless the life of the mother is at risk. Therefore, there's no public funding for poor women to get abortion services unless each State decides to do it. Some States decide to; a majority don't. That's the law today.

I want to make clear to you what we are proposing. What we are proposing incidentally affects this: What we are trying to do is to stop the two-tiered system, to put the Medicaid patients in with the employees of small businesses and hospitals and others to provide for a common private system in which people join plans that provide services, including pregnancy-related services. Some of those plans won't cover abortion. Most of them do today. But I would just say to all of you who—if you're in a private health insurance plan today, your money is commingled with everybody else's. And if those services are covered, the money goes out from a central payment place, not necessarily for a specific service. But because people have enrolled in a plan—for example, somebody enrolls in an HMO, they don't pay for a specific thing at all necessarily on a fee-for-service basis. They pay a fee for whatever services are covered. So that is part of the limit. It would be a terrible price to pay just over this issue to keep segregating all the Medicaid patients and deny them the opportunity, and deny us the opportunity, to have the benefits of everybody being in large group health care without separating this out.

In other words, the whole system will be changed if you put everybody in a private system. There will still be also hospitals and doctors who, for religious or other reasons, for moral reasons, will not participate in this and will not have to in any way, shape, or form.

Mr. Koppel. Mr. President, this is a curious criticism to make, but sometimes I think you're so specific in your answers or so detailed in your answers that it's a little hard to know what the answer to the question was.

The President. The answer to the question is, if a person goes into a health care plan that provides pregnancy-related services, the person can ask, "Does this include abortions, or not?"

Mr. Koppel. If it doesn't, then you go to another plan?

The President. If it doesn't, they can go to another plan. If it does and they're offended by it, they can go to another plan.

Mr. Koppel. Are tax monies going to be used to support those abortions? That was——

The President. The answer is, indirectly, they will. Today, it's a direct question. You know, the Government writes a check for every Medicaid procedure. Under this system, people on Medicaid would be just like any other person. They'd join a health plan. They'd sign up for certain services. The funds, the public and the private funds,

would all be mixed together. They would fund certain things and not fund others.

But if our plan goes through, it will be impossible to separate out the public and the private funds, the Medicaid and the other people.

Mr. Koppel. So, implicitly, the answer is yes. There will be——

The President. That's right, they will be able to fund it. That's right. If it comes down on this issue, we keep all these Medicaid people from going into a revolutionary new system, then you're going to throw away a lot of the savings and deprive those people of a whole range of things that don't have anything to do with abortion, including higher quality care at lower cost.

Mr. Koppel. Yet that's clearly one of the political mine fields.

The President. That will be a big political mine field.

[*The participant reiterated her opposition to having her tax money fund abortions.*]

The President. Well, let me ask you—we are also personally and morally improving preventive and primary health services, and we'll actually stop some abortions from occurring with the kind of preventive services that we're going to cover for the first time in the history of this country.

This could be a subject for a whole other program. I have a difference of opinion from you about whether all abortions should be illegal. I do agree that there are way too many in the United States. I believe we need an aggressive plan to reduce teen pregnancy, to reduce unwanted pregnancies. One of the reasons I named the Surgeon General I did, my health department director, is because I'm committed to that. I believe we need an aggressive plan to promote adoptions in this country. If every prolife advocate in America adopted a child, this world would be a better place.

I want this issue to be debated, and I haven't hedged with you. Most people will get this service covered because most private plans do it. And we propose for the first time ever to put Medicaid people in the big private plans to get the economies of scale. Not for the purpose of doing that, but basically to end this two-tiered system we've had. So most will be covered. But some won't if they choose to join plans that don't cover them. Most plans do today.

Mr. Koppel. I met the gentleman over there just before we went on the air. I know he wants to talk about the homeless. But we're going to take a quick break. When we come back——

The President. He's been the most patient person here. We've got to hear from him.

Mr. Koppel. We'll be back in a moment.

[*The network took a commercial break.*]

Mr. Koppel. There's another one of our poll results. Under Clinton's plan, will you pay more? Forty-nine percent think they will pay more; 10 percent think they'll pay less; 33 percent, about the same. Again, as I said earlier, you've got some missionary work to do here.

The President. But that's because people can't imagine how much waste there is in this system. Today, we spend over 14 percent of our income as a Nation on health care. Canada spends 10 percent. Germany is under 9 percent. Japan is under 9 percent. The German system, which is the most like what I propose, is a private system where large groups of employers and employees can work with health care providers to provide a wide range of services at low cost. But the administrative cost is much less than we have, although they cover more people and about the same number of services.

Mr. Koppel. You also know, and you've heard your critics say, they look at the Canadian system, and they start counting the Canadians who cross the border and come over to Detroit, because when it comes to optional surgery, optional procedures, they have to wait 3 months, 6 months, 9 months, a year. And they get so frenzied over this that rather than wait, they come over to the United States. Now, those people will tell you, ''Whatever you do, don't exchange what you've got for what we've got.''

The President. But we don't do that. In other words, keep in mind, I am not proposing to bring our cost level down to the level of Canada, much less Germany. What I am proposing is to slow the rate of increase, which if we don't slow it, by the end of the

decade we'll be spending roughly 19 percent of our income on health care. Canada will be about 11 percent. And everybody else will be under 10 percent. And that is a huge economic disadvantage in a global economy. It also means a lot of workers just give up all their pay increases. We are not proposing to cut spending on health care. We're proposing to increase spending on health care quite briskly but not as much as we're going to if we don't change the system.

Mr. Koppel. So fundamentally, the people in that poll are right. Those who think that they're going to end up paying more, they will.

The President. They'll pay more, the system, no.

Mr. Koppel. They may get more, but they're going to pay more.

The President. The system will cost more, but they will pay much less under my plan than if we do nothing. Keep in mind, of the 85 percent of the people with health insurance, two-thirds of them will pay the same or less for the same or better benefits.

Mr. Koppel. No, I hear you. But let me try and state it one more time. You tell me if I'm wrong. Under the existing system, you're going to end up paying more.

The President. Much more.

Mr. Koppel. Under your system, you're going to end up paying more. But you're saying under your system you're going to end up paying a smaller amount more than you would in the existing——

The President. That's right. You'll pay over the next 5 years much less under my system, my proposal, much less than you'll pay if you stay with the system we've got. And you get better benefits and security. You will never lose your health care.

Mr. Koppel. This gentleman has been standing there most of the night. Go ahead, sir.

[*A participant asked if people who work with a temporary job service will be included in the new health care plan.*]

The President. The short answer to that is somebody will be held accountable to them. For people who are temporary workers, it depends upon how they're ultimately classified under the tax system. For example, if you're a temporary worker and you work for an employer, and you're on that employer's payroll for, let's say as much as 10 hours a week, then that employer would prorate his payments, or her payments, for the temporary worker. They'd have to pay a third the normal rate. If they're on the payroll for 20 hours a week, they pay two-thirds the normal rate. If the temporary employee is listed as being on the payroll of the temporary company, then they would pay. If the temporary employee is an independent contractor under the Tax Code, then the temporary employee would have to buy his or her own insurance, just like the paint contractor. But depending on the income, they'd be eligible for a discount, and they'd have 100-percent tax deductibility.

So the answer is, the temporary employees will be covered. Who pays and how depends on how they are classified under the Tax Code. But either the temp company, the company for which they're working part-time, or if they're independent contractors, they, themselves, they will get coverage at an affordable rate.

Mr. Koppel. Mr. President, as I told you, we have three practicing physicians out at the University of Chicago. One of them, Dr. Mark Siegler, would like to either make a comment or ask a question.

Go ahead, Dr. Siegler.

[*Dr. Siegler asked the President if the quality of patient care will be affected by the new health care plan.*]

The President. If you look at the plan the way it operates, and I would urge you to read it carefully, we will actually provide more funding for medical research than we are now, more funding for health education centers than we are now. Each employee in the country will get at least three choices of plans. They might choose an HMO which, you're right, would then have a closed panel of doctors which would limit the number of doctors. But we know that there are a lot of HMO's that have very high patient satisfaction, the ones that are really well run. But they might also choose a provider organization, and under our rules, no PPO can deny interest to any doctor that wanted to be a part of it. So a doctor could join a lot of dif-

ferent organizations so that the doctor could, in effect, be available to all his or her patients, even after this reform takes place. And finally, keep in mind, if you look at the package of comprehensive benefits here, virtually all Americans with insurance now would get the same benefits that Fortune 500 companies enjoy and much better than they have now. So we want to preserve choice; we want to preserve quality; we want to preserve a range of benefits.

Also, one of these plans, every employee will have the option today, under this plan, to choose fee-for-service medicine. Today in America, only one-third of the insured employees in this country have an option of more than one plan.

Mr. Koppel. Mr. President, let me jump in for just one moment. What I'm hearing in my ear is that some of those who have your best interest at heart, namely members of your staff, are very concerned that you not spend too much of this night with this, because you've got a big day tomorrow. So I want to let the audience know that we are in the process of winding down.

I would like to have maybe two or three more questions. Would that be all right with you?

The President. Sure.

Mr. Koppel. And then we will bring this program to a close. I suppose it's also appropriate at this point to note that, believe me, this is not going to be the last you hear on this subject. Either pro or con, the President's plan, it is just the beginning of what promises to be a long national debate. But I think you've had an extraordinary opportunity here to at least hear from the man who is behind what is clearly one of the most ambitious health plans that this country has ever seen.

[*A pharmacist asked if the health care plan will control discriminatory pricing by drug manufacturers so people can get their prescriptions at the pharmacy of their choice.*]

The President. You can, and that's why the Pharmaceutical Association of the United States—Association of Pharmacists has already endorsed our plan, and they were up until 2 a.m. last night sending out press releases around the country, saying that this is a good deal for your neighborhood pharmacy.

Mr. Koppel. Okay. Let's see if we can just get some quick questions, quick answers. The lady on microphone A.

[*A mother of a boy born with congenital heart defects asked if they will be denied access to quality service under the new health care plan.*]

The President. No.

Q. Because we can't afford to pay 20-percent of a hospital bill that is in excess of $100,000, $200,000.

The President. No, absolutely not. If you have a plan now that covers all your benefits, if anything your employer will have more incentive to continue to cover you, because their costs will go up less in the future than they would now.

Keep in mind, this 20-percent requirement for the employee to pay is for all those who don't have any coverage now. And It's not a requirement on the employee; it's a limit on how much the employee can pay. The employee cannot be required to pay more than 20 percent. If the employer wants to pay more, they can. The truth is, it's largely going in the other direction today for most folks. So if you have a good health insurance plan and it pays more than 80 percent, nothing in this plan will change that. In fact, your employer should be more willing to do it, because in the aggregate their costs will go up less in the future than they will if we stay with the same system.

I talked today to a half a dozen people who said that their contribution share was going up, up, up. And it was going to be over 20 percent before long, and they were glad to know there was a ceiling on it. All we're trying to do is to put a ceiling on it, not a floor.

Q. Thank you.

Mr. Koppel. Mr. President, we've got one more question. And you, sir, have the last question. Go ahead.

[*A participant asked if all insurance companies that are part of the new health care plan will be required to open their provider list to all qualified doctors.*]

The President. The short answer to that is yes. Keep in mind, we want to give the

employee the choice. What happened to your patients was the employer made the decision to go with another health plan that closed out certain doctors. We want to give the employee the right to go with a closed panel HMO if they think that's good—health maintenance organization—if they think they get better prices and they think they get adequate services. But we also want to give the employee other options, including to continue dealing with you as a fee-for-service doctor, or working with a group of doctors in which you have an absolute legal right to be a part.

Now, if that happened today, the fee-for-service option might be a little more expensive. But what I think will happen is that you and other doctors—what I'm banking on is that the physicians of this country will get together and offer their services at reasonably competitive rates so that people will be able to maintain a maximum of individual choice. But it is legally mandated that every employee in the country will have the option to choose fee-for-service medicine or a panel of doctors, which has to remain open for any doctors who want to join so that doctors can be in multiple panels. And so we're going to increase choice of physicians, not decrease choice of physicians for most Americans. That's a very important value, and we have to pursue it.

Mr. Koppel. Alright. President Clinton, please excuse my back. I just want to express a personal note of thanks to you for coming here this evening. I know there are an awful lot of people, possibly many in this audience, who wished they'd had the opportunity to pose questions to you or to criticize certain aspects of the plan, over the course of the next year. I'd also like to say to your adversaries out there who are watching us and who have criticisms that they too will have access to this program and many others.

There is something wonderful, however, about being able to bring an American President and an audience of 1,000 of his constituents together for this kind of an exchange. And I know you'll want to express your gratitude to the President, as I do now. Thank you. [*Applause*]

The President. Thank you, folks.

NOTE: The town meeting began at 10:10 p.m. in the Playhouse at the Tampa Bay Performing Arts Center. A tape was not available for verification of the content of these remarks.

Nomination for United States Executive Director of the International Monetary Fund

September 23, 1993

The President announced today that he intends to nominate Columbia University professor Karen Lissakers to be the U.S. Executive Director of the International Monetary Fund. The Executive Director represents the United States on the 24-member board of executive directors, which sets policy for the IMF.

"As the largest shareholder in the IMF, the United States has a special responsibility for its operations," said the President. "Karen Lissakers has proven that she is up to the task of representing our interests. I am confident that she will shine in this position."

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

Letter to Congressional Leaders on Iraq

September 23, 1993

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102–1), and as part of me effort to keep the Congress fully informed, I am reporting on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the U.N. Security Council.

Since my last report, Iraq has informed Rolf Ekeus, Chairman of the U.N. Special Commission on Iraq (UNSCOM), that it is ready to comply with U.N. Security Council Resolution 715, which requires Iraq to implement plans for long-term monitoring and verification of its weapons of mass destruction (WMD) programs, provide new data about the suppliers of its program, and ac-

cept inspections. I appreciate Chairman Ekeus' efforts to obtain Iraq's acknowledgement of its international obligation.

We must recognize, however, that important issues remain unresolved. Although Iraq accepted the immediate installation of monitoring cameras on rocket test stands, it has not permitted the cameras to be turned on. Iraq has failed to provide a complete list of critical supplies of its WMD programs and continues to delay inspection activities, for example, by refusing flight clearance for an upcoming inspection. Saddam Hussein is committed to rebuilding his WMD capability, especially nuclear weapons, and his regime has thus far shown that it will fail to act in good faith to comply with its international obligations. Our continued vigilance is necessary.

The International Atomic Energy Agency (IAEA) and UNSCOM conducted four nuclear, chemical, and missile-related inspections since my last report. A chemical destruction group remains at Al Muthanna to monitor the destruction of thousands of chemical munitions, and a helicopter inspection team also remains in Iraq. Along with damage inflicted in combat, UNSCOM/IAEA inspections have effectively put the Iraqi nuclear weapons program out of business in the near-term and have substantially impaired Iraq's other WMD programs. Their efforts have contributed markedly to the stability of the region.

The ''no-fly zones'' over northern and southern Iraq permit the monitoring of Iraq's compliance with Security Council Resolutions 687 and 688. Over the last 2 years, the northern no-fly zone has deterred Iraq from a major military offensive in the region. Since the no-fly zone was established in southern Iraq, Iraq's use of aircraft against its population in the region has stopped, as have large-scale troop movements. On July 29, two Coalition aircraft in the southern no-fly zone fired on Iraqi anti-aircraft installations after detecting target acquisition radars. On August 19, aircraft supporting Operation Provide Comfort in the northern no-fly zone were fired on by an Iraqi anti-aircraft installation. In response, Coalition aircraft fired on and hit the installation, which has not displayed hostile intentions subsequently.

The United States is working closely with the United Nations and other organizations to provide humanitarian relief to the people of northern Iraq, in the face of Iraqi government efforts to disrupt this assistance. Since early August, the Iraqi government has cut off electricity to northern Iraq, interfering with potable water supplies, impairing medical facilities, and contributing to at least 50 deaths. We are working with the United Nations to provide temporary generators and spare parts. We continue to support new U.N. efforts to mount a relief program for persons in Baghdad and the south and will ensure that the United Nations will be able to prevent the Iraqi government from diverting supplies. We are continuing to work toward the placement of human rights monitors throughout Iraq as proposed by Max van der Stoel, Special Rapporteur of the U.N. Human Rights Commission, and to work for the establishment of a United Nations Commission to investigate and publicize Iraqi war crimes and other violations of international humanitarian law.

The U.N. sanctions regime exempts medicine and, in the case of foodstuffs, requires only that the U.N. Sanctions Committee be notified of food shipments. In accordance with paragraph 20 of Resolution 687, the committee received notices of 20 million tons of foodstuffs to be shipped to Iraq through June 1993. The Sanctions Committee also continues to consider and, when appropriate, approve requests to send to Iraq materials and supplies for essential civilian needs. The Iraqi government, in contrast, has maintained a full embargo against its northern provinces and has acted to distribute humanitarian supplies only to its supporters and to the military.

The Iraqi government has so far refused to sell $1.6 billion in oil as previously authorized by the Security Council in Resolutions 706 and 712. Talks between Iraq and the United Nations on implementing these resolutions resumed briefly in July but concluded without results when the Iraqi delegation left the talks. Iraq could use proceeds from such sales to purchase foodstuffs, medicines, materials, and supplies for essential civilian needs of its population, subject to U.N. monitoring of sales and the equitable distribution

of humanitarian supplies (including to its northern provinces). Iraqi authorities bear full responsibility for any suffering in Iraq that results from their refusal to implement Resolutions 706 and 712.

Proceeds from oil sales also would be used to compensate persons injured by Iraq's unlawful invasion and occupation of Kuwait. The U.N. Compensation Commission has received about 900,000 claims so far, with a total of roughly two million expected. The U.S. Government is preparing to file a sixth set of individual claims with the Commission, bringing U.S. claims filed to roughly 2,700. The Commission's efforts will facilitate the compensation of those injured by Iraq once sufficient funds become available.

Security Council Resolution 778 permits the use of a portion of frozen Iraqi oil assets to fund crucial U.N. activities concerning Iraq, including humanitarian relief, UNSCOM, and the Compensation Commission. (The funds will be repaid, with interest, from Iraqi oil revenues as soon as Iraqi oil exports resume.) The United States is prepared to transfer up to $200 million in frozen Iraqi oil assets held in U.S. financial institutions, provided that U.S. contributions do not exceed 50 percent of the total amount contributed. We have arranged a total of over $100 million in such matching contributions thus far.

Iraq still has not met its obligations concerning Kuwaitis and third-country nationals it detained during the war. Iraq has taken no substantive steps to cooperate fully with the International Committee of the Red Cross (ICRC), as required by Security Council Resolution 687, although it has received over 600 files on missing individuals. Iraq refused to participate in a July 29 meeting under the auspices of the ICRC to consider further steps with regard to these missing persons. We continue to work for Iraqi compliance.

Iraq can rejoin the community of civilized nations only through democratic processes, respect for human rights, equal treatment of its people, and adherence to basic norms of international behavior. A government representing all the people of Iraq, which is committed to the territorial integrity and unity of Iraq, would be a stabilizing force in the Gulf region. The Iraqi National Congress (INC) espouses these goals. In August, Iraq's ambassadors to Tunisia and Canada fled to Britain and announced their support for the INC.

I am grateful for the support by the Congress of our efforts.

Sincerely,

Bill Clinton

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate. This letter was released by the Office of the Press Secretary on September 24.

Remarks to the Community in St. Petersburg, Florida

September 24, 1993

Thank you very much. We are delighted to be here today, all of us. I'm especially glad that Attorney General Reno came down from Washington with me. When she became the Attorney General, Florida gave the United States a great national resource, and I know you're all proud of the job that she has done.

I also want to thank my longtime friend Governor Chiles. You know, in his former life Governor Chiles was a Member of the United States Senate and was head of the budget committee. He thought arithmetic was functioning better at the State and local level, and so he decided to leave Washington. But when he left, it made it harder for the rest of us to make arithmetic work in Washington. And I'm glad to be here with him, and I especially honor the innovations that he has pushed in health care and in crime.

I want to thank Congressman Bill Young for hosting me in his district and for coming down last night on the plane. I'm also glad to see Congressman Miller here today and Congresswoman Karen Thurman from your neighboring districts.

We had a remarkable health care forum last night, as you probably know, in Tampa, with about 1,000 people there. And there were six or seven Members of Congress, roughly evenly divided between Republicans and Democrats, who came there with me in

our effort to bring this country together around that issue.

I got a little briefing on St. Petersburg Beach from Mayor Horan when I was up here. He told me that we had a wide variety of ages here. I think—you said your grandson was here, and he's one year old today. Where—is the Mayor's grandson here? Hold up the Mayor's grandson. Look at that. And we have at least one of your distinguished citizens here who is in her nineties. Melita, stand up there. Thank you. In between, we've got a President; an Attorney General; a Governor; three Members of Congress; your State attorney general, Bob Butterworth, who is here; the Mayor of St. Petersburg, David Fisher; the chief of police of St. Petersburg, Darrel Stephens; a number of State representatives and county officials and representatives from community groups, Crime Watch and other groups.

I say that to make this point: If you look out across this crowd today, from that young man celebrating his first birthday to this fine lady who has seen almost this entire century come and go, you see across this crowd people of different races, different political parties, different walks of life, all of us part of the family of America, all of us caught up now in a time of sweeping and profound change, change which opens up to us vistas of opportunity that our forebears could never have imagined and change which presents us with threats and troubles that our forebears never could have imagined.

I really believe that in a time like this, my job as your President is to try to identify the challenges facing our country and then to try to offer my best ideas about a solution and then to try to energize people all across the country to work until we find a solution. Whether it's the one I suggested or some other one, we have to urgently face both the opportunities and the problems before us in a time when we have to change so much.

And that's the first decision we all have to make. Whether it's in education or the economy, we have to be willing to change. When you're confronted with a time of sweeping changes, with a bunch of things that are happening that are good that you can be part of and a bunch of things that are happening that are bad that you want to avoid, basically you have two options. You can sort of hunker down and put your arms around yourself and hope it will go away; that works about one time in a hundred. And then if you play the odds, 99 percent of the time what you have to do is take a deep breath and stick your chest out and turn right into the change and figure out what you can do.

Now, one of the things that all of us have learned in our lives, that even children learn early, is that you are more able to make changes you need to make when you are more secure. The more personally secure you are, the more you feel good about who you are and your connections to other people and your roots in a community, the more you are able to change. It seems almost ironic, but the more rooted you are in the traditionally human ties and the traditional human values that make life so rich, the more you're able to change so that you can enhance what you value. The more insecure we are, the more difficult it is for us to change because we're too busy just trying to survive.

So, in a funny way, the pursuit that we must have as a people for security is tied closely to the pursuant we must have as a people for change. And I believe as strongly as I can say that that's one of the reasons that makes this campaign for health care reform so important, that it will give our people the security to change. And it's one of the things that makes our efforts to try to reduce the crime rate and enhance human decency and dignity and reduce violence and destruction in our country so important because that is the security we need, the bedrock we need to make the economic changes, to make the education and training changes, to make the other changes we need in this country.

Last night, when we had that wonderful town hall meeting, people asked dozens and dozens of questions—I don't know how long we stayed there; it was way too late. [*Laughter*] There are a lot of people in America, if they watched that whole show last night, are sleepy at work today, I'll tell you that. But what you saw there is people yearning for security.

Here in this area, the principles I announced in health care reform are very much related to the principles of this anticrime effort our administration is undertaking. Secu-

rity, health care that you've always got, that can't be taken away. Simplify the system; it's a nightmare for the doctors and the nurses and the people who are getting health care. Achieve savings, because the system is too wasteful, you can't justify putting more money in a broken machine until you've fixed it. Maintain choice for consumers and have quality. One of the things that matters so much in Florida is the idea that people on Medicare as well as people on Medicaid will be able to get prescription drugs now under this program, very important for older people to maintain their quality of life. And finally, to have more responsibility in the system. And that relates directly to the crime issue because one of the reasons American health care is so expensive is that our hospitals and our emergency rooms are full of people who are cut up and shot. If you look at the amount of money the American taxpayers pay in health care for violence, it is staggering. And the more we do that, the less we have to spend on other things that make us all well and more secure.

Now, one of the things that our health care reform package and the crime initiatives that the Attorney General is leading have in common is a focus on prevention. You know, I got a great hand the other night talking to Congress, and I said, ''You know how your mother said an ounce of prevention is worth a pound of cure? Well, your mother was right.'' Well, that's the truth. For the first time, if we pass this health care reform program, everybody will have in their health care package preventive services. We will save money and enhance the quality of life, enhance security if you give every child an immunization plan, if you have well-baby visits, if you have Pap smears and mammograms and cholesterol tests and the kinds of things that keep people well as well as help them to get well if they get sick.

The same thing is true in crime. We know from experience after experience after experience that the kind of violence that has unfortunately gripped the headlines in Florida in the last several days and grieved so many of us as Americans, when people who come to our shores are hurt or killed when they want to see our country and they want to get to know the best about it, that is far from a problem of Florida alone. And certainly not a problem for our foreign visitors alone. When Michael Jordan's father was killed recently, a nation grieved, but no one knew the names of the other 22 people who died in that county this year. This is a national problem.

When I was born in 1946, homicide wasn't even in the top ten leading causes of death in America. In fact, listen to this, throughout my lifetime homicide never made the top ten until 1989. And yet, now, homicide is the second leading cause of death among Americans age 15 to 25. And more of our teenage boys die from gunshots now than any other cause.

Now, we can decide again what to do with this. Are we going to hunker down and turn away and pretend it's not happening? Maybe it will go away; we've got a one chance in a hundred that will happen. Or we can face it, and we can face the problem in all of its human manifestations, just the way the Attorney General said.

These kids we just met out here who got in trouble and now they're in this program, pretty good kids. They've got a whole life ahead of them. They've got contributions they can make. And we need to see what we can do about preventing the life that might happen that none of us want to occur.

This initiative that we have undertaken in our administration to give more security and to make this society safer includes at least three forms of prevention I want to emphasize, because we know they work and because they are rooted in getting people at the grassroots community level more power over their own lives.

First is giving these children who get in trouble something to say yes to and some order and framework in their lives. Senator Moynihan said on television last Sunday, the distinguished Senator from New York who's been a student of American social history for 50 years, ''We have gotten used to accepting a lot of behavior from people in this country that's pretty destructive. We have gotten used to the fact that a lot of kids grow up alone or almost alone in conditions that are very damaging to themselves and aren't conducive to learning good things and good habits.'' And we have let it happen. But all over America there are programs like the boot

camp program. One of these young men just came out of the boot camp program of this program and he told the Governor that he liked the program. More people ought to be in it, because, he said, "It used to be you could"— he knew this—he said, "It used to be you could ship kids my age off to the service, but we're going down. We don't have a draft anymore. We're going down in the number of people in the service. So we've got to have a substitute where people can learn discipline and order and be able to see the future as something that happens 3 years from now, not 3 minutes from now." And we have to have programs like this Marine Institute, which now is spreading across the country. This program is giving young people a chance to take their future back, a chance to understand that there is good inside them, that they can do things that are useful and productive and profitable and a lot more fun than whatever it is that got them into this program in the first place.

Those young people told me what it was like to learn how to give CPR, to learn how to scuba dive, to learn how to repair a boat and fix it so it would sail, to learn how to deal with each other and with adults so that they could get jobs. This program now operates in partnership with grassroots people in seven other States nationwide. They've taken 20,000 young people at risk and helped them to become responsible citizens. And so far, after they leave this program 75 percent of the young people that go through this program never have any criminal convictions again. If every young person in America that got in trouble had a chance to be in a program like this, think what a difference it would make. It's very important. How many times do you pick up the paper and read about somebody finally did something terrible after they had been arrested 13 times or 15 times or 20 times. We need a system in this country, and the National Government cannot do it, but we can help you do it. We can help provide funds and support and technical expertise, but people at the grassroots level have to do it. We've got to have systems in this country where everybody in those critical young years has a chance to be in a boot camp like this, like you have in Florida, or a program like the Marine Institute or both if they need it.

We have an experimental program we started last June. Ten military facilities have been enclosed across the country where kids who are high school dropouts are able to come back and get their GED and have the benefit of military-type training. And a lot of these kids just love it. It's just changed their whole outlook on life. We have got to understand that we are raising a generation without the structure and order and predictability and support and reinforcement that most of us just took for granted. We took it for granted. And there's no use in us pretending that some National Government program and money alone will fix it. But there's no use in us pretending that just preaching at people will fix it, either. We have to actually change the conditions of opportunity for these young people.

The second thing we have to do is to recognize that our police forces can do more if they're more closely connected to the community, if there are enough of them, and if they operate in the same neighborhoods and concentrate on the problem areas. The buzzword for that is community policing. And it works. It works. I have been in cities all across America where the crime rate is dropping because of concentrated community policing strategy where police work in partnership with the citizens who live in a community, focus their resources on the areas of greatest opportunity, respond quickly to problems. I have seen that. That works.

The chief of police of St. Petersburg, Darrel Stephens, who's here, has been one of our Nation's leading promoters of community policing. And it does move away from the old ways of trying to catch criminals after a crime occurs to doing as much as you can to prevent crime in the first place. That drives down the crime rate.

This year under Attorney General Reno's leadership, our Department of Justice will fund five community policing projects in our Nation to serve as models for the rest of the country. In a competitive process, the Justice Department tried to find rural examples and urban examples, small and medium sized towns as well as big ones. Due to the strength of the programs in your communities, the

Justice Department has selected two of the five prototypes to be here in Florida, one in St. Petersburg, and the other in Hillsboro County, right next door. And these funds—not massive amounts of money, $200,000 apiece—will enable these communities to strengthen their own community policing programs and develop them in a way that can be copied by other communities.

One of the things that the Attorney General and I were talking about on the way up here is it never ceases to amaze me that nearly every problem in America has been addressed well by somebody somewhere, but we don't learn very well from one another yet. And one of the things that this Government is dedicated to doing in my administration is taking what works at the grassroots level and giving other people a chance to do it. And I thank you for that.

Now, the third thing I want to emphasize and the third thing I think we have to recognize is if you want to prevent crime in this country, violent crime, if you want to stop gunshot wounds from being the leading cause of death among young teenage boys, if you want to change the circumstance in which the average age of people killing each other is now under 16 in some of our cities, you have to change the fact that America is the only country in the civilized world where a teenager can walk the street at random and be better armed than most police forces. We have to face that fact. The crime bill, which was introduced just a couple of days ago in both the Senate and the House, contains more funds for more police officers on the street, something I believe in, we want to put another 100,000 out there in America so everybody can adopt a community policing strategy. It also has the Brady bill which will require a 5-day waiting period before anybody can purchase a handgun. And in addition to that, there are several bills in the Congress, and I hope and pray one of them can reach my desk this year, which will ban various types of assault weapons entirely from being held in the possession of our young people.

Let me tell you something, folks. I come from a State where more than half the adults have a hunting or a fishing license or both, where most of us were in the woods by the time we were 6 years old, where some schools and some plants have to be closed on the opening day of deer season. Nobody shows up anyway. [*Laughter*] There's not a person in this country that values the culture of the outdoors and the hunting and all of that any more than I do. But neither those who love to hunt, or who love to shoot weapons in contests, nor the framers of the Constitution when they wrote the second amendment ever envisioned a time when children on our streets would illegally be in possession of weapons designed solely to kill other people and have more weapons than the people who were supposed to be policing them. And we better stop it if we want to recover our country.

Just last week the Governor of Colorado, Governor Roy Romer, signed a law that prohibits juveniles from owning handguns. He joined Governor Florio of New Jersey and 17 others who have passed that law this year.

These are things we have to do. All three of these things are preventive. They're worth a pound of cure. Have more programs like this one. Give these kids a chance to have something to say yes to, not just telling them what they have to say no to, and a chance to order their lives and to fill themselves from the inside out. A lot of these programs don't deal with people from the inside out. That's the only way you can really change people's lives.

Give our police forces a chance to succeed with a community-based strategy that prevents crimes as well as catches criminals. And get the guns out of the hands of the kids. Give our law enforcement officers a fighting chance to keep the streets safe and people secure.

These are elements of prevention that will give us the security we need to make the changes we need economically to move into the 21st century. They will have the extra benefit of dramatically lowering the costs of health care and enabling us to finance the kind of progress we need in health care which again will give us the security we need to be the people we have to be in this dynamic era.

Thank you very much, and God bless you all.

NOTE: The President spoke at 10:14 a.m. at the Pinellas Marine Institute.

Remarks and an Exchange With Reporters on Arrival on the South Lawn

September 24, 1993

The President. I was asked on the way out of Florida this morning to make a comment on the Court of Appeals decision involving NAFTA, where the Court of Appeals reversed the trial court and said, in effect, that NAFTA does not have to have an environmental impact statement. First, I applaud the decision. And second, I want to emphasize that if this agreement goes through, it will lead to improvements in the environment and increased investment on the Mexican side of the border in environmental cleanup.

I also would like to say, based on the cause and conversations that I have been having with Members of Congress, I'm beginning to feel a little bit better about this agreement. I think that more and more Members of Congress who actually listen to the arguments, pro and con, understand that the overwhelming majority of the arguments against NAFTA are complaints about things that have already happened under the existing law, all of which NAFTA will make better.

NAFTA will raise wages more quickly in Mexico than if we don't adopt it. It will raise environmental spending more in Mexico than if we don't adopt it. It will reduce illegal immigration more in Mexico than if we don't adopt it. And it will plainly lead to more high-tech jobs, high-wage jobs in this country. And also I think more of our Members of Congress understand that NAFTA stands for, in the minds of the rest of the market-oriented countries of Latin America a desire on the part of the United States to have a hemispheric trading bloc, which everyone believes will lead to more jobs and higher incomes in America; that is, NAFTA is the beginning, after which you can look at Chile, at Venezuela, at Argentina, at other of the market-oriented economies in Latin America. These things, I think, are beginning to sink in, and I'm very hopeful that we're going to be making some more progress. I think we are.

South Africa

Q. Mr. President, on another subject, Nelson Mandela today called for an end to the sanctions on South Africa. I know you've followed this issue closely for many, many years. Is the United States now prepared, are you prepared to lift the sanctions?

The President. When Mr. Mandela was here with President de Klerk, we talked about this. And then I've talked with him on the phone since he was here. And I'm looking forward to doing it again. Obviously the United States is going to be heavily influenced by the remarkable turn of events in South Africa, by the continued commitment on the part of the people of South Africa to move to a multiracial democracy. And so I will be very influenced, obviously, by what Mr. Mandela says. But I'll have a statement about that——

Bosnia

Q. Mr. President, when you go to the United Nations on Monday, can you tell us what you'll tell them about your feelings concerning Bosnia?

The President. Tune in Monday. I don't want to give the speech today.

Support for Russia

Q. Mr. President, regarding the situation in Moscow, President Yeltsin now is clearly threatening to use force, if necessary, to disarm his opponents in the Parliament. Does that affect your attitude towards the situation in there, your support for Yeltsin?

The President. My support has not been affected by anything that has happened thus far. It is a difficult situation. I don't think we should attempt to quarterback every move from the United States. And I don't think I have anything else to say about it yet.

Anticrime Legislation

Q. Mr. President, there are a lot of people who are asking, after your comments this morning on the nexus between violence and medical costs, what your crime policies are really doing to make a change in this other than just support for gun control?

The President. Well, I've got a crime bill up there that goes far beyond support for the Brady bill and for a restriction on automatic weapons—I mean, assault weapons, although I favor both those very strongly. We also, through the crime bill and several other initiatives, are attempting to put more police officers on the street, to support boot camps and other alternative forms of punishment for young people to try to steer them away from a life of crime, and to support improvements in the criminal justice system itself to make punishment more swift and more sure.

But if you look at the crime bill, if you look at the effort to put more police officers on the street and to support community policing, and if you look at the effort to provide boot camps and alternative forms of punishment and pass the Brady bill and pass some limits on these semi-automatic assault weapons, that's a pretty broad-based anticrime strategy. I hope that the Congress will act on it and act on it this year.

NAFTA

Q. Mr. President, some people have expressed the view that NAFTA constitutes a kind of an unfortunate obstacle to you in political terms with all the focus that will be needed to pass the health care reform. How do you see the politics of the two issues fitting or not fitting together?

The President. I disagree with that, because, first of all, let's look at what has to happen now on health care reform. We're going to do one more round of intensive consultations, then we'll have some legislation to send to the Hill that embodies the principles I discussed with the American people. There will be other bills. They will go to the committees, and then we will begin the careful and exhaustive process of reviewing this.

Meanwhile, NAFTA is on a much faster time track. The trade agreement has to be turned into legislation within a limited period of time by the Congress. And then there's a limited period of time for debate. So I will be spending a significant amount of time everyday calling Members of Congress in both parties trying to line up support and working on other people like Mr. Iacocca, to try to get them to speak out for us and working on bringing people into this debate who are selling things to Mexico and people whose jobs depend on it to show that it's a job winner as well as trying to illustrate to the Congress that the great benefits of NAFTA may well lie in its ability to be expanded to the rest of Latin America.

So I've got a big agenda. And the NAFTA issue will be over before too long. That is, under the fast track legislation on trade agreements, there is a fixed amount of time we have to do it. We're either going to do it or not. It'll be over—the health care debate is on a different timetable. So I don't see them conflicting now. We just had to get the health care debate started, or we never would have finished it.

Health Care Reform

Q. Mr. President, on health care reform, if you end up underestimating the cost of your plan, are you calling for a formal annual review mechanism that would allow for tax increases or benefit cuts, if necessary, in order to meet your target?

The President. What I think we should do is we should have an annual review process which would permit us, if we don't realize the savings through management we intend to realize, to make a decision to phase in some of the newer benefits over a longer period of time. That would control what we do—or to present them as options that can be paid for separately at the decision of the consumer until the savings enable us to phase them in completely.

I do not believe—I will say again—I do not believe you can justify taking the world's most expensive and bureaucratic system in which most Americans who have insurance pay more than they should, under any conceivable model that they'd be in, anyone besides this one, and ask them to pay taxes on top of that to pay for the uninsured. We have got to manage this system to make it simpler, to achieve the savings without sacrificing choice and quality. We can plainly do it. We know it's been done in Germany, just to take one other example. We know it's been done several places in the United States. And the administration is happy to carry the burden into these congressional hearings of demonstrating the evidence that it can be done. But if it doesn't happen just as it should, then

what should happen is we should phase the benefits in more slowly or present them as options that can be paid for. We shouldn't raise general taxes on people who are already paying too much for their own health care to pay for somebody else's health care who's not paying anything for it. I just don't think that's right.

Thank you very much.

NOTE: The President spoke at 2:35 p.m. In his remarks, he referred to former Chrysler Corp. chairman Lee Iacocca.

Statement on Lifting Economic Sanctions Against South Africa

September 24, 1993

I welcome the call today by ANC President Nelson Mandela for the lifting of economic sanctions against South Africa. This call from this courageous man who has been one of the principal victims of apartheid means that the leading groups in South Africa now oppose the maintenance of economic sanctions on their country.

Yesterday's action by the South African Parliament to create a Transitional Executive Council (TEC) and today's announcement by the ANC are watershed events in the history of South Africa and its movement toward a nonracial democracy. South Africans of all races can be proud of these momentous achievements. Americans can also take pride in the role they have played through government, churches, unions, universities, activist groups, and businesses throughout America to protest the apartheid system.

We must now respect the judgment of the leaders of South Africa and move to lift our remaining economic sanctions. We will be taking steps necessary to permit lending to South Africa from the International Monetary Fund. I welcome the introduction and passage of legislation in the Senate to lift the other remaining sanctions at the Federal level and hope the House can move rapidly on the legislation as well. I also urge States, counties, and cities to move quickly to lift their sanctions.

But removing sanctions will not be enough. Americans who have been so active in breaking down the pillars of apartheid must remain committed to helping build the nonracial market democracy that comes in its wake. For this reason, I have asked that Commerce Secretary Ron Brown lead a trade and investment mission to South Africa to explore business opportunities, particularly with South Africa's black private sector. We will offer an OPIC investment encouragement agreement and propose negotiations for a bilateral tax treaty. We will consider the possibility of initiating a Peace Corps program in South Africa.

I urge private companies, investment fund managers, universities, labor unions, and other Americans to take advantage of opportunities for trade and investment in South Africa and to use their fullest talents to assist South Africa's historic transition to democracy.

Message on the Observance of Yom Kippur, 1993

September 24, 1993

My heartfelt greetings to all who are observing Yom Kippur in this momentous year of history and hope.

Yom Kippur, the Day of Atonement, is a holy day that provides the opportunity to seek forgiveness and to enter the new year with a clean conscience and a clear purpose. It is a chance to seek pardon and to ask divine guidance for self-improvement. Yom Kippur emphasizes the importance of honoring the memories of loved ones no longer living, but still remembered. Above all, Yom Kippur recognizes the need to repair personal relationships—relationships with friends and family, with God, with those who live on in our memories, and with those for whom we may have previously felt animosity.

With the recent signing of the agreement between Israel and the Palestine Liberation Organization, this Yom Kippur is particularly significant. It is my wish that people of all cultures and faiths will pledge their active support and energy to help achieve a new era of peace and hope in the Middle East

and for the entire world. This will take courage and commitment. As Foreign Minister Peres so eloquently stated at the signing ceremony, ''Deep gaps call for lofty bridges.''

On this most solemn day, let all of us reflect on the enormous challenges that lie ahead. Let us dedicate ourselves to the next generation, and together we will usher in a true season of peace.

Bill Clinton

Appointment of Assistant to the President and Director of Scheduling and Advance

September 24, 1993

The President has asked Ricki Seidman, currently Assistant to the President and Counselor to the Chief of Staff, to serve as his Assistant to the President and Director of Scheduling and Advance. Ms. Seidman is currently on leave and will begin operating in her new capacity November 1.

''I am extremely pleased that Ricki will be taking on this new assignment,'' said the President. ''Her keen political instincts, unparalleled good sense, and sincere conviction make her an invaluable part of my team.''

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

Nominations for Three Federal Judges

September 24, 1993

The President announced the nominations today of three Federal judges: Rosemary Barkett for the U.S. Court of Appeals for the Eleventh Circuit, Raymond Jackson for the U.S. District Court for the Eastern District of Virginia, and Joanna Seybert for the U.S. District Court for the Eastern District of New York.

''These three individuals have all exhibited the high levels of ability and judgment that the American people deserve to expect from Federal judges,'' said the President.

NOTE: Biographies of the nominees were made available by the Office of the Press Secretary.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

September 21

In the afternoon, the President and Hillary Clinton hosted a luncheon for columnists.

September 22

In the afternoon, the President met with:

—United Kingdom Foreign Minister Douglas Hurd;

—recipients of the Boys and Girls Club Youth Service award;

—Chief of Staff Thomas F. McLarty.

September 23

In the afternoon, the President met with former Chrysler Corp. chairman Lee Iacocca.

In the early evening, the President and Hillary Clinton traveled to Tampa, FL, where they attended a reception at the Tampa Performing Arts Center. Later in the evening, they went to St. Petersburg, FL, where they remained overnight.

September 24

In the afternoon, the President and Hillary Clinton returned to Washington, DC, from St. Petersburg, FL.

The President announced his intention to nominate the following persons to be Representatives and Alternate Representatives of the U.S. to the 48th session of the General Assembly of the United Nations:

Representatives:

Madeleine Korbel Albright, of the District of Columbia;

Esther Peterson, of the District of Columbia;

Sam Gejdenson, U.S. Representative from the State of Connecticut;

William F. Goodling, U.S. Representative from the State of Pennsylvania;

Alternate Representatives:
Edward S. Walker, Jr., of Maryland;
Victor Marrero, of New York;
Karl Frederick Inderfurth, of North Carolina;
Stuart George Moldaw, of California.

Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted September 23

Victor L. Tomseth,
of Oregon, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Lao People's Democratic Republic.

Jennifer Anne Hillman,
of the District of Columbia, for the rank of Ambassador during her tenure of service as Chief Textile Negotiator.

Gilbert F. Casellas,
of Pennsylvania, to be General Counsel of the Department of the Air Force, vice Ann Christine Petersen, resigned.

Submitted September 24

Cassandra M. Pulley,
of the District of Columbia, to be Deputy Administrator of the Small Business Administration, vice Paul H. Cooksey, resigned.

Ginger Ehn Lew,
of California, to be General Counsel of the Department of Commerce, vice Wendell Lewis Willkie II, resigned.

John Chrystal,
of Iowa, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1994, vice H. Douglas Barclay, term expired.

Ernest W. DuBester,
of New Jersey, to be a member of the National Mediation Board for a term expiring July 1, 1995, vice Joshua M. Javits, term expired.

Jonathan Z. Cannon,
of Virginia, to be an Assistant Administrator of the Environmental Protection Agency, vice Christian R. Holmes IV, resigned.

Jonathan Z. Cannon,
of Virginia, to be Chief Financial Officer, Environmental Protection Agency, vice Christian R. Holmes IV, resigned.

Rosemary Barkett,
of Florida, to be U.S. circuit judge for the eleventh circuit, vice Paul H. Roney, retired.

Raymond A. Jackson,
of Virginia, to be U.S. district judge for the Eastern District of Virginia, vice Richard L. Williams, retired.

Joanna Seybert,
of New York, to be U.S. district judge for the Eastern District of New York, a new position created by Public Law 101–650 approved December 1, 1990.

John Joseph Kelly,
of New Mexico, to be U.S. attorney for the District of New Mexico for the term of 4 years, vice Don J. Svet.

Carl Kimmel Kirkpatrick,
of Tennessee, to be U.S. attorney for the Eastern District of Tennessee for the term of 4 years, vice Jerry G. Cunningham, resigned.

Michael Rankin Stiles,
of Pennsylvania, to be U.S. attorney for the Eastern District of Pennsylvania for the term of 4 years, vice Edward S.G. Dennis, Jr., resigned.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released September 18

Announcement of nomination of five U.S. attorneys

Released September 20

Transcript of a press briefing by Press Secretary Dee Dee Myers

Released September 21

Transcript of a press briefing by Director of the Office of Management and Budget Leon Panetta, Deputy Secretary of the Treasury Roger Altman, and Council of Economic Advisers Chair Laura D'Andrea Tyson

Announcement of address by National Security Adviser Anthony Lake of U.S. foreign policy

Released September 22

Transcript of a press briefing by Press Secretary Dee Dee Myers

Announcement of U.S. attorneys confirmed by the Senate

Announcement of Cabinet members traveling in support of the President's health security plan

Released September 23

Statement by Press Secretary Dee Dee Myers on the Transitional Executive Council in South Africa

List of 55 radio talk show hosts who were invited to broadcast live from the White House Lawn

List of attendees of the health care rally on the South Lawn and letters of support for the President's health care plan

Released September 24

Transcript of a press briefing by U.S. Trade Representative Mickey Kantor, EPA Administrator Carol Browner, Associate Attorney General Webb Hubbell, Under Secretary of State for Global Affairs Tim Worth, Special Counsellor to the President for NAFTA William Daley, and Special Adviser to the President for NAFTA William Frenzel.

Acts Approved by the President

Approved September 21

H.R. 2010 / Public Law 103–82
National and Community Service Trust Act of 1993

S.J. Res. 50 / Public Law 103–83
To designate the weeks of September 19, 1993, through September 25, 1993, and of September 19, 1994, through September 24, 1994, as "National Rehabilitation Week"

S.J. Res. 95 / Public Law 103–84
To designate October 1993 as "National Breast Cancer Awareness Month"

S.J. Res. 126 / Public Law 103–85
Designating September 10, 1993, as "National POW/MIA Recognition Day" and authorizing the display of the National League of Families POW/MIA flag