

teed private insurance for everybody. I want all of you to be able to choose your doctor or your health care plan, not just once but every year. More and more workers and their families are losing the right to choose their health care plan. I want to guarantee it for all Americans. And I want people to be guaranteed those benefits in the workplace, just like most of us are today. And finally, I want small business people and self-employed people to have access to the same good competitive rates that those of us in Government and big business do today. I think that is fair, reasonable, and just. And if we don't do it, we're going to continue to have serious problems in this country.

I hope you will help us provide health care security for all. We've been fooling with it for 60 years. We haven't done it yet. And what have we got to show for it? Continued problems. We can do better, and this year we're going to, with your help.

Thank you very much, and God bless you all.

NOTE: The President spoke at 5:35 p.m. at the Kansas City Downtown Municipal Airport. In his remarks, he referred to Gov. Mel Carnahan of Missouri; Mayor Emanuel Cleaver II of Kansas City, MO, and his wife, Dianne; Bob Holden, Missouri State treasurer; and Bob Griffin, speaker, Missouri House of Representatives.

Remarks in a Town Meeting on Health Care in Kansas City *April 7, 1994*

Wendall Anschutz. Welcome to News 5's town hall meeting with President Bill Clinton. Tonight the President joins us to talk about the health care crisis in our country and his plans to reform the health care system. It's a rare opportunity for people in the Midwest to talk face to face about their concerns. So, ladies and gentlemen, please welcome the President of the United States.

The President. Thank you, Wendall, and thank you, Ann. Thank you, ladies and gentlemen here in Kansas City and those in Tulsa, Topeka, and Omaha, who are also joining us.

I came here tonight to talk to you a little bit about my hopes for health care reform for America and to listen and learn from you and to try to answer your questions. I'd like to make a brief opening statement, if I might, and sort of summarize what is in our administration's health care proposal.

Let me begin by saying that I have been interested in health care a long time. My mother was a nurse anesthetist. I grew up around hospitals. I watched health care change and diversify. I was an attorney general when I had to fight for the rights of our elderly people in nursing homes in my State. And then for a dozen years I was a Governor, when I saw, every year, our State have to pay more and more and more in Medicaid program—that's the

Government's program for poor folks and for elderly people in nursing homes—oftentimes paying 2 and 3 and 4 times the rate of inflation for the same health care.

I have, in the last 4 years, since long before I ever thought about running for President, talked to literally thousands of doctors and nurses and health care professionals and families who have been dislocated by the health care system. And I decided that we had to do something about it for the following reasons. And let me just try to set them out for you.

First of all, our country is the only advanced country in the world that doesn't provide health care security for all of its citizens. All the countries we compete with, all the wealthier countries, provide health security. Only the United States does not do that. And we pay a dear price for it.

We're a nation of about 255 million people. At any given time, 39 million of us are uninsured. In every year, 58 million are uninsured. Eighty-one million Americans live in families where there's somebody with a so-called pre-existing condition, where there's been a child with diabetes or a daddy with a heart attack or a mother that's had cancer. And what that means is that they can't either get insurance or they pay much more than anybody else, or

they can never change jobs again, because if they change jobs they'll lose their insurance.

There are so many Americans who have special problems. I met a young woman again at the airport here in Kansas City today, a wonderful young woman named Vicki Waite, a young girl that has brittle bone disease. She came to see me back during the campaign, and I was glad to see her again. Her mother gave me a letter, sort of talking about their hopes and their dreams and their worries about the health care system. I could tell you a lot of stories about that. But I think we have got to find a way to cover everybody.

Another thing that you will recognize here in Missouri because you see it in the changing job market, people are changing jobs more than ever before. And it's very important that people be able to change jobs without losing their health care or their families losing it. Even though since I became President—I'm proud of this—we've had an economic program that passed, and our economy has created 2.5 million new jobs in the last 15 months, more than in the previous 4 years. But still, as you all know, a lot of big companies are still laying off even as smaller companies create jobs.

How are we going to guarantee that people will always have health insurance? It's a huge problem. There are lots of other problems with our system: 133 million of us have health insurance policies with lifetime limits, which means that if any of us have children with long-term illnesses, we can run out of health insurance just when we need it most. The main thing is almost no American is secure unless you work for big government or big business.

Another thing I'd like to point out is most small business people want to provide health insurance and many do, but that rates for small businesses and self-employed people and farmers, on the average, are 35 to 40 percent higher than the same insurance rates for big business and government, and that's not fair, either. So I think we've got to do something to turn this around.

Now, let's look at what our choices are. What I want to do is to guarantee private insurance, not to have the Government take over the program, and I'll tell you why. We have basically three choices today.

We can just do away with private health insurance all together and pass a tax and cover everybody through a tax, like the Medicare program

for senior citizens. I don't favor doing that. It would be administratively simple, but it would put the Government in health care too much, I think, and we'd have less competition and therefore less control over prices. Or we can have more competition, but guarantee private health insurance to everybody. That's what I want to do, with a comprehensive benefit package that includes primary and preventive health care, with no lifetime limits and with insurance that can't be lost just because a worker gets older or someone in your family gets sick.

I also propose in our plan to keep choice because I think choice is very important for quality. People should be able to choose their doctors or a high-quality health care plan, not employers. And insurance companies shouldn't be able to deny anybody coverage. Now, today, more and more Americans insured at work are losing their right to choose. Fewer than half of American workers have any choice at all over their doctors or their health care plan today. Our plan would guarantee that every year every working family would have at least three choices and pick among them.

We have to make some insurance reforms. It would be illegal under our plan for anyone to be dropped or to have their benefits cut by insurance companies, for rates to be increased just because somebody in the family had been sick, for lifetime limits to be used to cut off benefits, or for older workers to be charged more than younger ones. This is a big deal, folks. I've met people in their late fifties and mid-sixties who are losing their jobs, who have to get new jobs, who are good and reliable workers, but employers are scared to hire them because their rates are higher.

Now, let me say—we'll come back to this—the only way we can do this fairly is to reform the insurance market, because if you have 1,500 separate companies writing thousands of different policies, it's hard to afford to be fair to small business people. The only way you can be fair to small business people is let small business people and self-employed people go into big, big pools and be insured the way big business and government people are.

I want to preserve Medicare, leave it like it is—it's working for elderly people—except we ought to add a prescription drug benefit which is very important to elderly people and will save money for our health care system over the long run. And I think we should cover things other

than nursing home care, including in-home care, because the fastest growing groups of Americans are people over 80, and we need to provide for their care and help their families.

This is the most controversial part of our plan, I suppose, at least among organized groups. I think the benefits should be guaranteed at work. That is, I think employers and employees who presently aren't covered should contribute to their health insurance, and then the Government should cover the unemployed, should cover part-time employees when they're not working, and should help to provide discounts to small businesses that have low payrolls, low profit margins, and relatively high costs now.

If we cover employees at work and give discounts to small business and have the Government help the unemployed, I think that's the fairest way. Why? Because 9 out of 10 Americans who have health insurance have it through their workplace. And 8 out of 10 Americans, believe it or not, who are uninsured have someone in their family who works. So I just want to build on what we've got now: guaranteed private insurance; preserve the right to choose a doctor or health care plan; change the insurance practices that don't work but also, don't put the insurance companies out of business, let them insure people in bigger pools; preserve Medicare; and guarantee the health benefits through the workplace. That's our plan.

There may be other ideas and better ones, but let me say, I'm absolutely convinced if we don't do anything, we're going to continue to have millions of Americans in misery, millions of Americans insecure; we're going to pay 40 to 50 percent more than any other country in our income in health care and have less to show for it. I don't think that's an acceptable solution. So for those who don't agree with me, I hope they have an idea about how we can provide health security to all of our people. America can do it if every other country can do it.

Thank you.

Mr. Anschutz. The President, as you just heard, of course, has answered some basic questions about his plan. And I know it has raised some questions in the minds of our viewers as well, and that's what we want to get to now.

We have in our studio about 160 people from the Kansas City area who have questions for the President. We also have three other cities that will join us in tonight's town hall meeting via satellite: From Tulsa, Oklahoma, and CBS

station KOTV, we are joined by our host Glenda Silvy. From the capital city of Kansas, Topeka, and the studios of WIBW-TV, we are joined by host Ralph Hipp. And then from our neighbor State to the north, from Omaha, Nebraska, we are joined by station KMTV-TV and our host there, Loretta Carroll. So that is kind of the cast for tonight's program. Let's get on with the questioning. The first comes from here at home, Ann Peterson, my co-host, and she has the first lady.

Ann Peterson. Thank you, Wendall.

Welcome, Mr. President, to Kansas City and here to KCTV. I'd like you to meet a woman who nearly lost her mother to a medical emergency. She didn't get the care she needed because she was worried about cost. What is your question to the President?

Inaction on Health Care

Q. First of all, I would like to say, good evening, Mr. President, and thank you for being here. Mr. President, could you please explain why Washington continually fails to put the country's priorities back in the order in which they belong and why our officials can't or won't take a serious and compassionate look at our health care reform?

Thank you.

The President. Well, I didn't write that question for her, honestly. [Laughter]

Let me try to give you an answer that's not so—that's a little more objective, maybe not quite so favorable to my position. This is a complicated issue. You wrote us a letter, didn't you? Didn't you write a letter to my wife?

Q. Yes, I did.

The President. And your mother got health care late, expensive, because she was afraid she couldn't afford it?

Q. Yes, exactly.

The President. This is something I should tell all of you, another point I didn't make in my opening remarks, but let me say, as all of you know just from common sense, most people in America who don't have insurance get health care if they're real sick. But they get it when it's too late, too expensive. They usually get it at an emergency room. They don't pay, and then the emergency room at the hospital has to decide whether they're going to pass the cost along to the rest of us, so that we pay more than we should, or whether they are going to absorb it and therefore weaken the financial

condition of our health care providers in our communities. So I want to set that up.

Now, why hasn't this been done? People have been trying for 60 years to do this. First of all, because America historically is very anti-Government. We think the Government would mess up a one-car parade. [Laughter] And so, we are afraid for the Government to do anything involving health care.

Secondly, because small business people, in general, often think that they cannot afford any more requirements from Government. They're paying a lot for worker's comp. They're paying a lot for Social Security. They have a lot of costs. They are worried about whether they can do this. And I hope we get a chance to talk about this, because I believe most small business people will come out ahead on our plan, and I'd like to explain why. That's a problem.

Third, because the thing that's wrong with the American health care system is not the health care providers. We've got the best doctors and nurses and medical research and medical technology in the whole world. The thing that's wrong with our system is the way it's financed. But a lot of good people are employed in the way it's financed now. You know, we are the only country in the World with 1,500 separate health insurance companies writing thousands of different policies which, in turn, require literally hundreds of thousands of clerical workers in doctors' offices, hospitals, and insurance offices to figure out what's not covered. Right?

It's not a good way to spend money, but there are a lot of good people doing it. And there are a lot of good people, independent insurance agencies, for example, that are doing the best they can for their own clients within this system. If we cut back on the administrative costs and spend the money on health care, we'll create more jobs in health care, but we'll lose jobs in the paperwork end of health care. We spend about \$90 billion a year in the United States, more on administration and paperwork than any country would under any other system.

So a lot of things will get changed. People are scared of change, skeptical of the Government. Small business is sensitive, and the health insurance financing system will be changed. That's what's against our changing the system. I think the arguments for it are much more powerful, but oftentimes, it's harder to change than it is to stay the same. That's why we haven't done it. That's why we need stories like

your mother's story out there to remind us of the human issues at stake.

Q. Thank you.

Mr. Anschutz. Let's get on now to our satellite coverage of tonight's town hall meeting. As you know, we have three other stations who are involved. And let's go to the first one in Tulsa, Oklahoma, where Glenda Silvy is standing by.

Hello, Glenda.

Glenda Silvy. Hello, Wendall. Thank you.

And Tulsa also welcomes you, Mr. President. Our first question comes from a man who has a question relating to rural health care.

Rural Medicine

Q. Mr. President, I am a physician in a small town in Oklahoma. I wonder if the health care in the rural areas will continue to be provided by physicians or by other trained individuals such as physician's assistants, nurse practitioners, et cetera, as opposed to continued physician care for our patients. I think this is an important issue, and I'd like an idea of the Clinton approach to the plan.

The President. Well, first, sir, I think that medical professionals should be able to do what they are trained and properly qualified to do. But what I hope we can do is to put more physicians out in rural America.

Under our plan, there are some very special incentives to try to get more doctors to go into the rural areas and the small towns. We want to revive the National Health Service Corps and put another 7,000 doctors out paying off their medical school bills by practicing in underserved areas over the next 5 years.

In addition to that, we propose to give significant tax credits to people as income incentives to go out and practice in rural areas, in shortage areas. Physicians get quite a bit, and where there's a nurse shortage, nurses and other health professionals can get some as well.

And the third thing we're going to try do is to give more support to physicians in rural areas, do more to connect them with medical centers through technology, do more to provide tax incentives for them to buy their own equipment so they can provide high quality care.

So my goal is to have more people like you in small towns and rural areas. I just came back from Troy, North Carolina, where I was talking to doctors there about the terrible medical shortage. And I met a woman who told me

that she had worked 100 hours a week for 2 or 3 months in a row, and she was now down to her slow season where she was down to 80 hours a week, because they didn't have any more doctors. So I think that one of the things we have to do is to try to keep the doctors in rural America if we're going to keep rural America alive.

Mr. Anschutz. Thank you, Tulsa. We go now to Topeka, up to the north. Ralph Hipp is there.

Ralph Hipp, good evening.

Ralph Hipp. Good evening, Wendall, and good evening, Mr. President. We're delighted to be a part of your town hall meeting here in the Kansas capital, home of the Menninger Foundation. And I'd like to introduce this gentleman, who has a special question of interest about that field.

Mental Health Care

Q. Mr. President, mental health insurance coverage needs to be equal and at parity with physical health insurance coverage. Has Tipper Gore discussed the importance of this with you?

The President. Yes. [Laughter]

You want me to talk about it a little bit? Let me ask you, just curious, we're here in Kansas City, how many of you agree with what he said, that health insurance policies should include mental health coverage as well as physical coverage? How many of you agree? [Applause] I'm glad to see it. I think it shows our country's come a long way in that issue, that there are a lot of mental problems that are literally illnesses that can be treated, sometimes with medicine, sometimes in other ways. One of the things that we seek to do, sir, in this plan, and I want to make full disclosure here, we do cover mental health under our health care plan as a protected benefit. But it's not required to be put in all health insurance policies until the year 2000, and I want to explain why.

The last thing in the world I want to do is to cost you more money instead of save you money by doing this. I have worked too hard to try to bring the Government deficit down to see it go up, for example. And because mental health benefits have never been provided on a comprehensive basis before, there is no agreement among the experts about what it will cost. I'll bet you this gentleman with the Menninger Foundation believes mental health benefits over the long run will save money in

the health care system. I do, too. But we can't prove it. So we're going to have to phase the mental health benefits in. But by the year 2000, they will be covered just like physical health benefits in all comprehensive health packages for all Americans if this plan passes.

I wish we could do it quicker, but we can't prove what the cost will be, and we can't put the budget at risk. So we're going to have to phase it in.

Mr. Anschutz. Let's complete our circuit now by going up to Omaha, Nebraska, and Loretta Carroll.

Loretta Carroll. Good evening, Wendall. An Omaha good evening, Mr. President. I'm here talking with this woman; she helps families who have family members with Alzheimer's. And Karen, you've been there yourself with your own dad.

Long-Term and Respite Care

Q. Mr. President, I helped my mother at one time when she was caring for my father, and that was some time ago. What I'd like to ask you is that my experience with meeting with caregivers every week of Alzheimer's patients is that they do not get much relief. And they become prisoners in their own homes. As you know, Medicare does not cover Alzheimer's care in the home because it doesn't have much rehab potential. What will the new health care plan do to help these caregivers so they can have some relief?

The President. I think probably almost everybody understood that question, but let me try to put it in a larger context. Alzheimer's is growing very rapidly in our country as our population ages. But a lot of other infirmities are growing as well. Today, Medicare, the Government's program for elderly people, normally doesn't cover any kind of in-home care unless it's part of a rehabilitation program, she said.

There are limited coverages for nursing home care under Medicare. Most of our older people who get any help from the Government in nursing homes have to spend themselves into poverty so they can get into the Medicaid program.

If you look at the fact that people over 65, and within that group, people over 80, are the fastest growing group of our population in percentage terms. We want to encourage people to stay at home. We want to encourage people who want to, to become as independent as they can. But what that means is, if children are

willing to take care of their parents and save society a whole lot of money that they could cost the rest of us just by spending their parents into poverty and putting them in a nursing home, we should give them a little bit of help in terms of respite care and help when they're providing help in their homes or in the community.

So under our plan, we would, just like mental health care, which—we would phase in over the next few years a long-term care benefit so that for children who are taking care of their parents in the home, to use your example, who have Alzheimer's or who have had a stroke, for example—I met a couple taking care of the lady's mother for 9 years after she had a stroke, the other day—they would be able to get some relief, someone to come in and watch the parent, take care of the parent on a regular basis while they took some time off, got to go do errands or do whatever needed to be done, so that we would encourage these families staying together. It would save our country a lot of money over the long run. And I think it recognizes what's happening to our population.

Thank you.

Mr. Anschutz. Thank you, Omaha, for the question, and we'll get back to you in a few minutes. Now back to our own studio audience, Mr. President, and Ann has another question.

Ms. Peterson. Mr. President, I'd like you to meet a woman who is a cancer survivor, and she is also surviving changes in the health insurance plan. Would you explain?

Choice of Physician

Q. Yes. Welcome, President Clinton. My surgery was delayed for approximately 2 months because originally I'd gone to my OB that I'd gone to for 18 years. He sent me to a surgeon and then the mammograms and so forth. And then when you find out that you're going to have to have surgery, to then stop—they were off-plan, by the way, with my insurance carrier, which is provided by my employer—to have to stop and choose doctors that you know nothing about—and the disease is devastating, but then to choose another doctor is just as devastating. And what I wanted to know is how can you 100 percent ensure or guarantee that under your health plan and the plan that my employer would choose, that we would have the choice of our own doctors?

The President. I want to make sure everyone here and everyone in our other studios understood what she said. She said her previous doctor, her personal choice, was off-plan. Why don't you explain to everybody what that means, in case they don't know.

Q. Off-plan? It can either be off-plan where they don't pay anything at all, or they pay quite a bit less, either 50, 60, 70 percent.

The President. So, in other words, your employer chose an insurance plan for you that did not permit you to keep the doctor that you had been dealing with—

Q. Correct.

The President. —which, when you have a serious condition like cancer, is terrifying to have to go to a new doctor.

Q. Correct.

The President. That's what you're trying—I just want to make sure everybody understands that, because one of the charges that's been leveled against our plan which is absolutely untrue is that I'm trying to restrict the choice of the American people. The American people are having their choices restricted now. Now, let me just say something very briefly. In defense of your employer and many others, a lot of times the employer says, "Hey, that's all I can afford is an HMO, and I'm doing the best I can, and I think they'll provide quality care."

Here's how our plan works. Under our plan, your employer would have an obligation to contribute a certain amount to your insurance, and it would not change, no matter what plan you chose. Then every year, your employer would be part—unless you have more than—unless it's a very large employer.

Q. It's a small company.

The President. If it's a small employer, the small company, then, would be part of a big buyer's co-op to guarantee lower rates and choices. And you would be given, through this cooperative, at least three choices. You'd be able to buy into an HMO like the one you've got here. But you'd also be able to pay a small premium so if you wanted to, you could opt out and get the services from the doctor of your choice with exactly the same contribution, no more if you bought the premium. You could buy fee-for-service medicine on your own, just keep your doctor. You'd pay a little more. Or you could—you'd always have to have at least one third choice.

And under our bill, if it passes, every year you'd be able to revise that. You'd be able to reconsider it. But you would always have the right to choose. And even though you might pay a little more for fee-for-service medicine, your employer would not be disadvantaged, he'd pay the same, regardless, and you would pay less than you would now because your small business would be part of a big buyer's pool.

So even if you took the most expensive choice, it would be in all probability less than you're paying now because you'd be part of a big pool.

Q. That would be wonderful.

Thank you.

Small Business

Mr. Anschutz. And the small business would pay less?

The President. It depends. Most people in America, if our plan passed, would get the same or better health care for the same or lower costs. Some small businesses would pay more. It depends on what they're paying. I'd have to know. Let me just tell you briefly how it works.

The average business in America today pays 8 to 9 percent of payroll for health insurance. Under our system, everybody would pay a maximum of 7.9 percent. Small businesses with fewer than 70 employees and average wages of under \$24,000 a year or less, average wages, would be eligible for discounts going down to as low as 3.5 percent of payroll on a sliding scale. That's how it would work.

Mr. Anschutz. That answers your question?

Q. Yes. Thank you.

Mr. Anschutz. Thank you. And now back to the television monitors, another circuit here. We'll go back to Tulsa, Oklahoma.

Part-Time Workers

Q. Mr. President, I'm a full-time college student. I have a part-time job, and I have no health insurance. How will your plan help me? And how will I be able to pay for it?

The President. How many hours a week do you work?

Q. I work 25 to 30 hours a week, sir, and I'm currently taking 13 hours at a college here in town.

The President. Good for you. When you get your degree, you'll be glad that you worked for

it like that, if you can get it, and I think you can.

Under our plan, the cost of insuring part-time workers would be shared between the employer, the employee, and the Government. So if you work—let's just say you work 20 hours a week, which is half-time, your employer would pay half the premium that the employer would pay if you worked 40 hours a week. And you would similarly pay your obligation, then the difference would be made up with help from the Government. But you would have to pay, and so would your employer, if you work more than 10 hours a week, but you would be eligible to get health care coverage.

Let me say that one of the most interesting and controversial parts of any health care plan is how you treat younger workers. And here's a young man who wants health care coverage. But there are a lot of young folks who don't, who don't want to be forced to pay anything because they say, "Hey, I'm young, and I'm healthy, and I'm not married and I have no responsibilities to anybody, and I ought to have the right not to pay." And you can say that, but the truth is if they have a car accident or a skiing accident or they, God forbid, get sick, they still go to the hospital and then the rest of you still have to pay if they don't have any insurance. So I think this is the fair way to do it, and you would be able to be insured under our plan.

[At this point, the television stations took a commercial break.]

Mr. Anschutz. Once again, Mr. President, it's a pleasure to have you here at our town hall meeting. And our next question is via satellite again from Topeka.

Mr. Hipp. Thank you, Wendall. And, Mr. President, we'd like for you to meet this young woman. She is a single mother with a small child. And she simply could not find a doctor. Now, you've reconciled with your husband, right about that? So, you'll be covered by his insurance in May. And your question has to do with access to health care and the problems you've had. Why don't you tell the President about those.

Medicaid Patients

Q. Right. Mr. President, my daughter and I were on State assistance for 10 months. And when you're on assistance, you get the medical

card to help you out if you have to go to the doctor for anything. And when my daughter got sick, I had a hard time finding a doctor in the Topeka area that would accept her because she was on the medical card. And I was told by a caseworker that it was just unfortunate because we came onto the system at a very bad time, and that usually it isn't this way. But unfortunately, there just aren't any doctors that are accepting new patients with that type of coverage.

And my question to you is, what can you do to help low-income families get better access to health care? Not just people that have jobs and don't have insurance because of their jobs, but perhaps people that don't have jobs at all through some unknown circumstances that they couldn't control.

The President. I want to make sure everyone who's listening to us understands this. I mean, I understand it very well, but I want to make sure all of you do. For awhile, she was on public assistance. If you're not employed and you're on public assistance, you're eligible for health insurance from the Government under the Medicaid program. In almost every State in the country, the Medicaid program reimburses doctors at less than their cost of providing the service. And it's a paperwork hassle, so a lot of doctors don't take Medicaid patients. You can understand it from the doctor's point of view. But when you see a young woman with a baby like that, it makes you sick; it makes you want to cry. So what she's asking is, "Okay, I had insurance, but nobody took me anyway; how are we going to fix that?"

The answer is that under our program people on Medicaid would be covered under the same plans that people who are privately employed would. So, for example, we would put Medicaid folks in with others into these big buying pools, and they would get exactly the same services on exactly the same terms. And because the doctors would be reimbursed in exactly the same way, the physician might not even know whether the person was on public assistance or had a job, because the plans would be the same. And what happened to you, ma'am, would not happen again in the future if this plan were to pass. And I think it's quite important.

Mr. Anschutz. We're glad that question came up tonight. Thank you in Topeka. Go up to Omaha.

Ms. Carroll. Thanks, Wendall. Mr. President, Tuesday in North Carolina we talked about the cost of health care reform for service industries, specifically restaurants. Here with me now is this gentleman, the CEO of Godfather's Pizza. He has some concerns about that.

Small Business

Q. Thank you very much. Mr. President, thank you very much for this opportunity. And I would first like to commend you on making health care a national priority. In your State of the Union Speech, you indicated that 9 out of 10 Americans currently have health care insurance primarily through their employers. And tonight you indicated that out of those people who do not have insurance, 8 out of 10 of them work for someone. And your plan would force employers to pay this insurance for those people that they currently do not cover. I would contend that employers who do not cover employees, do not for one simple reason, and it relates to cost.

Now, I have gone through the rigors of calculating the impact of your plan on my business, which has about 525 units throughout the country, and we employ in total over 10,000 employees. I have also talked with hundreds of other business people, and they've also calculated the cost impact on their businesses.

I believe that this is something that we should and can fix. But for many, many businesses like mine, the cost of your plan is simply a cost that will cause us to eliminate jobs. In going through my own calculations, the number of jobs that we would have to eliminate to try and absorb this cost is a lot greater than I ever anticipated. Your averages about the impact on smaller businesses, those are all well intended. But all of the averages represent a wide spectrum in terms of the businesses impacted.

On behalf of all those business owners that are in a situation similar to mine, my question is quite simply, if I'm forced to do this, what will I tell those people whose jobs I will have to eliminate?

The President. Let's talk a minute about what you would have to do. Are any of your employees insured now?

Q. Yes, sir. Approximately one-third of my employees are insured now.

The President. And of the one-third that are insured now, what percent of payroll does their insurance cost?

Q. My insurance costs, at the present time, run about 2½ percent of payroll.

The President. And what do you provide them? Do they share the cost 50–50 or something like that?

Q. Cost 75 percent paid for by my company and 25 percent paid for by the employee. Now, two-thirds of my employees are part-time or short-term workers that fall into the class that you identified earlier.

The President. Okay. And if they are part-time or short-term workers, they wouldn't add all that much. You wouldn't have to pay the whole 7.9 percent for them because they don't work all the time.

All right, let me ask you this—on average, food service businesses' payroll is about one-third of the total cost of doing business. Is that about what it is?

Q. That is an adequate estimation, yes sir.

The President. So, suppose, since you have part-time workers and some wouldn't have to be covered, so you wouldn't go from 2½ percent of payroll to 7.9 percent. You might go to something like 6 percent. If you had 6 percent of payroll, let's just say, instead of 2½. Let's say 6½ percent, that's a good even number. You have 4 percent of payroll. And that's one-third of your total costs, so you would add about 1½ percent to the total cost of doing business.

Would that really cause you to lay a lot of people off if all your competitors had to do it too? Only if people stop eating out. If all your competitors had to do it, and your cost of doing business went up 1½ percent, wouldn't that leave you in the same position you are in now? Why wouldn't they all be in the same position, and why wouldn't you all be able to raise the price of pizza 2 percent? I'm a satisfied customer. I'd keep buying from you. [Laughter]

No, I'm serious. This is a very important—let me say—this is a very important question because a huge number of Americans are involved in the food industry; 40 percent of the American food dollar is spent eating out now, 40 percent. So this is not an idle question. This man is raising a very important question in terms of employment.

What if all your competitors were just like you? Wouldn't you be able to do it, then?

Q. Okay, first of all, Mr. President, with all due respect, your calculation on what the impact would do, quite honestly, is incorrect.

Let's take, for example, the fact that after I went through my calculations, your calculation or your example of the 6 percent or the 7.9—and in my case, it works out to 7.9 percent. Now, let's suppose that 30 percent of my costs are labor costs, 7.9 times that would be the 2 to 2½ percent that you are referring to. The problem with that calculation, sir, is the fact that those, most of those 30 percent of the people currently have zero. So when I calculate in the fact that I have to go from no coverage on those employees to full coverage at the 7.9 percent rate, it actually works out to be approximately 16 percent.

Now, your other point about having to pass it on to my customers in the competitive marketplace, it simply doesn't work that way because the larger competitors have more staying power before they go bankrupt than a smaller competitor. They have more staff that they could simply do without until the marketplace reestablishes itself.

So what I'm saying and suggesting is that the assumptions about the impact on a business like mine are simply not correct because we are very labor intensive, we have a large number of part-time and short-term employees that we do not cover for one simple reason: We can't afford it. My bottom-line net profit for the last 2 years was less than 1.5 percent of my top-line sales. When we calculate the cost just for my company, under your plan, it equates to 3 times what my bottom line profitability is.

What is one of the biggest misconceptions, sir, is the fact that a company like mine only makes between 1 and 3 percent of top-line sales. And because we have a large population of employees that we would like to cover, but simply the dynamics of our business will not allow us to do that under your proposed plan.

The President. Let me ask you a favor. Would you send to me personally your calculations? Because I know we've got to go on to other questions, but let me remind you, if it added 4.5 percent to the cost of doing business and his labor costs were only one-third of his total costs, then all you have to do is multiply it by three, it would have to be 13.5 percent of payroll. And that maximum is 7.9 percent. So it's just—we can't get there. Send it to me; we'll work on it.

Mr. Anschutz. I'm sure a lot of this health care reform debate is going to be over numbers.

The President. That's right.

Mr. Anschutz. Maybe that will all come out in the wash. That's what—

The President. Let me also just say, for those who are listening to us, on part-time employees, you don't pay the full premium unless the employee works 30 hours a week or more. Anything less, the employer pays a smaller percentage of the premium.

Ms. Peterson. Mr. President, this gentleman is helping his son and daughter-in-law pay for skyrocketing medical bills to help them so that they don't go under financially. Why don't you explain.

Preexisting Conditions

Q. Mr. President, we have a daughter-in-law with complications from two back surgeries. She's at a point now that she cannot work, and she's losing her job and, therefore, her insurance. Her husband's insurance won't pick it up because it's preexisting conditions. My son's income is \$1,080. And just to give you an idea of how this cost reflects, Sharon has therapy three times a week for 15 to 20 minutes, physical therapy. Each session costs \$438.

Right now they're over \$12,000 in debt, and it's climbing. What can you tell a family like this? What kind of hope do they have?

The President. Let me ask you a question. Your son has insurance?

Q. Yes.

The President. But they won't pick up the family because of your daughter-in-law's pre-existing condition?

Q. It wouldn't pay the preexisting conditions, so—

The President. How big is the company for which your son works?

Q. Well, it's the largest—first or second largest company in my town, a very large business.

The President. See, even for a large business, it's difficult. I want to explain why—it's not so many—the bad in this is the way the financing is organized, not necessarily the company. Under our plan, your son would have a right to insure his family at any place of work, now and in the future. But the private insurance company who provides the insurance would not go broke even with your daughter-in-law's problems, because they would be in a very large pool.

So to go back to the gentleman who was on television here with the pizza company, insurance companies would make money the way

Blue Cross originally did and the way food stores do now or large eating establishments, a little bit of money on a lot of sales, a lot of people. And that's how we would do it. But your son under our plan would have a right to have his family insured at this job or at any other. But the company wouldn't go broke trying to provide the employer's share of the premium, and the insurance company wouldn't go broke, because they'd be in a very big pool, and the risk would be broadly spread.

Mr. Anschutz. Mr. President, let's move on to Tulsa, Oklahoma, again if we can.

Ms. Silvy. Mr. President, this gentleman is an internist with a managed care organization here in Tulsa, and his question relates to medical technology.

Medical Technology

Q. Thank you. This will be a piece of pizza compared to Omaha. [Laughter]

President Clinton, my question has to do with medical technology. Organizations like the one I work for, and we insure working folks and Medicare recipients, we deal on a daily basis with tough decisions about medical technology. There was a letter to a medical director of an insurance company to your wife in a well respected medical journal not long ago. And you probably saw that letter. And hospitals and other health care organizations struggle with this as well. Part of it is wrapped up in tort issues and malpractice concerns that payer organizations have, that hospitals have.

And the question I have for you is in looking at new and emerging medical technologies and technologies that are diffused in our country, throughout our country. And those technologies are oftentimes applied to folks who are at the end of their life who have really no meaningful hope of recovery, and yet there's a compulsion really to continue to do things. And I'm really wondering how your health plan addresses that issue.

The President. Well, let me mention—let me talk about this from two or three different points. This is a big issue, and it's an issue that I'm very sensitive to now. As you know, I just lost my mother a few months ago. My father-in-law died last year. My family's been through this personally. And I would like to say three or four things about it.

First of all, on balance, we like having the best medical technology in the world, and we

want to have access to it if we need it. And our plan actually continues a commitment to invest more, for example, in academic medical centers which have this technology and in medical research, generally, and I think we should. On the other hand, we don't want to have a lot of money spent on technology if it's totally useless. Let me just mention three things which the present system does, and he alluded to two of them.

One is, a lot of doctors are worried about malpractice claims so they may do tests whether they think the patient needs it or not, just so later on they can say they did it in case they get sued. That costs all of us a lot of money if there's no reason to do it. What's the answer to that? Our plan would require the national professional associations to promulgate medical practice guidelines that then the doctors could use, and if they use these guidelines, those guidelines would, in effect, be a first line of defense in a malpractice case. It would at least raise the presumption that the doctor had not been negligent.

Problem number two, hospitals get to competing with one another, and they're afraid—if one has an MRI, the other hospital's afraid it won't get any patients unless it gets an MRI. So a town needs one MRI and winds up with two so everybody can compete with one another. We try to make sure that there's equal access to technology, but that hospitals don't feel like they have to do that, double the cost of technology to everybody, when the facilities could be properly shared.

Point number three is the really difficult one, and that is the question of when should people in their last months, or their last year, give up expensive technology? My own view of that is that a lot of people have made that decision for themselves, but they don't formalize it. And so one of the things we're trying to encourage people to do is to make sensible living wills, to make these decisions. I think that's a lot better than having medical professionals try to get between a grief-stricken child and a parent on life support, or sometimes a grief-stricken parent and a child on life support. So I think what we should do is to try to encourage the use of living wills, encourage families to talk about this in honest ways. And I think America will move to this and save the money that can be saved and still keep the benefits of technology.

Mr. Anschutz. Thank you, Mr. President. As we told you earlier, we're talking with four communities, not only ours but Tulsa, Topeka, and Omaha. At this point, we're ready to go back to Topeka.

Mr. Hipp. Okay, Wendall. Mr. President, this gentleman has lived in the capital of Kansas for 18 years. And Paul doesn't have a lot of faith, frankly, in the Government's ability to administer health care, and he's got a question about that for you, sir.

Managing the System

Q. Mr. President, good evening. In view of the Government's past poor performance, i.e., Social Security, welfare, Federal budget, the deficit, and pork barrel spending, can you explain to us how the Federal Government can manage health care, another socialistic program, in an economical and efficient manner?

The President. Well, I have two things to say about it. Number one is, the Federal Government's not going to manage this program. Under our program, if my program passes, the private sector will manage it. The only thing the Federal Government will do is two things basically. We will require everybody to have health insurance and employers and employees to share responsibility for it. That includes good primary and preventive benefits.

We will then say that insurance has got to be what it used to be when it started: You can't cut people off because somebody in the family got sick; you can't charge old folks too much if they're still working and they're healthy; and small business people and farmers and self-employed people have the right to be in big buying groups so that they can get the same kind of deal that Government employees and that big business employees get today. That's not a big Government business program.

Let me give you one example, sir. The State of California just set up a small business buying group with 40,000 businesses in it. And the businesses that entered actually got a reduction in their health insurance costs by going into the buying pool. And there was no big Government bureaucracy. They hired 13 people to run the insurance buying and handle the paperwork for these 40,000. So I don't want the Government to run it.

Q. Is there going to be less paperwork, instead of more?

The President. Absolutely. Right now we've got the most expensive—right now, sir, we have the most expensive system in the world in America. We have 1,500 separate companies writing thousands of different policies, and then the two Government programs for older people and for poor people on top of that. So we've got more bureaucracy and more paperwork and more money spent on that and less on health care than any other country in the world. So I don't want the Government to run the health care system. I just want to make sure the system works for the benefit of everybody.

Mr. Anschutz. Well, we hope that answered your question. We're moving on to Omaha now.

The President. But I'm not going to let Social Security get in trouble, either. And the deficit's coming down, not going up. Go ahead.

Mr. Anschutz. Go ahead, Loretta.

Ms. Carroll. This gentleman was diagnosed as having full-blown AIDS back in 1991. He is now disabled, and he has really had a tough time with the current health care system.

AIDS

Q. Thank you, Mr. President. As she said, I'm a person who's living with full-blown AIDS. When I was first diagnosed HIV-positive in 1989, I was part of an HMO program of which I had to fight tooth and nail to get to an infectious disease doctor. I was forced to see a family practice doctor who was not educated or interested in treating my symptoms of the illness. I'd like to know from you, with health care reform, we've already voted to reform Medicaid in Nebraska to start charging patients for copayments. Will health care reform enhance, or is it going to restrict, the availability of quality care, the availability of low-cost prescriptions, and the access to doctors who are educated and interested enough to treat HIV infections without having caps on expenditures and those sorts of services that we need to survive?

The President. Health care reform will enhance the quality and range of services you can get. It will require everybody to pay something, but it will place limits on that something. Let me just say, one of the things that people who are HIV-positive or people who have AIDS will get out of this program is that we will cover for the first time, in all health care plans, prescription medicines. And there will be a copay and a deductible, but there will also be an annual limit.

So for someone like you who has very expensive medical bills for medicine, you would benefit enormously from that because of the very reasonable copay and deductible and annual limit. Let me say something in your behalf. All the rest of us would gain, too, for this reason: A lot of people, like this gentleman, who have AIDS can't get health insurance anymore and are forced out of the workplace. And all of us are better off if everybody in his position can work as long as possible, can be independent as long as possible, can be self-supporting as long as possible. And we need a health care system where employers can afford to properly and fully ensure their employees without going broke so that they can live as long and as well as possible.

But you would be much better off under our plan because you get choice of doctor, adequate care, and prescription medicine would be covered after a modest effort required on your part.

Q. But with all due respect, with my disability check and having to pay rent and utilities and food and everything else, I am left with \$20 a month, and I do not think that that's enough to have to pay copayments to go to the doctor or pay for prescriptions.

The President. No, I'm talking about not now. At your income level now, you probably have no responsibility at all. But I'm talking about back when you were working; suppose you needed medicine to maintain your condition. Even then, every health insurance package would have had to cover medicine with a modest copay to help people stay as independent as long as possible. With your present income, those responsibilities would be dramatically less. And if your income is what you say, you wouldn't have any copay responsibility.

Q. If I could not pay, would I be denied services?

The President. No. Nobody who cannot pay would be denied services. But people who can pay will have to pay something.

Mr. Anschutz. Okay, we'll have to move on now. I hope we answered your question, sir. We will continue with our town hall meeting with President Clinton in just a moment. But first, this time out.

[The television stations took a commercial break.]

Mr. Anschutz. We've been going for about an hour so far with questions. It doesn't seem

that long, does it, Mr. President? About a half hour left, and I know we have a lot of questions to go. So let's return to our studios.

Ms. Peterson. Mr. President, I'd like you to meet a doctor from Children's Mercy Hospital. She's very concerned about the toll violence is taking on our health care industry and our Nation as a whole and especially our young people.

Violence and Health Care

Q. Good evening, President Clinton, and thank you for taking the time to come and meet with us in Kansas City. Over the years I've seen many changes in my practice as a pediatric emergency medicine physician. By far and away, the most frightening is the escalation of violent injuries involving our children, both as victims and as witnesses. My question for you is this: Are we going to be able to provide these children the acute care, the rehabilitation, and the mental health services they need, both the victims and the witnesses, under your plan for health care reform?

The President. The short answer is yes. The long answer is what I said earlier about mental health benefits. We phase them in, and we don't fully have them covered until the year 2000. So that, except in extreme circumstances, they wouldn't all be covered under all health insurance practices.

Now, some children's hospitals will be eligible for certain payments that will permit that to be done. But the short answer is yes, the comprehensive services will be provided, but we won't have full mental health coverage until the year 2000 under the plan as it is presently drawn.

But let me just say to all of you—I know we're running out of time, and I want to be quick, but violence is one of the biggest health problems we have. And you need to know that even though I believe we can bring down the cost of health care in terms of things that we're out of line with other countries on, principally in paperwork and unnecessary procedures and undue fear of malpractice, as long as we are the most violent country in the world and we've got more kids getting shot up and cut and brutalized, we're going to have higher medical costs than other countries and busy emergency rooms.

It's a human problem. It's also a horrible public health problem, which is why I hope we can pass this crime bill and do some other things that will drive down the rate of crime

and violence in our country because it is swallowing up a lot of your health dollars as well as tearing the heart out of a lot of your children.

Q. And a lot of the doctors.

Thank you, Mr. President.

The President. Thank you. Thank you for doing it, though.

Mr. Anschutz. Mr. President, Glenda Silvy in Tulsa has another question to ask you. And Glenda, I would ask you in the interest of time—we're getting toward the end, and we have a lot of ground we'd like to cover, so if we could kind of keep it fairly condensed.

Ms. Silvy. Mr. President, this is a woman with a question about services to the elderly.

Services for the Elderly

Q. Mr. President, I'd like to ask you about the transportation for the frail elderly because it has become a very serious problem in Tulsa and other cities. Limited personal resources rule out hiring taxis to take people in for doctors appointments and dialysis and also adult day care centers and other therapeutic activities. Does the plan address this growing problem?

The President. I have to tell you the truth. I'm not sure what's covered and what's not with transportation. And what I will do is, after this is over, I'll get your name and address, and I'll get you an answer. And I wish I could give you an answer on the air, but I don't want to say the wrong thing, and I don't want to mislead you. So, I will write you as soon as I find out. I'm sorry, I don't remember.

Q. I'll look for it, Mr. President. [*Laughter*]

The President. I'll sure get it then.

Mr. Anschutz. I'm sure she'll get it. Let's move on to Topeka. Ralph.

The President. I wish I had her in my office, that's for sure. [*Laughter*]

Mr. Anschutz. Yes, she's pretty sharp. Are you ready, Ralph?

Mr. Hipp. Yes, Wendall and Mr. President. We have a short question from a girl who is 9 years old, goes to Central Grade School up in Holton, Kansas, and has a question of concern to people her age.

Immunizations

Q. Mr. President, I would like to know how your new health care program will help to make sure that all children get their immunizations.

Mr. Anschutz. Good question.

The President. That's a great question. It will help in two ways. First of all, immunizations will be covered under everybody's health insurance policies for families so that children's immunizations will be covered under the family health insurance policy.

The second thing we will do under our plan is to make sure that the public health offices all over the country, which do a lot of immunizations for children, have enough money to do them without overcharging the parents. In my State of Arkansas, for example, 85 percent of our children, 85 percent, including children from well-off families, get their shots in the public health offices. So we do it in those two ways. And a lot more children will be immunized if this plan passes.

Thank you. Great question.

Mr. Anschutz. Thank you. Up to Omaha.

Ms. Carroll. Thanks. This woman is with Mutual of Omaha, which employs 6,000 people here in Omaha, 4,000 agents nationwide.

Insurance Companies

Q. Mr. President, thank you so much for the opportunity tonight for us to provide input. We wanted to let you know that we do support universal coverage as well as universal and comprehensive health care reform. Given our agreement on so many basic issues, I have to say that we're disappointed in—our 6,000 employees who work very hard at Mutual of Omaha—in the personal attacks that we felt by the administration and the fact that they're doing the best job that they can.

My first question is, why have you taken this approach? And secondly, as we try to build consensus with your team and other teams in Congress, will you acknowledge the positive steps that we've taken to reduce costs as well as the fact that we support many of your basic goals as well?

The President. Yes, but let me try to defend myself first. Tonight, how many times tonight did I go out of my way to explain this problem from the insurance companies' point of view? A lot, right? And let me further say, I went to Connecticut the other day, which is the other big center of health insurance companies, where five of the six biggest companies in Connecticut refused to join in this health insurance association multi-million dollar attack on our health care reform efforts. And I complimented those companies for what they're trying to do. So I

believe that we have a lot in common. And I believe most insurance companies support universal coverage. And I would be more than happy to continue to work with them.

What I have tried to do is to answer the attacks on our plan by the ads, the multi-million-dollar ad campaign, that I don't have the money to answer in paid ads yet—I hope I do someday—from the health insurance association. Nothing would please me more than to tone down the rhetoric, to sit around like we're doing now in private and recognize that a lot of companies, particularly a lot of the bigger companies, have done a lot to help control health care costs.

I guess what I want to do is to try to take the initiatives that you've already taken and that you've proved we can take to help larger companies, to help Government employees, to help others control health care costs and make those available to all Americans, first with coverage and first with affordable rates for people who have small businesses.

I can't believe we can't reach agreement on this. I think we can. And nothing would please me more than to have this conversation with you and everybody in your business all over America. And I thank you for what you said.

Q. We'll take you up on that.

Mr. Anschutz. Okay. Thank you in Omaha. And now to our studio.

Ms. Petersen. Mr. President, this gentleman is with Marion Merrill Dow, a major pharmaceutical company based here in Kansas City. What is your question for the President?

Drug Prices

Q. Mr. President, good evening. I appreciate the chance to visit with you. I'd like to begin by saying that I applaud your efforts to bring health care to the top of the national agenda. I think that's very important.

Let me say that, at the same time, I'm somewhat concerned about some of the provisions of the bill, particularly some of the provisions that relate to Government control and intervention in the business, things like the committee that would discuss the appropriateness of new drug prices. I believe that that's the function of the open market, and I'm very concerned about the implications there.

It appears that the investment community is also concerned about that. The market has taken the value of pharmaceutical stocks and bio-

technology stocks down by many billions of dollars over the past 18 months. And there's been a considerable loss of jobs in our industry.

My question is, what assurances can you give the American people that your bill will not permanently damage this industry which is so helpful and brings cures to so many people, and allows us to continue the research that we're doing to solve the many diseases that we've heard spoken about here tonight?

The President. First of all, let me explain what he was talking about to the rest of you. The pharmaceutical industry in America is very important to all of us, not only because we want to get the best in emerging prescription drugs, it's also a big part of our high-tech economy. We have clearly the dominant pharmaceutical industry in the world. It provides enormous numbers of jobs in America and helps us to sell our products overseas.

As you know, all around the world, sometimes you can sell products in other countries quicker than you can here because of the Government regulation, which I'm trying to speed up.

Under the health care plan as it is presented, a committee would be able to decide whether or not the price of a given drug was excessive. The reason that provision was put in there is because there are so many drugs that are made in America, where Americans have paid in all kinds of ways for the research to be done, which costs much less in other countries than they do in America.

What the pharmaceutical industry, however, is legitimately concerned about is that they have to go out and raise huge amounts of money in the biotechnology area to raise money to develop new ground-breaking drugs, and they believe those drugs ought to be able to charge for the enormous cost of their development in the first place, which I agree with.

And what I think we have to do, sir, is to work that out. You know, last year the biotechnology industry asked me to give special incentives in terms of capital gains taxes for investment in that area. We did. I was trying to build them up, and I've been as disturbed as you have by what's happened to the markets.

So what we have to do is enter into some sort of understanding so we can protect the right to develop and market new drugs. I'm very concerned about it myself. I do not want to do anything to hurt it. And it's a very important part of our economy.

But let me also say that generally, pharmaceuticals will do well because so many more people are going to have drug coverage. That's why the Pharmacists Association strongly endorses our health plan. We can work this out.

Mr. Anschutz. Let's move along now and get back to the satellites in Tulsa.

Ms. Silvy. This woman has a question about Native American health care.

Native American Health Care

Q. Mr. President, I have Medicare and insurance benefits from retirement, but I'm real concerned about the Native Americans living in our city, in the city that I live in that do not have the benefits that I have. What will happen to their urban clinics that they go to now for medical care?

The President. For the people at all the other places, Native Americans have a Native American health service funded through Federal funds. It's a separate health service, sort of like the Veterans Administration network is separate. Our plan, ma'am, will put more resources into that network, will strengthen it, will enable Native Americans to choose to use the Native American network and to bring whatever insurance policies and support they have to that network in addition to taking the extra money we put in it.

So the Native American network, we believe, will be better off if our plan passes. And I have committed that to the leaders of tribes all over the country. We're going to keep working on it until they're absolutely satisfied that that's what's going to happen. That is an obligation we have. We cannot break it.

[*The television stations took a commercial break.*]

Mr. Anschutz. Welcome back. We have about another 15 minutes on the program, and we want to cover as much ground as we can. President Clinton, so far, how do you feel about the questioning? Has it been—

The President. I think the people have done a good job. And we've gotten a broad range of questions.

Mr. Anschutz. Some agree, some argumentative, but that's the kind of thing we want.

The President. It's a complicated issue. We should have an argument.

Mr. Anschutz. Okay, I think we have Omaha next. Is that right? Topeka. Let's go to Topeka and Ralph Hipp. Ralph.

Mr. Hipp. Wendall and Mr. President, this is a woman who lost her daughter last year to complications from a bone marrow transplant from an unrelated donor that cost \$350,000. And if there's any bright spot about you losing your daughter last year, it's been that you have become an advocate for other transplant families. So at least there's something going on that you are continuing to work with this. And you did have insurance for that operation. Why don't you tell the President about your situation and your question.

Transplants

Q. Thank you, Mr. President, for your gift of time this evening.

Fortunately, our daughter's insurance provided coverage for her transplant. But we also realize there are many patients facing organ transplants. And their insurance companies do not provide coverage for them, nor do they provide coverage for the donor's expenses which is also part of the transplant process. My question to you, Mr. President, is: What will be in your health care program that will help provide coverage for all patients needing bone marrow transplants and also for their donor's expenses?

The President. Transplants are covered when they are appropriate. When it's an appropriate medical procedure and the doctor decides it's appropriate, it gets recommended, the transplant will be covered. And there are no lifetime limits on our policies, keep in mind, unlike most policies now. Three out of four policies now have lifetime limits. So that would not be a problem.

I have to tell you, I don't know about the donor's expenses. I'll have to check on that. I can't answer that. But when it is an appropriate medical recommendation, it would be covered. It's a normal thing that would clearly be warranted by the treatment and by the doctor's treatment of the patient. And I think it should be. And again, there are no lifetime limits on the policy, so that won't be a problem.

Mr. Anschutz. Thank you, Topeka. We go by satellite now to Omaha, Nebraska.

Ms. Carroll. Thanks Wendall. This gentleman is a veteran, and he's very healthy right now, but he's also concerned about what's happening

at the local VA hospitals and other hospitals just like it.

Veterans Health Care

Q. Mr. President, Commander, all veterans, as well as the employees of all the VA hospitals, are very concerned on what is happening at the hospitals. They keep reducing the budget, keep pushing the employees out the door. Consequently, that is reducing the care for the veteran. How will your new plan affect the VA?

The President. I'm glad you asked that, because we were talking about it during the last break. And let me thank you for your service, for wearing your cap tonight. You look fine, and I appreciate you asking the question.

Let me also back up and tell the rest of you, the veterans hospital network has been suffering in recent years because we have had a reduction in the number of patients going into these hospitals, leading to a reduction in the budget, which means that those who are left behind don't have and oftentimes the quality or the range of care that they want.

One real problem is that the veteran can go in and qualify to be cared for in the veterans hospital. But the only money the hospital gets is whatever the budget is from the Government, so that a veteran has another hospital policy, an insurance policy, or is covered by Medicare or whatever, that money can't flow to the hospital. So what we have done, sir, is to make sure that veterans on a priority basis, then their family members, can be cared for through the veterans health care network, and that all sources, including this insurance policy, can go in income to the hospitals and to the doctors in the veterans health care network so that they can get adequate funds.

And the Veterans Administration is quite excited about this, the veterans health care network, because they think they are going to be able to get these veterans into these hospitals and that finally they're going to be able to be reimbursed in an appropriate way just as any other hospital would be able to. So we don't want to continue to cut their budget; we want to give them access to other different funds. And I think it's going to be the salvation of the veterans health care network myself.

Mr. Anschutz. Does that answer your question, sir?

The President. Do you understand? I mean, like if you have Medicare or if you have an

insurance policy or CHAMPUS whatever now, none of that money flows to the hospital now. Under our plan, you'd be able to go there, take your insurance policy, and get the hospital reimbursed that way, as well as through whatever budget we get directly from the hospitals through the Congress.

Mr. Anschutz. Quickly your follow-up, sir.

Q. Thank you, Mr. President.

Mr. Anschutz. Okay, good. Let's move back to our studios here at TV 5.

Ms. Petersen. Mr. President, I'd like you to meet this woman. She is 16 years old and has lost six of her adoptive relatives to smoking-related illnesses. What is your question?

Smoking

Q. As a high school student, I see the heightening use of tobacco among my age range. And I feel it's not only the responsibility of the Government to help those that have existing health complications but also to prevent it. So my question tonight is why do we continue to use subsidies to help support tobacco growers when tobacco is harmful to us?

The President. We don't use direct Government subsidies to support tobacco. We do organize the market with non-taxpayer funds actually to keep growers out of the market. It keeps the prices higher and does provide an income for the people who are in tobacco farming now. I think if you abolish the present Federal program—I want to talk about what we're trying to do to reduce smoking in a minute—but I think, if you abolish the Federal program, what would happen is the big tobacco companies would come in and actually plant more tobacco at lower prices and try to make it more readily available.

Now, what we are doing is, the only tax we propose to raise in this program is a 75 cent tax on tobacco to pay for the medical care of the unemployed uninsured. And we ask big companies that get a big windfall, that is whose insurance rates will drop way down, to pay a little bit, too. We have proposed in Federal buildings totally smoke-free areas unless the rooms are separate and completely separately ventilated. The Food and Drug Administration is conducting an investigation, even as we're here tonight, on the nicotine content of cigarettes and whether there's been any direct attempt to increase the nicotine content so that

it has a more addictive effect on people who smoke.

We are doing our best to be aggressive in trying to tell young people that they should not smoke, that there are dangers to smoking, and that those who are around smokers in closed spaces can also be exposed. A few thousand people a year die from lung cancer induced by smoke, even though they're nonsmokers. This is a very serious problem, and we're taking some strong steps in that direction. And I appreciate you raising the issue.

Mr. Anschutz. Mr. President, we're going to try for one more round-robin of our remote stations. We go again to Tulsa.

Ms. Silvy. This gentleman has a question about public health.

Public Health Services

Q. Good evening, Mr. President. As you know, public health departments provide preventive health services to millions in our great land. And as you well know, the preventive health services are much more cost-effective to give than treating an illness. How will your health care plan affect the provision of our services related to public health?

The President. When the young lady a few moments ago asked the immunization question, I alluded to this. In our plan, there is provision for the expenditure of I think it's around a billion dollars a year more of Federal funds to public health units all around the country, every year, than we're providing now to try to expand the preventive and primary services provided.

As I said, I know in my State, we relied very heavily on public health clinics. And in a lot of rural areas and in underserved inner-city areas, they are very important. And in many places, everywhere they provide the immunizations for kids. So we'll continue to support them at a higher level than we are now if the plan passes as it is.

Mr. Anschutz. Thank you, Tulsa. And, Glenda Silvy, we thank you very much for participating tonight. If we don't get back to you, thanks again.

Now, let's go on to Topeka and Ralph Hipp.

Mr. Hipp. Thanks again, Wendall, and this is probably our final question. Mr. President, we've enjoyed being with you here in Topeka, Kansas, tonight. A doctor has our next question.

Lifestyles

Q. Mr. Clinton, unhealthy lifestyles contribute to a majority of the medical diseases we treat today. How would the medical savings plan encourage each of us to become more responsible and to follow a more healthy lifestyle?

The President. Well, there's nothing in this plan that would mandate diets, for example. But I think—[laughter]—no, don't laugh, this is a very serious question. This man has said something that is quite important. And I'd like to know what you think we can do other than requiring people to pay a portion of their own health insurance.

A lot of employers themselves are providing such incentives. What we have done is to organize this in the hope that each State and each health group within the State, each of these health alliances, will themselves undertake incentives to encourage employers, for example, to provide exercise facilities, to encourage healthy lifestyles, to do health education, instead of having national mandates, but to give these alliances the incentives to do it to keep the cost of health care down. It is a very, very important thing to do.

We have not mandated specific things in here. But I think the incentives for the groups within State by State to do it will be overwhelming to try to keep the cost of health care down in the future. And he has asked a very important question. I'm glad you brought it up before we got off the air.

Mr. Anschutz. Ralph, thank you for being with us in Topeka tonight. We appreciate you—there's a large crowd there and all the questions that we've had. We also appreciate from Omaha. Unfortunately, we don't have time to return to them for one last question. But I think we've covered a lot of ground tonight. It's certainly been an interesting discussion. And I'm sure that all of our viewers have learned quite a bit from what they've heard tonight because a lot of ground has been covered.

Before we close, Mr. President, do you have some final words you'd like to say?

The President. Just that I hope that all of you who are listening tonight and all of you who asked questions and had questions that weren't asked, will agree with me that this is an issue we ought to deal with now, not that anybody has all the answers or that there aren't some tough decisions to be made. If there

weren't some hard decisions to be made, this crisis would have been dealt with a long time ago. We've been trying to do this for 60 years.

But I would just urge you to urge your Members of Congress, without regard to party, to face this issue this year, to discuss these issues, to deal with the problems that have been raised tonight, the questions people have about my proposal, but to act this year to finally provide private guaranteed health insurance for all Americans. We will not solve a lot of the problems that were mentioned here tonight or bring costs in line with inflation or provide real security to working families, ever, until we do this. We will not do it.

It is important for our economy, but it's most important for who we are as a people and what kind of life we're going to have as families and as working people as we move into the next century. So please urge your Members of Congress, not necessarily to agree with me on every detail, but to seize this moment to do something profoundly important for the American people and guarantee health security to all of us and to our children.

Thank you.

Mr. Anschutz. I want to thank the President again. And we thank all of you who came, and we apologize to everyone who we couldn't work in to this small studio, this small amount of time, because so many people have questions about health care in our country. And I think the main thing is that they do have questions.

We asked President Clinton to come here this evening because he has a health plan. We didn't say it's the right plan. That wasn't the idea. The idea was to give him a forum so that he could tell us everything he could about his health plan in a fairly large amount of time so that you could get a grasp of it. Then we are asking you to go weigh what he has had to say and look at all of the other alternatives that are out there so that you can make an informed opinion when it comes time to express how you feel.

We invite you to send your questions and your opinions to your Congressmen, to your U.S. Senator, and make those opinions known. Right, Mr. President?

The President. If anybody has any questions that weren't answered tonight, write us, and we'll answer them.

NOTE: The town meeting began at 7:05 p.m. in the KCTV television studios.

Statement on the Attacks on Israeli Civilians

April 7, 1994

On behalf of the American people, I condemn in the strongest possible terms the murders of Israeli citizens on April 6 and 7 and offer condolences to their families. These brutal slayings of innocent civilians are, like the massacre in Hebron, acts of terrorism aimed at stopping the peace negotiations now underway. The enemies of peace have not hesitated to use violence to achieve their goal. They must not be allowed to succeed.

I call upon all those committed to the cause of peace to redouble their efforts and to condemn unequivocally these crimes. The negotiating process holds the promise of a better future for Israelis and Arabs alike. Prompt agreement and early implementation of the Israel-Palestinian Declaration of Principles and progress on the bilateral negotiating tracks are the best means to realize this goal.

Statement on the Deaths of Leaders of Rwanda and Burundi

April 7, 1994

I was shocked and deeply saddened to learn of the tragic deaths of President Juvenal Habyarimana of Rwanda and President Cyprien Nyaryamira of Burundi last night in a plane crash outside Kigali, Rwanda. The two Presidents were returning from a regional summit in Arusha, Tanzania, intended to bring an end to the civil wars that have plagued their two countries for more than three decades.

Both Presidents were seeking means to end the bloodshed in their troubled countries and facilitate a movement toward peace and democracy. Their deaths are a tragic blow to the long-suffering Rwandan and Burundian people.

I am equally horrified that elements of the Rwandan security forces have sought out and murdered Rwandan officials, including the Prime Minister, Agathe Uwilingiyimana.

On behalf of the people of the United States, I extend my condolences to the families of the deceased Presidents and the Prime Minister as well as to the peoples of the two nations.

I strongly condemn these actions and I call on all parties to cease any such actions immediately. These tragedies must not derail Rwanda and Burundi from pursuing national reconciliation and democracy.

Statement on the District Court Decision on Chicago's "Operation Clean Sweep"

April 7, 1994

Just hours ago, a Federal District Court for the Northern District of Illinois, Eastern Division, declared the Chicago Housing Authority's (CHA) search policy in violation of the fourth amendment.

I am ordering Attorney General Reno and Secretary Cisneros to develop promptly a search policy for public housing that is both constitutionally permissible and effective and that can be implemented on a nationwide basis. We must