

has had with the floods? Do you have the resources to help California?

The President. Well, they did a very fine job with the floods. And I expect to get a—let me get a report from James Lee Witt when he gets out there on the scene, and we'll let you know.

This is something that we have tried to mobilize and alert the Agriculture Department and the Interior Department, not only because we have some Federal land out there that is affected but because we do have trained firefighters in those Agencies that might be able to help. So we're trying to put all that together now, and I should be able—by the middle of the afternoon, I'll know more about this.

Q. Mr. President, you've also said before that—just to follow up—that California is the weakest part of our economy. Isn't it likely that this will further drag down not only California but the rest of the country? What extra help can you give them now?

The President. Let's try to help them get the fire out first, and we'll focus on that.

David [David Lauter, Los Angeles Times].

Q. Mr. President, the last time there was a major natural disaster in California, the earthquake in the bay area, there was a lot of complaint within the State about bureaucratic redtape, bungling, what have you. I know you've tried to make improvements in FEMA during the flood period, but what sort of assurances can you offer the State that this time the job will be done right?

The President. All I can tell you is, I believe that the people who suffered in that historic flood in the Midwest believe that we did cut through the redtape, that we were on top of the situation from the beginning, and that we worked through it as best as possible. And if we do as well in California as we did there, I think the people will be satisfied.

What I want to know, in response to your question and Andrea's [Andrea Mitchell, NBC News], is what is different about this? Are there going to be different challenges? Will there be different problems? But I have every confidence that James Lee Witt will do the same job in California he did in the Middle West and, along with Mike Espy and Bruce Babbitt, we'll be on top of it. And we'll

do whatever it takes to make the most of a very difficult situation.

Haiti

Q. I have a question on Haiti, Mr. President. Do you accept as fact that President Aristide won't be back in power tomorrow? And do you favor tightening sanctions?

The President. We're looking at a number of other options, and I'm also looking forward to President Aristide's speech to the United Nations, which I think he has probably concluded now. I know he was to give it this morning, but I haven't gotten a report on it. The Vice President talked with him yesterday, and we have worked very closely on this. We spent about 40 minutes on it this morning in the normal national security briefing period. We are looking at what our options are.

I think that, just from the morning press reports, if Mr. François and the others in Haiti believe that all they have to do is to wait out Aristide and everything will somehow be all right and that the international community will put up with the reestablishment of a Duvalier-like regime there, in plain violation of the overwhelming majority of the people of Haiti, I think they're just wrong.

Again, I will say, the people down there that are thwarting democracy's return have got to decide whether they want to hold on tight to a shrinking future or take a legitimate and proportionate share of an expanding future. It is their decision. But I think they are making a grave mistake, and we are looking at what our other options are.

Thank you very much.

NOTE: The President spoke at 11:12 a.m. in the Rose Garden at the White House. In his remarks, he referred to Lt. Col. Joseph Michel François, chief of the Haitian police.

Remarks to the Medical Community at Johns Hopkins University in Baltimore

October 28, 1993

Thank you very much. You have just seen the most stunning example of one of Clinton's laws of politics, which is whenever pos-

sible be introduced by someone you've given a good position to.

I want to thank Hillary—[*applause*—think about that. [*Laughter*] I want to thank Hillary for the absolutely wonderful work that she and the health care group have done. This has been an unprecedented effort, really, involving thousands of Americans from all walks of life. I don't know how many doctors from around America have told me it's the first time any kind of health care reform has started by asking people who are actually providing health care what they thought about it. I want to thank all the groups that were involved in it, the Nurses Association, countless groups. This group just met with 1,500 separate groups in trying to put this plan together.

And I want to say a special word of thanks to President Richardson and Dr. Block and to Dean Johns and to Dean Gray and to Dean Sommer and all the people here at Johns Hopkins. This university has played a truly unique role in this process because so many have been involved; Hillary said over 20 faculty members, a few students, many administrators. We are very, very grateful to you. And I thank you.

You know, when a President gives a speech there's always a little meeting, a hurried little meeting that occurs beforehand, a couple of days beforehand, and the staff gets together and they say, "Well, what do we want to achieve?" And it goes something like this. "Well, you're going to Johns Hopkins. Be sure and tell them that it would be very hard for us to have done this without Ben Cardin because we can't really pass it unless he really wants to help us pass it on the Ways and Means Committee." So they say brag on Congressman Cardin, and that's in the note. So I'm doing that, and that's true. [*Laughter*] And then they say, "Here are the points you're supposed to make." And so I wrote it down. Instead of all these notes, I just wrote down, they say, "The purpose of this speech is to remind the American people that we actually have a plan, that it is written, that it is universal, that it is comprehensive, and that we actually asked people in health care to help us put it together." Now, I should just sit down. That's it. [*Laughter*]

And that is what I want to do today. I want Americans all over this country, who look to the Johns Hopkins Medical School, who know that this medical center is a shining beacon of everything that is best about our health care, to know that this plan is real; it is specific; it is concrete—within the next couple of weeks every American will be able to read it at a library, or buy it in bookstores or other places where paperback books are sold—that it is specific, that it is universal and comprehensive, and that people who actually know something about giving care to people, healing the sick and taking care of people to help them stay well, had a big role in this; that we listened and incorporated those suggestions.

And I want to talk a little bit today about what has already been said: What do we mean by keeping what's right and fixing what's wrong? But in the beginning let me say something that doesn't have anything to do with my notes because I think it's important about how we all came here. All of you came here because you had a personal history. You might wonder what two lawyers who met in law school and got married like Hillary and me are doing, being obsessed with health care. [*Laughter*] It's an interesting and long story. My mother was a nurse anesthetist. I was permitted as a young man to go into hospital rooms, to go into emergency rooms, to go into even surgery, to watch surgery when I was a young person. And I didn't faint.

I can remember in a simpler time before there was Medicare or before there was Medicaid, when poor working people would pay my mother for performing the anesthesia in kind; when fruit pickers would come to Arkansas in the peak season and literally bring bushel baskets full of peaches to our door to pay for the service she had provided for some member of their family in the operating room.

I can remember when I met Hillary in law school, she took an extra year in law school to work with the Yale Medical School on the problems of children and the relationships of children's health and developmental problems to the law, or at that time, the relative lack of relationship of children's health and medical problems to the law.

In 1979, when I became the Governor of my State, and it was obvious we had a lot of serious problems both in terms of quality care and the availability of care, Hillary headed a task force in our State on rural health care to try to figure out what we could do to bring health care to more places in our State that didn't have it. And we set up and funded for the first time with State funds a tertiary care center at the Arkansas Children's Hospital, now the seventh largest in the country, I'm proud to say.

When I was a Governor, we went many times to the Mississippi Delta where Robbye McNair is from. And I want to thank her not only for what she's become—this is a long way from Belzoni, Mississippi, folks—but for the fact that she wants to go back there to take care of the people.

I have been in schools in the delta, which is the poorest part of America—the Mississippi Delta from Memphis to New Orleans is still America's poorest region—where as many as 30 percent of the kids have serious dental problems because even in their teen years they've never seen a dentist, they never had anybody give them any primary care advice, and where they're asked to stay in school and learn under very adverse circumstances, when they're literally in pain all day every day because they never saw a dentist.

So there are a lot of things that all sort of put these threads together that brought us to this point. And in 1990, I was asked on behalf of all the Governors to join the then Republican Governor of Delaware, now a Congressman from Delaware, Mike Castle, in trying to come up with some bipartisan Governors' approach to this because we all had millions of people who didn't have any health insurance, many others who didn't have any access to health care, and yet the Medicaid budget was breaking every State government in the country, taking money away from what we wanted to spend on education and on economic development and trying to offer opportunity to our people. So by the time I decided to run for President, I had been living with this for a very long time.

I just couldn't see how America would ever get where we needed to be by the dawn of

the 21st century without dealing with the health care crisis. I didn't believe it. That's why we decided to do this. That's why we devoted so much of the last 9 months to developing this plan, to presenting it, to giving it to Congress.

And if I might, I would just like to say a couple of words about that. This is a deep human problem for every American who's ever lost health insurance, for every American who never had it, for every American who can't change jobs because someone in their family's been sick, for every nurse or doctor who tears their hair out because they spend so much time filling out useless forms, or because they have to get on the phone and call some bureaucrat and get permission to do something that anybody with a lick of sense would know they ought to do anyway.

This is a human problem. But you must understand that it has enormous ramifications for all the other aspects of your Nation's life, because as we spend more and more and more and more money on health care, and yet more and more and more people don't have access to it, and more and more others are afraid they're going to lose it, and more and more small businesses make the decision every year to get rid of their health insurance or to raise the deductible to \$2,500 or \$3,000 or whatever, that chips away in millions of little human stories at the collective security we need as a country to face the challenges of the present day.

We have been 20 years now when most hourly wage-earners in America are working harder for the same or lower wages, longer hours at work, less time with kids. We see a global economy full of both hope and fear; full of challenges there to be seized that offer opportunities for people and full of great pressures on people who aren't very well prepared for this global economy.

We have to face as a nation what it's going to take for us to enter that next century just a few years away now—the world's strongest country with the American dream alive and well for everybody who's willing to do what it takes to seize it. That means we have to dramatically change our economic approach, our education system, our commitment to invest and grow, the way we relate to one another. We have to make a full-scale assault

on the problems that are destroying the quality of life for millions of our young people and preventing them from growing up to be what God meant them to be. And in order to have the courage to change, we're going to have to have a much higher level of certainty that if we do the right things as a people, we will at least be rewarded with the basic things of life. And it begins with the health care issue.

So I say to you that this is a very important thing on its own merits. It ought to be done. In any age in time with this set of problems and this set of opportunities in health care, somebody should be willing to act. At this time, it is critical for America to get in the shape we need to be in by the beginning of the next century so we can do what we have to do as a country.

Now, very briefly, let me say how we seek to fix what's wrong with the system and keep what's right in terms of the six principles that I laid out when I addressed Congress on this issue last month:

Number one, and most important of all, security. Some things are right with this system. A lot of people have good health insurance. Some people have health insurance that is paid for 100 percent by their employers even, that is very good, that has comprehensive benefits. We want them to be able to keep that. But we want to put a floor under what they can lose, because, keep in mind, nobody has absolute certainty today. Somebody can have a great health insurance policy, but if their company lays them off or if they decide to go try to start a small business or they change jobs, they can lose it.

So 100 percent of the people benefit from this plan, because all those with great policies now have a floor under them if this plan passes. There will be something they cannot lose. Their employer may require them to pay more than they now pay because of economic pressures, but there's a limit to how much they can be required to pay. And they can never lose coverage.

I think this is very, very important because I hear a lot of people sort of slinging their arrows over at our plan, talking about, "Well, they're going to all this trouble for the 15 percent of the people that don't have any health insurance." Well, you know, there are

15 percent that have nothing, another 100,000 a month that have nothing permanently. There are also a lot of people that have health insurance, but it doesn't amount to much. And there are people that have great policies, but they can lose it. So this puts a floor under it.

Secondly, it provides coverage for people in and out of the workplace who don't have it now in the customary way we provide it. That is, we require employers and employees who don't have any coverage now to make a contribution and provide coverage for those in the workplace. For those who are in small business and have low-wage operations, we provide discounts. For those who are the uninsured unemployed, the Government will cover them in the way we cover Medicaid patients today. So we will have security for everybody, and everybody will be more secure than they are now. No one under our plan will lose benefits from what they have now by what we do. So we keep what's good about the system, but we fix what's wrong.

Simplicity. I think when Robbye said the present system was simple, what she meant was it's good to maintain the transaction between the doctor and the patient. But make no mistake about it, when you get beyond that to the paperwork, our system is the most complex system in the world.

Somebody said, "Gosh, Clinton turned in a 1,360-page bill" or however long it is. We reckon there will be more than 10 times that much legislation repealed if our bill passes. And it's a metaphor for what's going on now. Rube Goldberg in his wildest dream could not have designed a machine that's like the American paperwork machine in medicine today.

So what do we want to do? By having a benefits package that is at least a basic comprehensive package, we will be able to have a single simple form for medical providers, a single simple form for insurers, a single simple form for people who access the system. We figure in total, maybe four or five forms, but one for each of the main aspects. That will dramatically simplify the paperwork burden.

We also will be able to devolve more decisionmaking back to the providers themselves and hold people accountable for results in-

stead of having the Government or an insurance company try to micromanage every decision on the front end. That will drastically simplify this decisionmaking process, drastically cut down on the paperwork, and free up all across America millions and millions and millions of hours every year for people to do what they train to do, which is to take care of patients. And it is very important.

The third principle of this plan is savings; how do you keep what's right and fix what's wrong. What's right in the medical profession with regard to savings now, a lot of people are doing a good job, finally, in saving money. This institution has proved that you can provide high-quality care and still have economy. The Mayo Clinic had an inflation rate of 3.9 percent on their services last year. The Federal health insurance system has modest increases in most of its policies and decreases in some. The same is true for the California public employees system. So savings are being achieved.

How do you permit those people to continue to do what is right and fix what's wrong, which is that the overall system is still going up at 2 and 3 times the rate of inflation, that small business premiums are going up at 2 and 3 times the amount that nonsmall business premiums are? How do you effect those savings? Well, we believe the way to effect those savings, first of all, is to stop cost shifting by having everybody covered, which will save a lot of money, and secondly, to give the presently uninsured small businesses, self-employed people, and farmers the opportunity to have the same bargaining power that people in bigger units do. There's no reason that big business and Government should benefit from all the economies of scale in health care. The only reason they do today is because of the way the insurance market is organized.

So under our plan, those savings will be fairly spread across the whole area, and we will also put Medicaid into the kind of comprehensive care delivery system that we're asking for small business, and self-employed people. So you'll have the poor, small business, and self-employed in the same sort of buying units, larger ones, that only big business and Government have today. It will produce huge savings. It will not take away

the savings that others are getting. And it will fix what's wrong and keep what's right. It's high time we did it.

Three other things. Quality. How are you going to keep quality? Everybody says we've got the highest quality health care in the world, and we do. Is there something wrong there and something right? You bet there is. We always know, we know what's right, right? You're right; you're what's right about it. We know what's right about it.

What's wrong about it? First of all, too many people don't have access to health care, and too many people, when they get health care, get it when it's too late and too expensive in an emergency room. And too many people even could be covered in theory—which is what Robbye was talking about—too many people could be covered in theory by this plan and still not be covered in fact because they might have access to insurance but not access to providers.

So to fix what's wrong and keep what's right, we have tried to provide a special financial funding string for the medical research institutions, the people who do a lot of health education, for public health units in isolated urban and very sparsely populated rural areas to make sure that the access to health care as well as to insurance is there. And we have tried to emphasize primary and preventive services in this comprehensive package of benefits. Perhaps the single biggest deficiency across the board in American health care is the insufficient attention we have paid to primary and preventive services. And that is how we will improve quality and not undermine what is right.

Choice. We got a lot of letters, including from doctors saying, "You're going to make me be in an HMO, and I don't want to be." We got letters from people saying, "You're going to make me join an HMO, and I'll lose Dr. Jones, and I hate you for doing that."

So, here's the issue: How can we preserve what's right and fix what's wrong? First of all, let's be realistic about this. Americans have been losing their choices of physicians by the millions for the last decade, right? Of all the people who are insured in the workplace, only one in three today have a choice of plans or options in what their employer has provided for them in the form of health

care coverage, down from 50 percent just 7, 8 years ago.

What does our plan do? It actually gives people more choices, both providers and insured people. Insured people under our plan would have three options, at least three. Their employer's premium would be the same regardless. They might have to pay a little more depending on what option they exercised. They might have an option to be in an HMO. They might have an option to be in a PPO, where professionals got together and managed their own health plan. There's a group of 700 doctors, for example, in Nevada, that have had their premiums collectively go up, or their costs, within a range of 2 or 3 percent over 6 years now. But there's a huge range of doctor choice because there are so many doctors in the group. Or it might be strict fee-for-service medicine at the election of the person with the insurance. But at least everybody will have a choice now, which is something they don't have.

So under our plan there will be more choices. The same will be true for physicians and other health care providers—will have multiple choices about what kinds of things they can engage in because we've attempted to prohibit exclusive, mandated organized arrangements in our plans.

So we believe as a practical matter, if you look at where American medicine is today as compared with 10 years ago, our plan will actually provide more choices for both the insured and for medical providers than they now have.

And finally, responsibility. Let's be frank about this. This system lends itself to a lot of monkeying around. There's a lot of health care fraud. There is some abuse of the legal system, of malpractice. There is the ability of people to overutilize the system because there are no significant deterrents to it. Americans have a lot of habits which make us sicker and which cause us to use the health care system more, that we need to deal with. There is something to be said for the proposition that we will never really bring health care costs into line with what they ought to be until all of us are willing to assume a higher level of personal responsibility for the outcome of the health of the American people.

I want to make this last point, and I want you to think about it. Don't answer out loud, but everybody think of this in your mind. I don't know if you've thought of this, but this is the kind of thing I have to think about as President; it's my job. If I were to ask you what are the reasons that America spends 14.5 percent of its income on health care—Canada is at 10. Germany and Japan, our major competitors, are under 9; that means they spend under 9 cents on the dollar. We're spending 14.5 cents on every dollar made in America on health care. Let me just give you an idea of what some of the practical consequences of that are. Every year they spend 3 cents on a dollar more than we do investing in their infrastructure. You know what that means? That means 10 years from now, they're going to have better airports; they're going to have faster trains; they're going to have better roads. They're going to have invested in those things that may be boring but may provide a much higher quality of life and a much higher income. But they had the money. It means that they can invest in all kinds of R&D in their economy, which may give them critical advantages 10, 20 years from now because we spend this money on health care now.

So, if I ask you, why is that? How can they cover 100 percent of the people? And you can't just say they don't invest any money in medical research. It's plainly not true in Germany, one of the leading countries in the world, for example, for pharmaceutical companies. If I were to ask each of you, why is that? What's the difference in their 9 percent and our 14.5 percent? Is any of it good, from our point of view, and is some of it bad, and what can we do about it? And how much of it requires responsible decisions on the part of all of us?

Here would be my answer. This is the best I can do, and I thought about this until my brain aches for years now. I believe first of all, we spend more money on some things that we intend to keep right on spending more money on. We spend more money on medical research and more money on technology, and we don't want to give it up. And it's an important part of our economy, and we're not going to. And make no mistake about it, that also creates high-tech, high-

wage jobs. When pharmaceutical companies spend a lot of money on research, they put a lot of scientists to work. And that's a good thing for the economy.

So these are good things, and that will mean more. What's the rest, though? We have huge numbers of unnecessary procedures. We all know that. We don't do enough primary and preventive care. We all know that. We do have all kinds of fraud and abuse in this system. And we spend a dime on the dollar more in administrative costs than any other country in the world because of paperwork. That's the stuff we've got to fix.

Finally, we have certain group behaviors that we have to deal with. In the 1980's, under great financial pressures, schools all over America virtually abandoned physical education at a time when poor children needed it worse than anything. They needed not only the exercise, but they needed education in dietary habits, in personal hygiene habits, in the kinds of things that ought to be a part of a physical education curriculum. You want to lower the cost of health care? Undo that. Fix it. Go back and do something differently so that people can deal with that.

We'll never get the cost of health care down to where it is in other countries as long as we have higher rates of teen pregnancies and higher rates of low birth-weight births and higher rates of AIDS and, most important of all, higher rates of violence. We've got so many people cut up and shot in our emergency rooms, how in the world can we expect to lower our health care costs?

That's why this responsibility is so important. We begin by asking people who are taking advantage of the system to pay something into it. This business that we're going to break small business if we require all employers to pay something who don't pay anything now is not very credible.

My Small Business Administrator, Erskine Bowles, has spent 20 years creating small business. And he's perhaps the most ardent advocate for our plan. Why? Because he knows that 70 percent of the small businesses do provide some health insurance coverage. Most of them are paying too much for too little, and a lot of them are risking going broke because of the cost of the premiums. And one reason is that other people, who

can access the system when they need it, don't pay anything even though they can afford to pay something. So that's the beginning of responsibility. If all of us are going to have access to this system, all of us should make a contribution in accordance with our ability to pay.

It goes way beyond that. We have certain group behaviors in this country that are imposing intolerable burdens on the health care system, which will never be remedies. And we must recognize every time another kid takes another assault weapon onto another dark street and commits another random drive-by shooting and sends another child into the Johns Hopkins emergency room, that adds to the cost of health care. It is a human tragedy. It is also the dumbest thing we can permit to continue to go on for our long-term economic health. Why do we continue to permit this to happen?

And so we need to advocate those things, too. We need to put the physical education programs back in our schools. We need to favor those, not just the Friday night contests. We need to think about the kids who need it. And we need to challenge these group behaviors. We have got to reduce the number of low birth-weight births. It's great that we can keep all of those little babies, or so many of them, alive today. But it is an unnecessary cost. We can reduce those if we work at it.

And most important of all, we have got to do something about the rising tide of violence in this country. There's a crime bill that the Congress can give you for a Christmas present that includes the Brady bill and more police officers on the street and alternatives for kids, and we ought to pass it. We ought to pass it before the Congress goes home.

Let me close with this. We are beginning now the process that will lead to a vote sometime next year on the health care plan. It will begin with this, and the more people who know what's in this, the more people who make constructive suggestions about how it can be improved, the better off we're all going to be. So I ask you to think about this: This book will be in every library in the country. It will be available, widely available. And now that the Government Printing Office has printed it, any other publisher in the country

can go out and try to print it for a lower cost. That's good. That means we'll have a little competition and these books will be everywhere. [Laughter]

I want to implore all of you to get this and read it, to get as many of your friends and neighbors as possible to read it, and to create a climate in this country where we have an honest, nonpartisan American debate to have an American solution to this issue; and that you insist that these principles be observed—that we fix what's wrong, keep what's right—and that we act on this, that we act on it before Congress goes home next year. It begins with you knowing about it. Please help us.

Thank you very much, and God bless you all.

NOTE: The President spoke at 12:20 p.m. in the Newton White Athletic Center. In his remarks, he referred to William C. Richardson, president, Michael E. Johns, dean, medical faculty, Carol J. Gray, dean, School of Nursing, Alfred Sommer, dean, School of Hygiene and Public Health, and Robbye McNair, medical student, Johns Hopkins University; and James A. Block, president, Johns Hopkins University Hospital.

**Statement on Signing the
Departments of Veterans Affairs and
Housing and Urban Development,
and Independent Agencies
Appropriations Act, 1994**

October 28, 1993

Today I have signed into law H.R. 2491, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1994."

The Act provides funding for the Departments of Veterans Affairs (VA) and Housing and Urban Development and independent agencies including the Environmental Protection Agency, National Aeronautics and Space Administration, and National Science Foundation. This Act will fund important activities in the space program, housing programs, environmental protection, and programs for our Nation's veterans.

I am pleased that the Act provides the funding for a number of my high-priority investment proposals, including the National

Service Initiative. The National Service Initiative will provide an opportunity for young people to obtain funding for a college education while serving the country in areas of great need such as education, environment, public safety, and human services.

The Act also provides funding for the redesigned Space Station and New Technology Investments. These programs will set a new direction for the Nation in space exploration, science, and technology.

The Act includes \$6.7 billion in funding for the Environmental Protection Agency (EPA). The Act provides funds for EPA programs that protect our environment through enforcement of our environmental laws, cleanup of hazardous waste sites, and construction of needed water and waste-water treatment facilities.

The Act meets the needs of our Nation's veterans by providing \$15.6 billion in VA medical care, an increase of \$980 million over the FY 1993 enacted level.

The Act includes \$25.4 billion in funding for the Department of Housing and Urban Development, including funding for programs such as the HOME block grants for housing, Community Development Grants, and Severely Distressed Public Housing. These programs will assist communities and individuals in revitalizing neighborhoods and increasing opportunities for home ownership.

The Act provides \$3 billion in funding for the National Science Foundation, a \$283 million increase over the FY 1993 enacted level. These programs will promote basic research that is vital to enabling our Nation to compete in world markets.

Regrettably, the Act does not fund all of my priority investment proposals, including the Community Investment Program and Community Development Banks. Due to tight budget constraints, the Congress has had the difficult task of balancing the competing priorities of this Act. Although I am disappointed this bill does not fund these programs and includes cuts to programs in space, science, and technology, the bill provides funding for veterans programs, housing initiatives, and environmental programs at acceptable levels. We will continue to work