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Week Ending Friday, January 30, 1998

The President's Radio Address

January 24, 1998

Good morning. Today I want to talk about our continuing efforts to fight fraud and abuse in the Medicare system.

For more than 30 years, Medicare has helped us to honor our oldest obligations to our parents and grandparents. And since I took office, our administration has made strengthening Medicare one of our top priorities. The balanced budget I signed into law last summer will extend the life of the Medicare Trust Fund for at least a decade. But to ensure that Medicare is as strong in the 21st century as it has been in the 20th, we must also do more to root out fraud and abuse.

Medicare fraud cheats beneficiaries and taxpayers out of billions of dollars every single year. It undermines the strength of this vitally important program. Since 1993, we've assigned more Federal prosecutors and investigators to fight Medicare fraud than ever before, increasing fraud convictions by a record 240 percent. All told, we've saved taxpayers over $20 billion. And the Kennedy-Kassebaum legislation I signed into law in 1996 has given us new resources and tools to investigate, prosecute, and convict dishonest providers and medical suppliers.

On Monday, I'll send to Congress a report that shows just how effective those new tools have been. I'm proud to say that in the last year alone we've collected nearly $1 billion in fines and settlements for health care fraud. Money that would have lined the pockets of scam artists is now going instead to preserve the Medicare Trust Fund and to improve health for millions of Americans. We've increased prosecutions for health care fraud by more than 60 percent, and we've stopped health care fraud before it starts by keeping nearly twice as many bad providers out of the system.

Now, make no mistake, Medicare fraud is a real crime, committed by real criminals intent on stealing from the system and cheating our most vulnerable citizens. Let me just give you one example.

In New York City, a Russian immigrant, believed by Federal investigators to be part of an organized crime ring, defrauded Medicare of $1.5 million by selling substandard medical supplies to elderly people and billing Medicare for premium goods. We shut him down and put him in jail, but he never should have been a Medicare supplier in the first place.

Last week, I put in place new regulations that require medical suppliers to post surety bonds to prove they're legitimate, solvent businesses. And to further ensure that medical suppliers aren't defrauding Medicare, the Department of Health and Human Services will expand its site inspections of medical supply companies all over the country.

But we must do more to crack down on fraud and abuse in the Medicare system. The balanced budget I'll submit to Congress next month will include antifraud and waste provisions that will save Medicare more than $2 billion. First, it will eliminate overpayment for certain drugs by making sure doctors receive no more and no less than the price they pay for the medicines they give Medicare patients. Second, it will ensure that when fly-by-night providers go bankrupt, Medicare is at the top of the list of debts to be repaid. And finally, it will bring down costs by allowing Medicare to purchase goods and services at a competitive price.

We will only win the fight against fraud and abuse in the Medicare system with the help of the American people. We know that patients and honest providers want to help crack down on fraud and abuse. Starting next month we'll make it easier for them to do so, with a toll-free hotline that will now appear on every statement Medicare sends out to every beneficiary it serves.

With these steps, we're making sure that the Medicare system, which has served our parents and grandparents so well, will also serve our children and grandchildren well into the 21st century.

Thanks for listening.

NOTE: The address was recorded at 5:13 p.m. on January 23 in the Roosevelt Room at the White House for broadcast at 10:06 a.m. on January 24.

Remarks on the After-School Child Care Initiative

January 26, 1998

Thank you very much. First, let me thank all of you who are here. Many of us have been working together now for 20 years on a lot of these issues, and this is a very happy day for us.

I thank the First Lady for all she has done on this issue, for as long as I have known her. I thank the Vice President and Mrs. Gore for their family conference and the light it has shed on the announcement we're here to emphasize today. Thank you, Secretary Riley, for the community learning centers, and I'm very proud of what we've done there.

Thank you, Bill White. I'll talk more about your contribution in a moment, but it is truly remarkable. And I thank Rand and Debra Bass for giving us a living, breathing example of the best of America—parents who are working hard to do their jobs, but also determined to do their most important job very well with their children. I thank Senator Feinstein, Senator Dodd, and Senator Boxer for being here.

Tomorrow, in the State of the Union Address, I will spell out what we seek to do on behalf of our children to prepare them for the 21st century. But I want to talk a little bit about education today and about this announcement in that context.

Education must be our Nation's highest priority. Last year, in the State of the Union Address, I set out a 10-point plan to move us forward and urged the American people to make sure that politics stops at the schoolhouse door. Well, we've made a lot of progress on that 10-point plan: a remarkable—a remarkable—array of initiatives to open the doors of college to every American who's willing to work for it; strong progress toward high national standards in the basics, the America Reads challenge to teach every 8-year-old to read; continued progress in the Vice President's program to hook up all of our classrooms and libraries to the Internet by the year 2000.

This has been the most important year in a generation for education reform. Tomorrow I'll set out the next steps on our continuing road.

First, I will propose the first-ever national effort to reduce class size in the early grades. Hillary and I worked very hard 15 years ago now to have very strict class sizes at home in the early grades, and it was quite controversial and I think enormously beneficial when we did it. Our balanced budget will help to hire 100,000 teachers who must pass State competency tests but who will be able to reduce class size in the first, second, and third grades to an average of 18 nationwide.

Second, since there are more students and there will be more teachers, there must be more classrooms. So I will propose a school construction tax cut to help communities modernize and build new schools.

Third, I will promote a national effort to help schools that follow the lead of the Chicago system in ending social promotion but helping students with summer school and other programs to give them the tools they need to get ahead.

All these steps will help our children get the future they deserve. And that's why what we're announcing here is so important as well.

Every child needs someplace to go after school. With after-school programs, we can not only keep our kids healthy and happy and safe, we can help to teach them to say no to drugs, alcohol, and crime, yes to reading, sports, and computers. My balanced budget plan includes a national initiative to spark private sector and local community efforts to provide after-school care, as the Secretary of Education said, to half a million more children.

Now, let me say, in addition to all the positive benefits, I think it's important to point out that the hours between 3 and 7 at night