Letter to Congressional Leaders Transmitting a Report on the National Emergency With Respect to Iraq

February 17, 1999

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

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to Iraq that was declared in Executive Order 12722 of August 2, 1990.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to J. Dennis Hastert, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate.

Remarks in a Roundtable Discussion on Long-Term Health Care in Dover, New Hampshire

February 18, 1999

The President. Thank you very much. Thank you very much, Governor; to our panelists. I'd like to thank the mayor, the numerous State legislators who are here, city council members, and county commissioners and others. I'm delighted to be back here and delighted to have a chance to meet with all of you and to hear from our panelists about an issue that I had a lot of conversations like this about in 1991 and 1992 in New Hampshire.

I came here to talk about the health care needs of our people, what we can do to address them, and the special responsibilities we have now as a result of the aging of America. As all of you know, the number of people over 65 is going up dramatically. When the baby boomers retire, we will have double the number of people over 65 we do today. And that imposes all sorts of challenges on our country, on the Nation as a whole and on the States.

I want to compliment the Governor for the marvelous work that she has done here in New Hampshire, taking full advantage of our children's health program, which, as she said, was part of the Balanced Budget Act. We think it will enable us to provide health insurance to at least 5 million of the 10 million children in our country who don't have it if the States will vigorously implement it. And New Hampshire has done a terrific job. And I also appreciate the work she's done on health access, disability, and other issues. We'll talk about some of that today.

Our panelists today are going to talk about a number of the health challenges we face, the right of patients to have proper health care, and you talked about the right to sue. As you know, I tried very hard last year, and I'm trying again now to pass Federal legislation which would give people the right to seek redress from HMO's if they suffer wrongfully. We want to talk about how hard it is for small businesses still to provide coverage. We want to talk about the health care needs of the elderly and children and people with disabilities.

As I said, all of these health care needs are going to be complicated by the aging of America. They're going to be complicated by the fact that as we live longer, more and more of us will need some sort of long-term care. And that's why one of the things in our balanced budget is $1,000 tax credit to help families defray the cost of providing long-term care for elderly or disabled loved ones.

We also, because health care is improving, we'll have larger numbers of people with disabilities who deserve the chance to go to work, if they can work, to have health care, to live to the fullest of their abilities.

I believe that we need to see this in the context of a larger picture. But I would like to say just a word about the discussions that will inevitably be held about a problem that we could—no one would have believed if we had talked about it 6 years ago in New Hampshire or 7 years ago, and that is what to do with the surplus. [*Laughter*] That was an inconceivable discussion in 1991 and 1992 in New Hampshire.

There are all kinds of ideas—let me just say that because we have a challenge with the aging of America, which affects not only those who will be seniors but their children and grandchildren—I can tell you as the oldest of the baby boomers, one of the things

that my generation is most worried about is that our aging will impose unsustainable burdens on our children and, therefore, undermine their ability to raise our grandchildren.

That's why, when we talk about saving Social Security and saving Medicare for the 21st century, we're not only talking about the seniors of our country but also the children and grandchildren of those seniors. And it's an economic necessity not only for the seniors but for all of their children as well. And the same thing is true when you talk about doing something about long-term care. But I'll just say that on the surplus issue, which is not primarily what I wanted to talk about today but the first question—you will hear all kinds of debates in the next year about what to do with the surplus. And they'll all be good ideas, but we have to ask ourselves, what should our first priority be?

My first priority doesn't take all of the surplus, but my first priority is to set aside enough money in that surplus to save Social Security and Medicare for the 21st century, strengthen Social Security by doing something about the extraordinary poverty rate among elderly women, who are increasingly living alone in their later years, and lifting the earnings limit on Social Security to help healthy seniors get what they're entitled to and still be able to work if they choose, to save Medicare and to do something to modernize Medicare that I think is terribly important.

I'll never forget the meeting I had in Nashua at the Moe Arel Senior Center there, with the couple that told me they missed a lot of meals every week so they could pay their medical bills. Medicare should have a prescription drug benefit. I feel very strongly about that. And let me say again, this will cost money in the short run; it will save big money in the long run. If people can get proper medication, particularly with the dramatic advances in medical science, what you will see is there will be fewer trips to the hospital, fewer trips to the doctor, people being able to maintain their own health care.

So I hope these things will be done. If we do that, it would require us to save about 77 percent of the surplus for 15 years, and we project now we will have one now. Of course, it will be off from one year to the next. Some years we'll have good economies; some years the economy won't be so good. But there is no built-in deficit in your Government anymore, so over any 10 to 15 year period we can pretty well predict, if we have normal economic performance, ups and downs, what the aggregate savings would be.

If we do that, let me tell you something else we can do. We will pay down the publicly held debt in this country, which was 50 percent of our annual income when I took office—now down to 44—we'll pay it down to 7 percent. That's the lowest it's been since 1917, before we went in World War II. What that means is that instead of spending 14 cents of every tax dollar you send to Washington just paying interest on the debt, which is what we were doing in 1993, when I took office, we'll be only spending 2 cents of every tax dollar for interest on the debt.

So we can deal with the aging of America in a way that gets the debt down, brings interest rates down, keeps the economy going, and strengthens long-term economic health and well-being for America.

So I hope that whatever we do on all the other issues and the details of Social Security and Medicare and all that, there will be a common understanding that our first priority needs to be to keep the economy strong, deal with the aging of America, and invest in the future of this country.

Now, meanwhile, let's come back to the present day. In the balanced budget I have presented to Congress, that has nothing to do with the surplus—in other words, whatever this debate is in the surplus is not affected by the budget I presented this year—we do have a $1,000 tax credit for people to provide long-term care to the elderly and disabled. This has become a bigger and bigger concern of Americans as more and more people provide this because they think it is the right thing to do or because it is the only thing to do. Whether it is the right choice or the only choice, it is rarely an easy choice, and it is never cost-free.

Last summer at their annual family conference in Nashville, Vice President and Mrs. Gore talked about this whole long-term care issue a lot, and we got into the developing this proposal. And now the Vice President

is having forums about this all across the Nation. But the basic problem is that out-of-pocket expenses even for family members providing long-term care can be quite high, and as you know, it's rarely covered by private insurance or Medicare. And for caregivers who hold a job outside the home—which that's the vast majority of caregivers—they may have to take unpaid leave or work fewer hours, which also is a direct drain on them.

Now, we have tried to strengthen Medicare by cracking down on the fraud and abuse; we've saved billions of dollars on that. We've extended the life of the Trust Fund for a decade. But in the next few years, this long-term care challenge for the elderly and for the disabled is going to mushroom, so in our budget we have the $1,000 tax credit. We also have a caregiver support program to help put caregivers in touch with each other so they can help each other and to provide technical and other support for them. And we also have taken new steps to help Medicaid pay for home and for community-based care. All of this I think is quite important.

I also believe very strongly that we should pass a national Patients' Bill of Rights, like the one Governor Shaheen has been trying to pass here. And it's obvious why more and more people are covered by managed care. You're going to see this year the managed care insurance rates start to go up quite steeply after years of being around the rate of inflation. And I think people in managed care programs can benefit from them as long as they don't have to give up the quality of care. If you need to see a specialist, you ought to be able to see one. If you have to change jobs, you shouldn't have to change doctors in the middle of a treatment, whether it's a chemotherapy treatment or a pregnancy or some other kind of continuing treatment. And you should not be denied the right to sue, in my judgment, if you are harmed.

There are other provisions in our Patients' Bill of Rights. I hope we can pass that this year. I believe this is not a political issue anyplace in the world except Washington, DC. If you took a poll in Dover, New Hampshire, I'll bet you there wouldn't be a nickel's worth of difference in the support for a Patients' Bill of Rights among Republicans, Democrats, and independents. We all get sick. We all need doctors. We all need health care. This should not be a partisan issue.

There's another bill there we're trying very hard to pass this year that would affect some of the families in this room and many in the State, and that is legislation proposed by Senator Jeffords, Senator Kennedy, Senator Roth, and Senator Moynihan, that would allow people with health—disabilities to keep Medicaid health insurance when they go to work. I think this is very, very important.

I always remind people—by the way, to the younger people in this audience, saving Social Security is an issue not just for seniors; a third of the money from the Social Security Trust Fund goes to payments to disabled Americans and payments to surviving children and other family members of people who die prematurely. So this is something that we should never forget. When you hear all this debate on Social Security, don't forget that, that it's not just a question of what we pay in and what we get out in retirement; it's also we're insuring all of each other against the vicissitudes and the fortunes of life. And I think that's very important, but this bill is incredibly important.

And finally, we've asked Congress to pass a plan that would give tax relief to help small businesses insure their employees and to help them join together and form more pools to buy more economical insurance. That is still a very large problem in our country.

When I came here in 1992, people were very concerned about the number of Americans who did not have health insurance on the job. I can tell you that the number of Americans without health insurance on the job has increased since 1992. Now we are insuring more people than we were then because we've extended the Medicare program, and we want to extend it further for people with disabilities who go to work. We're going to try to get 5 million kids into the program that the Governor talked about. But we have to do everything we can to try to help small businesses to afford health insurance for their employees.

Well, those are the things that I wanted to talk about. I hope that there will be broad support for them here; I hope you will tell

your congressional delegation you think we ought to have a $1,000 tax credit; you think we ought to have a tax credit for small businesses to get health insurance; you support the effort to let people who are disabled keep their Medicaid health insurance when they go into the workplace; and you support the Patients' Bill of Rights. These are some of the things that I believe we can get done this year, and I'm going to do everything I can to do it.

Now, let's hear from our panelists. I'd like to start with Beth Dixon, who is a mother of four from Concord, who spent the majority of the last year caring for her father who suffered from Alzheimer's and passed away last March. I'd like for her to tell a little bit about her story and what we could do to help people like her.

[*Ms. Dixon described her family experience with a disabled child and a father who was an Alzheimer's patient. She stated that her parents moved in with her but that it was so difficult, even with help from the extended family, that her father finally had to be put into a nursing home. She concluded by introducing her son.*]

The President. I think we ought to give him a hand. [*Applause*]

You know, I lost an uncle and an aunt to Alzheimer's. And again, it's something we'll have more of as we live longer. The average life expectancy in America is now 76. The young people in this room today, their life expectancy is probably about 83 if the present rates of medical advances continue. But until we find a cure for this—and we're investing a lot of money in it now, in research—we're going to have to deal with it.

I think when we hear somebody like Beth talk, we may have mixed feelings, but I don't know how that woman did that. I mean, that's what we're all thinking. On the other hand, I think we're all thinking, Beth, it's a good thing extended families can stay together for as long as possible. And I consider this tax credit just a downpayment on what I think our country should be doing.

I think over the long run, as we live longer, we have not just three but four generations of families up and around and doing, we will always have a need for our nursing homes, our boarding homes, our hospitals. But I will predict to you that when my term is over and when people are grappling with this over the next 10 years, that the American people will essentially demand that families get tax relief and other support because you'll have more and more families at least trying to do what Beth did. But this is a big first step because the Government has never done anything to help people in this situation before, and it's high time we did.

I'd like to call on David Robar now, a 34-year-old New Hampshire native who sustained a spinal cord injury which has permanently injured him. Before that, he was a world-class ski jumper, and he's made quite a brave life for himself now, going back to school and learning. I'd like for him to talk about his circumstances and how he might be affected by some of the things I mentioned today.

David?

[*Mr. Robar stated that he sustained a spinal cord injury in 1990, but after hospitalization and rehabilitation, he finished his business degree. He said that by working part time, he received personal attendant benefits under the Medicaid program, but if he worked full time, he would make too much money to qualify and would lose the benefit, even though his out-of-pocket cost for personal attendants would be more than his full-time income. He concluded by thanking the President for supporting initiatives to address the long-term care needs of individuals with disabilities.*]

The President. I want to emphasize what he said to you. Under present law, he is entitled—and I think all of us are glad he is—to get attendant care services. He will get them if he stayed home and did nothing. He'll get them, and the cost would be the same. He is permitted to work part-time, and he still gets them. If he works full-time, he loses them.

Now, if he worked full-time, it would cost you less. Why? Because the cost for the attendant services would be no more, but he'd be paying more in taxes to defray the cost of his own services. This is a crazy situation, and it's one of those things that hasn't been

done in the past. It's kind of like the prescription drug benefit for Medicare: It cost more money for a year or two because you have to start fronting the money, but over time it obviously will be a big net benefit to us. And not only that, I think our basic respect for human dignity requires us to do everything we can to give people a chance to work.

We worked hard to pass the welfare reform law that said if you're able-bodied and there's a job, you've got to work if you can. When you have people knocking down the doors to work who could get jobs, for us to deny them the right because of some barrier in Federal law I think is unconscionable. And I hope and believe this will pass this year. And you'll be exhibit A. I'm going to talk about you all over America but especially in Washington. And I thank you.

Karen Goddard is a mother of two children and the owner of two maternity and children's clothing stores. She's from Nashua, and she's got an interesting situation with health insurance. I'd like for her to talk a little about them.

[*Ms. Goddard stated that she was a single mother who owned two shops, employing four part-time employees. Although she qualified for Medicaid because of her income and her single-parent status, she wanted to get health insurance for her children and her employees, but each time she looked into it she found it too expensive. She noted that she had friends who owned small businesses and that she was not alone in this situation. Gov. Jeanne Shaheen then stated that New Hampshire was trying to pass legislation to allow small businesses to combine to form purchasing cooperatives to lower the cost.*]

The President. I think that the two things we're trying to do are complementary. But basically, what we need now under the present state of laws, is the Federal Government should provide some sort of tax break to small business, some financial aid to lower the cost of the premium, as well as facilitate the joining together of small businesses into a larger pool. Because the real problem is, if you've got three or four employees—I know some of them are insured through their spouse's work program—but let's suppose you've got just your one employee who has a child. It's not only prohibitively expensive now, but if you add one child in any of the groups and you're trying to insure two or three employees, you're out of there. I mean, you can't begin to afford it.

So I think the important thing is for us not only to provide financial assistance but to facilitate small businesses going into bigger groups and to cut the costs and the hassle of all the paperwork involved in that. And we're going to try to do that, and I think it will bear some fruit.

Eventually, some provision will have to be made to do more than that, I think, but this is a very important first step. And there are probably millions of people who could get health insurance if we could have a combined State-Federal effort to give a little break on the premium and then to bring the overall cost level down by letting some people like you go into bigger pools. And that's essentially where we're going with this.

I want to now introduce Christine Monteiro, who has four children who have been insured intermittently for the last 11 years, completely uninsured for the last 5 years, and she discovered the child health program that the Governor passed that we supported back in the balanced budget law. And I'd like her to talk about it, and then I've got a specific question I want to ask.

[*Ms. Monteiro stated that she was the mother of four daughters and that she and her husband ran a small business. In the early years in business they had been in and out of insurance plans, due to large deductibles and the rapid growth of premiums, and in recent years had no insurance at all. During a visit to her doctor's office she learned of the Healthy Kids program, without which she would not have been able to afford recent medical bills.*]

The President. Tell me again how you found out about this program.

Ms. Monteiro. I took my daughter to the doctor's, and I asked him about a subsidized or a sliding scale, and then they told me about Healthy Kids.

The President. The reason I ask is that one of our big problems in the larger urban areas—I wish this lady were an exception, but she's not. There are 10 million children

out there like her kids—10 million—and any of them can get sick. And one of the problems we've got is really developing a system in a lot of places for people to know.

There are places where people won't even go to the doctor, they're so discouraged. And anyway, if any of you have any ideas about that—I think we have tried—I think most of the States are trying to make sure that the doctors tell people if they actually come to the office that they might be eligible for this, and that's the most practical thing to do. But we also need a lot more outreach because it's conceivable to me that the money we've allocated to this that we're giving the States will cover even more than 5 million kids if we can actually find them and tell them.

And I know this is painful for you to come here, but this is important. The American people need to know this. They need to know, A, this thing, it's here, in New Hampshire, and it's good. And it's in other States. But they also need to know there are a lot of people like you out there that need help that don't have it yet. So thanks for being brave enough to show up. I appreciate it.

I'd like now to call on Stephen Gorin, who is a professor in the social work program, at Plymouth State College, the executive director of the New Hampshire Chapter of the National Association of Social Workers, which is the State's most visible patient advocacy organization. He also has a biweekly radio program.

[*Mr. Gorin described his encounters with families denied access to specialists, physicians offered incentives to limit referrals, and consumers denied the right to appeal adverse decisions. He noted that due to a loophole in Federal law, an estimated 600,000 New Hampshire residents lacked the means of holding managed care organizations accountable for injury or damages and stated that the Patient's Bill of Rights would close this loophole.*]

The President. You know, the Vice President tells this great joke about these two guys that show up at Heaven, and St. Peter asks the first guy, "What did you do on Earth?" And he said, "I was a lawyer." He said, "I don't know about you." [*Laughter*] He said, "Yeah, but I did all this pro bono work for poor people. I really did; 20 percent of my time, I did it." And he said, "Well, okay, come on in." And the second guy says that he was a media mogul. And he said, "I'm not sure about you." He said, "But I gave away 10 percent of my money to my church and to my charity every year." And he said, "Okay, come on in." And the third guy's just hanging his head. He's so sheepish, and he said, "I ran an HMO." And St. Peter said, "Well, come right in, no questions asked, but you can only stay 3 days." [*Laughter*]

He tells it better than I do. But anyway, I'd like to make this point. The reason we need this Patients' Bill of Rights partly has to do with the structure of these HMO's. Keep in mind—let me take you back to 1992. Costs in health care were escalating at 3 times the rate of inflation. That was unsustainable. We were all going to go broke paying for health care. We were already paying a much bigger percentage of our income than any other country in the world was, so we needed to manage the costs.

The problem is, when you set up a group to manage the costs, unless there are standards everybody has to adhere to—that's why a lot of these HMO's actually support the bill of rights. Some of the really good ones support this, because unless there are standards everyone has to adhere to, they're going to be interested in cutting costs. And a lot of the bigger ones, for example, someone shows up for a procedure, and they need a specialist, or they need a certain special procedure, and the doctors says, "Well, I have to refer it to the HMO." Normally the nurse in the doctor's office will call the HMO. Well, the first person you call is not a doctor, and they just know one thing: They will never get in trouble for saying no, right? So then, they have a certain amount of time they have to appeal. Very often, the person at the same level is not a doctor. They know the second thing: They're never going to get in trouble for saying no. Why? Because they know somewhere up the line there is a doctor, and if they mess up by saying no, then they say, "Well, the doctor will fix it." But if they mess up by saying yes, they'll be told they're not saving money.

The problem is, it's like justice. Health care delayed can sometimes be health care denied. That's one of the biggest problems. And I have heard all these chilling stories, I'm sure you have. By the time people get their procedures approved, it's too late. And the emergency room thing is really unconscionable, particularly—it would apply, like in New Hampshire where most of the communities aren't very big, it would apply more if you were visiting Boston or something and you got hit by a car and you went to the nearest emergency room and they say, ''I'm sorry. The emergency room your HMO will reimburse for is 15 miles in the other direction.'' So we have got to fix this.

Now, the opposition says it will raise the cost of health care. It will but not much, maybe 8 or 10 bucks a year or something. It would be worth it to you; one trip to the emergency room, it would be worth it to you.

So I think—I can't tell you how important I think this is. I think you're going to have more and more and more of these horror stories unless we pass a national bill which will, at a very minimum, protect the State's ability to do what Governor Shaheen wants to do and say everybody has got a right to the nearest emergency room, to a continuation of treatment, to see a specialist, and to know what all their medical options are.

And again I say, this should absolutely not be a partisan issue. It has been in Washington because of the interplay of the organized interest groups up there, but it's not out in America. And it shouldn't be. You just keep plugging; we'll get there this year, I think.

That is our health agenda for this session of Congress. You see it here embodied in these five panelists and then what the Governor has worked to do on the children's health programs and other things. I would very much like to see the spirit in the country and in Washington, DC, that I felt here in New Hampshire so many years ago when I first came here, to take these health care issues and sort of put them beyond partisan politics and put the people and the families of this country and their interests first.

If we succeed this year in doing that, all of you can know that your presence here made a difference and especially the panelists. I think we should give them one more big hand. [*Applause*]

Thank you very, very much, and God bless you all.

NOTE: The roundtable began at 11:30 a.m. in the auditorium at the Dover Municipal Building. In his remarks, he referred to Mayor Will Boc of Dover, NH.

Statement on Senator Richard H. Bryan's Decision Not To Seek Reelection

February 18, 1999

Throughout his career, Senator Richard Bryan has been a staunch advocate and tireless champion of the people of Nevada. He has been an ardent protector of Nevada's environment and has been a leader in preserving Nevada's lands and treasures. Senator Bryan has played a critical role in promoting rigorous health and safety standards for America's children and consumers. As a distinguished member of the Finance Committee, Senator Bryan has consistently been recognized for his leadership in promoting fiscal responsibility and has helped ensure a brighter future for Nevadans and all Americans. While his decision to retire must be somewhat bittersweet, I know that he will continue to fight for what he believes in and will continue to be a proponent for America's progress. Hillary and I send our best regards to Dick and his family for every future success and happiness.

Remarks at a State Democratic 100 Club Dinner in Manchester, New Hampshire

February 18, 1999

Thank you. I want to thank you for a typically reticent Yankee welcome tonight. [*Laughter*] It is wonderful to be back. I have very much enjoyed being with Governor Shaheen and with Bill today, and we've had a lot of time to visit. I want you to know that it gives me an enormous amount of pleasure and pride to see the Governor at her task, to know the victories that you have