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Remarks on Proposed Medicare Prescription Drug Benefit Legislation and an Exchange With Reporters

June 14, 2000

The President. Good afternoon. Senator Daschle, Representative Gephardt, Secretary Shalala, and I have just met with these leaders of organizations representing America's seniors, people with disabilities, and community pharmacists. We spoke about the great need for Congress to give all Medicare beneficiaries an affordable prescription drug option. We spoke about the merits and the shortfalls of new legislative proposals on prescription drugs now emerging in the House.

Funding for Enforcement of Gun Laws

Before I go into the details of the discussions this morning, I want to briefly touch on another pressing priority before the House, funding for enforcement of our gun laws.

For years, the Republican leadership has emphasized the importance of enforcing our gun laws as a reason for opposing other commonsense gun safety measures. Yet they have failed so far to put their money where their words are. Today a House appropriations committee appears to be on the verge of approving a bill that absolutely guts our administration's proposal for the largest gun enforcement initiative in history.

Incomprehensible though it may be, their bill fails to provide any funding at all to hire 1,000 new State and local gun prosecutors to help take gun criminals out of our communities and put them behind bars. It undermines our efforts to replicate the success of Richmond's Project Exile, another key initiative the Republicans have always said they support. And it fails to provide funding to expand research and development of smart gun technology.

I ask the Republican leadership to reverse the current course, to live up to the rhetoric, to fully fund the national gun enforcement initiative.

Of course, no society can prevent every tragedy or outrage, but we can save lives with a combination of new commonsense gun laws and enhanced enforcement of the laws already on the books. We're going to have to do this in a bipartisan manner, if it's going to get done, and to recognize the American people want both strong enforcement and strong prevention.

Medicare Prescription Drug Benefit

Now, back to prescription drugs. The American people here have also made their intentions clear. Our seniors want affordable, dependable coverage for the prescription medications that lengthen their lives and improve its quality. That's the message we heard yesterday from Ruth Westfall, a retired teacher from rural Idaho, the message I heard from leaders I met with a few moments ago. That's certainly what Senator Daschle and Representative Gephardt are hearing from their constituents and what they're fighting hard for up on the Hill.

All the leaders here today recognize that adding a voluntary prescription drug benefit is not just the right thing to do; medically speaking, it's the smart thing to do. No one creating the Medicare program today would think of doing so without prescription drug coverage. Prescription drugs now can accomplish what once could be done only with surgery.

That's why we have proposed the comprehensive plan to provide a prescription drug benefit that is optional and accessible to all our seniors; a plan that ensures that all older Americans, no matter where they live or how sick they are, will pay the same affordable premiums; a plan that uses price competition, not price controls, to guarantee that seniors will get the best prices; a plan that would cover catastrophic drug costs, as well as regular drug bills; a plan that is part of an overall effort to strengthen and modernize Medicare, so we won't have to ask our children to shoulder the burden when the baby boomers retire.

There is growing bipartisan support for prescription drug action this year, and that's good. But the leaders and advocates here today are still concerned that the proposals the House Republicans are putting forward later this week will not ensure that all seniors have an affordable prescription drug option.

We have grave concerns because the Republican plan builds on the already flawed private

Medigap insurance market. As recently as yesterday, the insurance industry reiterated its belief that a Medigap insurance model simply will not work for prescription drug coverage—the insurance industry, itself, has said this repeatedly—and that private insurers will not willingly participate in such a program. Even if some private insurers do participate, the premiums inevitably will be higher than those under a Medicare drug plan. Yesterday you heard Ruth Westfall say what I have heard countless seniors say, that they can't afford the Medigap coverage that presently is offered.

We have grave concerns because the Republican plan relies on a trickle-down scheme that would provide a subsidy for insurers and not a single dollar of direct premium assistance for middle class seniors. We have grave concerns because the so-called choice model offered by the Republicans breaks up the pooled power of seniors to purchase drugs at the most affordable prices, forcing insurers to constrain costs by restricting seniors' choice of drugs and choice of pharmacies.

Republicans and Democrats alike say they support an affordable drug benefit for our seniors. But let's be clear. A private insurance model simply cannot guarantee affordable coverage for all. To make the promise of affordable coverage real for all older Americans, there must be a true Medicare drug option.

If the proposal the Republicans release later this week gives all seniors the ability to choose an affordable, defined, fee-for-service drug benefit under Medicare, even if it's just one of several options, that could certainly serve as a foundation for a bipartisan agreement on this issue. But anything less would be an empty promise.

Working together, reaching across the aisle, we can use this time of unparalleled prosperity to do the right thing by our seniors. We should do it this year for their sake and for the sake of the future of Medicare.

Now, I would like to introduce Martha McStein, the incoming chair of the Leadership Council of Aging Organizations, the president of the National Committee to Preserve Social Security and Medicare. Ms. McStein was Acting Commissioner of the Social Security Administration during the Reagan administration, after a very distinguished 39-year career with the agency. In 1965 she served as one of the first regional administrators of the Nation's then new Medicare program. Today she's here to speak about why it is so important that we modernize Medicare with an affordable prescription drug benefit for all.

Martha.

[*At this point, Ms. McStein, Representative Richard A. Gephardt, and Senator Thomas A. Daschle made brief remarks.*]

Los Alamos National Laboratory

Q. Mr. President, let me ask you about Los Alamos, sir. Are you satisfied with the explanations you've had to date about the missing computer disks?

The President. First of all, this is a very serious issue, and I think what we have to do is to get an answer. I'm gratified that Senator Baker and former House Foreign Affairs Committee Chairman Hamilton are going to look into this. The FBI is looking into it. And I think it's very important that it be treated as a serious matter and that the investigation continue.

Trofimoff Espionage Case

Q. Mr. President, what have you been told about this arrest in Florida today in this new espionage case and the extent of the damage alleged to U.S. national security interests?

The President. Nothing yet.

Medicare Prescription Drug Benefit

Q. Mr. President, on prescription drugs, you announced a couple weeks ago, with Mr. Hastert, an urban renewal bill that you said had worked out in a very bipartisan manner. Have you made any effort to address prescription drugs in a bipartisan manner to bring to the table?

The President. Sure. Sure. And I've talked to them, and I still have some hope we can do it. But so far, they're philosophically opposed, apparently, to a program that's run through Medicare, number one, and number two, that is made available to all seniors. And the problem is, if you only make it available to seniors below a certain income ceiling, like 150 percent of poverty, you leave about half the seniors out who really need it, number one. And number two, as I said, the Medigap programs that are out there now are not particularly affected. There are lots of Americans that cannot afford the private Medigap insurance that's offered now.

So if you go back and look at my statement carefully, I tried to offer another olive branch. I said, if we would have—if they want to offer a number of options to people, and one of those options is a true Medicare program that is available at the same price to all seniors, then we could talk and we could do some business. And I still hope we can have a compromise. I don't want to be uncompromising, but neither do I want to hold out a false hope to the seniors. I don't want to tell them we're doing something when we're not doing it.

So part of this is perhaps a philosophical difference, but what I suggested in my remarks is that maybe we could come up with an agreement where they let our plan be available, and we let some other plans be available, and we just see which one worked better.

Middle East Peace Process

Q. Mr. President, you're meeting tomorrow with Chairman Arafat. Has anything in the talks this week led you to believe that the Israelis and Palestinians may be closer to a Camp-David-style summit, and will that be on the agenda tomorrow?

The President. Well, obviously, I've never ruled that out, but I think we need to get the parties a little closer before we can go there. We don't have a lot of time. We're down to all the hard issues now, and we're working on it. I'm hopeful, but I don't want to hold out false hopes. I don't know that I can tell you anything other than that I think we are making steady progress. We've seen the narrowing of some of the gaps, but I don't know that we're ready to have the final meeting yet.

Los Alamos National Laboratory

Q. One more on Los Alamos. Are you still confident in Secretary Richardson's leadership in the Energy Department?

The President. Yes. I think since the review was done before the general security problems, that the Energy Department has done a lot to improve the overall procedures. But we don't have the answers we need on this issue. This is a very serious issue, and that's why the FBI's looking into it and why I have asked Senator Baker and Representative Hamilton to look into it, as well. I think they're both widely respected as experts in the area and also as being fair-minded.

So I think we'll get some more indications there. We've just got to see this through. It's a serious matter, and I don't think any of us need to be characterizing anything until we know what happened.

Korean Summit

Q. What did you think of the Korean summit, sir?

The President. I'm very, very pleased. You know, for years—as long as I've been here, anyway—I've tried to get the North Koreans to speak with the South Koreans without an intermediary, including the United States. So I'm very pleased by this, and I think the communique is hopeful.

Now, they've got a lot of work to do, and it's just a first step, but it's clearly a move in the right direction. And everyone else in the world should be encouraged by this. This is a good thing.

Q. [*Inaudible*]—think it's significant that the two heads——

Q. Does this arrest in Moscow, sir, raise questions about Mr. Putin and his commitment to press freedom?

The President. Excuse me, I'm sorry. On that, I think we can't know yet. They talked about family reunifications. That's a huge first step. That's a good thing.

Now, go ahead.

Freedom of the Press in Russia

Q. The arrest in Moscow, sir, of the media critic of Mr. Putin—does that raise questions in your mind about his commitment to press freedoms?

The President. Well, I made a very strong statement when I was in Moscow about this, and I think, in a way, if anybody ought to have credibility to defend the freedom of the press, I should. [*Laughter*] So I did, and I will continue to.

If there is some other reason for the arrest—I don't know what the facts are, I don't think we necessarily know all the facts, but I do not believe people should be arrested solely because of what they say in exercising their role as members of the press. I don't believe that. And I think the United States has to take a very firm position on that. I do not believe democracy is weakened by dissent, even if it is unfair and sometimes even if it's false, because I think in

the end, if the debate is open, the people usually get it right. That's why our democracy is still around here after over 200 years.

Thank you.

NOTE: The President spoke at 2:55 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to former Senator Howard H. Baker, Jr., and former Representative Lee H. Hamilton, appointed to lead a Presidential Commission to investigate possible security breaches at the Los Alamos National Laboratory; and Chairman Yasser Arafat of the Palestinian Authority. Reporters referred to Col. George Trofimoff, USA (Ret.), who was arrested in Florida on June 14 and charged with espionage; Vladimir Gusinsky, head of Russian holding company Media-Most, owner of Ekho Moskvy radio, who was arrested on June 13 and charged with embezzlement; and President Vladimir Putin of Russia.

Statement on House of Representatives Action on Electronic Signatures Legislation

June 14, 2000

I am pleased that the House today adopted the electronic signatures conference report by an overwhelming vote. I expect similar support in the Senate for this bipartisan agreement and look forward to signing this key legislation into law.

This historic legislation will ensure that our consumer protections apply when Americans do business on-line. It will encourage the information technology revolution that has helped lower inflation, raise productivity, and spur new research and development. By marrying one of our oldest values—our commitment to consumer protection—with the newest technologies, we can achieve the full measure of the benefits that E-commerce has to offer. My congratulations to the Democratic and Republican leaders of the conference committee who worked together to forge this landmark legislation.

Statement on House of Representatives Action on Labor, Health and Human Services, and Education Appropriations Legislation

June 14, 2000

Today the House of Representatives narrowly passed on a partisan vote the Departments of Labor, Health and Human Services, Education, and related agencies appropriations bill. This legislation fails to address critical needs of the American people and shortchanges our efforts to help our students achieve higher standards in the classroom.

The House bill invests too little in our schools and demands too little from them. It fails to strengthen accountability and turn around failing schools, reduce class size, provide funds for emergency repairs and renovating aging schools, sufficiently expand after-school opportunities, help prepare low income students for college through GEAR UP and programs to improve teacher quality, and help bridge the digital divide. It underfunds child care and fails to adequately invest in Head Start. This bill also cuts funding for public health priorities, including mental health and substance abuse services, family planning, health care access for the uninsured, nursing home quality, family care-giver support, and infectious diseases.

In addition, the bill makes deep cuts in worker training programs and cuts programs that ensure safe and healthy workplaces, enforce domestic labor laws, and help address child labor abuses at home and abroad. Regrettably, the bill also includes language prohibiting the Department of Labor from finalizing its standard to protect the Nation's workers from ergonomic injuries.