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# Presidential Documents

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**Editor's Note:** The President was in Minneapolis, MN, on April 8, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

A first quarter index to issues 1–13 was printed in issue 13.

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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## Memorandum on Certifications for Major Narcotics Producing and Transit Countries

*April 1, 1994*

Presidential Determination No. 94–22

*Memorandum for the Secretary of State*

*Subject:* Certifications for Major Narcotics Producing and Transit Countries

By virtue of the authority vested in me by section 490(b)(1)(A) of the Foreign Assistance Act of 1961, as amended ("the Act"), I hereby determine and certify that the following major drug producing and/or major drug transit countries/dependent territories have cooperated fully with the United States, or taken adequate steps on their own, to achieve full compliance with the goals and objectives of the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances:

The Bahamas, Belize, Brazil, China, Colombia, Ecuador, Guatemala, Hong Kong, India, Jamaica, Malaysia, Mexico, Pakistan, Paraguay, Thailand, and Venezuela.

By virtue of the authority vested in me by section 490(b)(1)(B) of the Act, I hereby determine that it is in the vital national interests of the United States to certify the following countries:

Afghanistan, Bolivia, Laos, Lebanon, Panama, and Peru.

Information on these countries as required under section 490(b)(3) of the Act is attached.

I have determined that the following major producing and/or major transit countries do not meet the standards set forth in section 490(b):

Burma, Iran, Nigeria, and Syria.

In making these determinations, I have considered the factors set forth in section 490 of the Act, based on the information contained in the International Narcotics Control Strategy Report of 1994. Because the performance of these countries varies, I have attached an explanatory statement in each case.

You are hereby authorized and directed to report this determination to the Congress immediately and to publish it in the *Federal Register*.

**William J. Clinton**

[Filed with the Office of the Federal Register, 4:03 p.m., April 8, 1994]

NOTE: This memorandum and its annex will be published in the *Federal Register* on April 12. This item was not received in time for publication in the appropriate issue.

## The President's Radio Address

*April 2, 1994*

Good morning. For my family, and I hope for yours as well, this is a time for reflection, renewal, and rededication. At the start of springtime, nature reminds us of new beginnings and forgotten beauty, and most Americans celebrate holy days of redemption and renewal, from the Christian Easter to the Jewish Passover to the Muslim Ramadan.

Tomorrow on Easter Sunday, those of us who are Christians celebrate God's redemptive love as manifested in the life, the teachings, and the sacrificial death and resurrection of Jesus of Nazareth. Easter symbolizes for us the ultimate victory of good over evil, hope over despair, and life over death.

At this season, we're reminded that Americans are a people of many faiths. But most of all, we are a people of faith. The Bible I carry to church on Sunday says, "Faith is the assurance of things hoped for, the conviction of things unseen." America is a special nation because it is the product of that kind of faith in the future to which so many have held fast in spite of fearsome obstacles and great hardships. Always we have believed

that we could do better, conquer injustice, climb new mountains, build a better life for ourselves and a future of infinite possibility for our children, always we have believed we can keep the promise we call America.

Last Thursday I visited the Zamorano Fine Arts Academy, an outstanding public school in San Diego, to sign Goals 2000, the new education law which challenges all our schools and all our students to meet the highest standards of educational achievement by setting world-class educational standards and promoting grassroots reforms to achieve them in every school for every student. That school reflects the marvelous diversity that is now America. The students there come from at least six different racial and ethnic groups. Like our Nation, they can trace their heritage to every continent, every country, every culture.

As I thought of the parents, the students, and the teachers at that school, I couldn't help but believe that the things that make them different from each other are ultimately far less important than the things that bring them together: their love of learning, the joy they share in arts and athletics and family and friends, and their dreams of the future in which they can make the most of the gifts that God has give them.

The greatness and glory of America is that we define ourselves not by where our families came from but by our common values, our common goals, our common sense, and our common decency. Two days from now, we'll honor the memory of a man of faith who stood for and struggled for what is best about America. On April 4th, 1968, Martin Luther King, Jr., gave his life for every American's right to live and work in dignity. In his last Sunday morning sermon, one week before Easter, speaking in the National Cathedral in Washington, DC, 26 years ago, Dr. King reminded us that time is neutral, it can be used constructively or destructively. Dr. King used his time on Earth as well as anyone. He was only 39 when he died. He never held public office, but no one ever did more to redeem the promise or stir the soul of our Nation. In spite of unearned suffering, unreasoning hatred, and unprovoked violence, he never lost faith that he and we would overcome the frustrations and difficulties of the moment.

A quarter century later, each of us faces the challenge to use our time creatively and constructively. For this is a time of historic, sometimes wrenching, social and economic and technological change. The fabric of our society has been strained by the hopelessness caused by the flight of jobs from too many of our communities and the fear and suspicion resulting from the epidemic of crime and violence, especially among our young people.

And at this time of uncertainty, there are demagogs of division who would set us against one another. Too many powerful forces today seek to make money or even more power from our common misery, when what we most desperately need is to work together to solve the problems that plague us all and to build a stronger American community.

There's much that we can do as a nation to prepare our people for these changes and to do better. We can, we must create more jobs, finally provide health care security for all our people, improve our education and training so that we can compete and win in this global economy, and make our people safer in their homes, their streets, and their schools. But we must also, each and every one of us, accept greater personal responsibility for ourselves and our families and extend a hand of friendship to our neighbors.

We must raise our own children with responsibility and faith. We must reject those who would divide us by race or religion. We must always remember that, as Dr. King declared the night before he died, "Either we go up together, or we go down together." Essentially, all human condition can only be transformed by faith: faith in ourselves, faith in each other, faith that we can do better if we hold firm to the ultimate moral purpose in life, keep our eyes on the prize, and refuse to be dragged down.

I have issued a proclamation asking Americans to observe this Monday, the anniversary of Dr. King's tragic assassination, as a day of reconciliation, a day when we look beyond hatred and division and commit ourselves anew to reducing crime and violence and bringing out the best in each other. Some

Americans may use that day to teach their children about the meaning of the life and death of Dr. King and his legacy and lessons for our time. Others may answer the call of the organization he founded, the Southern Christian Leadership Conference, and turn on their automobile lights as part of a national day of witness against violence. Still others may make a commitment to work with their neighbors to keep their communities free from crime and drugs and guns.

In our own lives, in our own way, this Monday and on every day of this year, let us rededicate ourselves to the spirit of Easter, of Passover, of Ramadan; to the mission of Martin Luther King; and to the common values that must make America a land of limitless hope and opportunity for all of our people for all time to come.

NOTE: The address was recorded at 2:15 p.m. on April 1 at a private residence in San Diego, CA, for broadcast at 10:06 a.m. on April 2. A tape was not available for verification of the content of this address.

## Proclamation 6661—National Day of Reconciliation

*April 3, 1994*

*By the President of the United States of America*

### *A Proclamation*

In this season of Easter and Passover, as we mark the twenty-sixth anniversary of the death of Dr. Martin Luther King, Jr., I call upon every American to reflect on the meaning of his teachings, to measure the progress we have made in achieving the dream he shared, and to rededicate ourselves to the end of violence and to the true spirit of community for which he lived and died. We must remain a Nation that is not too cynical to restore hope, not too frightened to face our problems, and not too intolerant to seek reconciliation.

Too many of our children hunger for lives with order and meaning. They are easy prey to anger and narrow-mindedness, to violence, and to impulses that debase their own lives and others. Too many, in their own struggle to survive, cannot imagine a world that is safe, secure and full of hope. We must do better than this.

Happily, most of our children still face the world with courage and hope. They want to grow up to be good parents and good citizens. They want to have good marriages, good friendships. They want to make the world a better place.

They remain our greatest hope. Let us resolve to teach them as Dr. King did, not so much by eloquent words as by meaningful actions.

Let us lead them by example, as we respect all people, draw strength from our diversity, and face our challenges with determination and goodwill so that Dr. Martin Luther King's dream of equality for our children will never be lost.

**Now, Therefore, I, William J. Clinton,** President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim Monday, April 4, 1994, as a ''National Day of Reconciliation.'' On this day, let us pause to reflect upon what our divisiveness, our intolerance and our insecurity teach our children. Let us remember and recognize that each of us bears the profound responsibility of bringing Dr. King's message of unity, compassion and equality to our schools and our playgrounds, our places of work and worship, our seats of governance, and into our homes and our hearts. And when we are judged, not by the rich or powerful, but by history and by our children, let it be said that we overcame our differences for the sake of our children. We shared a common dream for the future.

**In Witness Whereof,** I have hereunto set my hand this third day of April, in the year of our Lord nineteen hundred and ninety-four, and of the Independence of the United States of America the two hundred and eighteenth.

**William J. Clinton**

[Filed with the Office of the Federal Register, 10:42 a.m., April 5, 1994]

NOTE: This proclamation was published in the *Federal Register* on April 6.

## Remarks at the White House Easter Egg Roll

*April 4, 1994*

***The President.*** Good morning.

***Audience members.*** Good morning.

***The President.*** I am so glad to see all of you here. I woke up before dawn this morning, and when I got out just at dawn I already saw the Easter Bunnies out here walking around, plotting their strategies for the day and getting ready.

I want to thank everyone who has worked so hard on this, and all the people who helped to sponsor it. But mostly, I just want to welcome all the boys and girls here, all the families here, and to thank all of you for being a part of this wonderful American tradition. I hope you have a terrific time today. I assure you that we're having a terrific time having you here. And I think we ought to start. Are you ready to start?

***Audience members.*** Yes!

***The President.*** Now we've got to get everybody lined up. Line them up for the first roll. Now everybody, let me just say, everybody who is here, all the children who are here, not every adult, all the children who are here will get a souvenir egg. Okay? And some of them were signed not just by the First Lady and me, some were signed by Socks. They're more valuable.

Are we ready?

***Audience members.*** Yes!

***The President.*** All right, when I blow the whistle, we're all going to start. Okay? So when I blow the whistle, all of you cheer the kids on who are over there in the roll. Have we got a deal?

***Audience members.*** Yes!

***The President.*** All right, let's go. One, two, three, go!

NOTE: The President spoke at 9:45 a.m. on the South Lawn at the White House. He was introduced by Hillary Clinton.

## Exchange With Reporters in Cleveland, Ohio

*April 4, 1994*

### *Bosnia*

***Q.*** Do the Serbs have a green light in——

***The President.*** I don't think they have a green light. We're looking at what our options are there. But it really depends upon in part what the U.N. mission wants to do there. We are committed to provide air support to troops if they go in. And whether we can recreate the conditions of Sarajevo anywhere else depends in part on the facts of each specific case.

I would discourage any of them for doing anything just for negotiating purposes. They ought to go ahead and negotiate a peace and get it over with, is what I hope they will. It's not going to change their options——

NOTE: The exchange began at approximately 1 p.m. at Jacobs Field. A tape was not available for verification of the content of this exchange.

## Proclamation 6662—Transfer of Functions of the ACTION Agency to the Corporation for National and Community Service

*April 4, 1994*

*By the President of the United States of America*

### *A Proclamation*

On September 21, 1993, I had the honor of signing into law the National and Community Service Trust Act of 1993, which created the Corporation for National and Community Service. The Corporation was designed to involve Americans of all ages and backgrounds in community projects to address many of our Nation's most important needs—from educating our children to ensuring public safety to protecting our environment. It was chartered to foster civic responsibility, strengthening the ties that bind us together as a people, while providing educational opportunity for those who make the commitment to serve.

In the few short months since the Corporation's establishment, enormous progress has been made toward the achievement of these invaluable goals. Final regulations have been published governing the Corporation's new grant programs, grant application packages have been developed, and a national recruitment effort has begun. As a result of intensive outreach efforts, most states have

already established State Commissions on National and Community Service, and many local programs, national nonprofit organizations, institutions of higher education, and Federal agencies are eager to participate. Grant competitions have begun for a summer program that will focus on our Nation's public safety concerns, and all community service grant competitions will be completed by this summer. Finally, the Corporation has established the National Civilian Community Corps, which will take advantage of closed and down-sized military bases to launch environmental clean-up and preservation efforts.

The ACTION Agency, provided for by the Domestic Volunteer Service Act of 1973, has worked closely with the Corporation, sharing its many years of experience in engaging Americans in service to their communities. Because the Corporation's initiatives and those programs operated by the ACTION Agency involve similar goals, the National and Community Service Trust Act calls for the merger of ACTION with the Corporation no later than March 22, 1995. To build upon the tremendous accomplishments already achieved by the Corporation, and to facilitate the further development of community service programs across the country, I am pleased to order that the functions of the Director of the ACTION Agency be transferred to the Corporation for National and Community Service.

**Now, Therefore, I, William J. Clinton,** President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to sections 203(c)(2) and (d)(1)(B) of the National and Community Service Trust Act of 1993, proclaim that all functions of the Director of the ACTION Agency are hereby transferred to the Corporation for National and Community Service, effective April 4, 1994.

**In Witness Whereof,** I have hereunto set my hand this fourth day of April, in the year of our Lord nineteen hundred and ninety-four, and of the Independence of the United States of America the two hundred and eighteenth.

**William J. Clinton**

[Filed with the Office of the Federal Register, 11:01 a.m., April 5, 1994]

NOTE: This proclamation was released by the Office of the Press Secretary on April 5, and it was published in the *Federal Register* on April 6.

## Remarks in a Health Care Roundtable and an Exchange With Reporters in Troy, North Carolina

*April 5, 1994*

***The President.*** We just completed kind of a brief tour of the hospital, and I met some of the nurses and patients and people who work here. We talked a little bit about the physician shortage in this county; a little about the problems with delivery of babies and the high rate of teen pregnancies, low-birth-weight babies, relatively low number of prenatal visits. We talked about some of the reimbursement problems of Medicare and Medicaid and the problem that this hospital has at the emergency room because they take everybody whether they have insurance or not. And I think that's a fair summary—and I met the wonderful, dedicated people. So why don't you lead off.

***Hal Scott.*** Thank you, sir. I want to let Mr. Bernstein give us an overview of Montgomery County medicine and how it relates to the rural problems overall.

***The President.*** I think it would help for the press that are here, just the first time you speak if you would say your name and why you're here.

[*At this point, Jim Bernstein, director, North Carolina Office of Rural Health, and president-elect, National Rural Health Association, discussed rural health care problems, the development of a community corporation within Montgomery County to provide rural health care, and stressed the importance of reform which addresses the urban-rural discrepancy in health care.*]

***The President.*** Thank you very much. I also think—I was reminded on the tour that North Carolina actually has a program to provide subsidies for the malpractice premiums of practitioners who deliver babies and do things in rural areas that they normally wouldn't do in urban areas. Is that right?

***Jim Bernstein.*** Yes. We have a lot of incentives in place in the State; one is that one. Another one—State hasn't done which is really good—Arkansas might do it, I understand—is that we pay our residents more money if they'll go into rural areas and give them higher salaries. And then we do the usual things like loan repayments, things like that. And we have, also, a statewide area health education center program trying to bring continuing education to keep people current in Troy and places like that.

***The President.*** That's very important. In this plan—I just wanted to mention this, because I think it's important—as the Congress debates this whole health care issue, the things which get the largest amount of attention, as they would expect, are how to provide universal coverage and whether you can maintain choice and quality with universal coverage, and a lot of these big questions. But what a lot of people don't know is that in rural America, even if you cover everybody, a lot of folks still don't have adequate access to health care, and there's a real doctor shortage out there. And no matter what happens, I hope the Congress will leave in the provisions of our plan, which have—one, would expand the national health service corps by 7,000 doctors over the next 8 years; two, would give physicians who go into underserved rural areas tax credits of $1,000 a month, 5 years, which is a huge incentive; and three, would allow a much bigger, faster writeoff of equipment, medical equipment that doctors might bring into rural areas. So I think those three things will really help to reinforce what you're doing.

***Mr. Scott.*** Mr. President, Dr. McRoberts is one of our three practicing family physicians in the county. Our ratio of family practice physicians to population is almost one to 8,000.

***The President.*** One to 8,000, and what's the recommended ratio?

***Dr. Deborah McRoberts.*** Well, to qualify as a health profession shortage area, it would have to be about one to 3,000, correct?

***Mr. Bernstein.*** But you want to be at one to 2,000.

***The President.*** One to 2,000 is what you should have, right?

***Dr. Hugh Craft.*** Yes.

***Dr. McRoberts.*** What we should have. And I have 8,000 active patients in my practice right now.

***The President.*** Eight thousand?

***Dr. McRoberts.*** I have over 8,000.

***The President.*** When was the last time you slept?

[*Dr. McRoberts described working an average of 100 to 110 hours a week during flu season and 80 hours a week normally while always facing unfinished paperwork and affirmed her dedication to practicing rural medicine.*]

***The President.*** What's the most important thing that could be done to make your life easier? More doctors?

***Dr. McRoberts.*** More doctors. I mean, definitely. We are at such a critical shortage of doctors right now, with only three family practitioners. And our draw area, the population that we draw from, is about 28,000 people.

***The President.*** And what would be more likely than anything else to generate more doctors in this area? What could be done by the county or by——

***Dr. McRoberts.*** I don't know. That's the big question mark. What will it take to get doctors to come here? I think you have to look for things like loan forgiveness, certainly, or low repayment programs for the residents that are coming out, because that way you can get fresh, young blood, you know, people that aren't tired yet.

***The President.*** It doesn't take long to get that way.

***Mr. Bernstein.*** This sounds a little trite, because it's a big question. But for 30 years we've rewarded high-tech people and health professional people and basically didn't pay primary care people. And I know money is not the single most important thing, but it is important. And so, if the reform plan could move to reverse that, somehow the incentives would be not only loan repayment and stuff like that, but somebody who worked here could make as much money as somebody who worked—even if it had to be paid more to get to that level than in Charlotte—we would be in a better position, because our physicians get paid a whole lot less out here, a whole lot less, than they do in Charlotte.

***The President.*** Well I think, for one thing, you know, let me just mention, if you start in medical school, under our plan, we would shift the allocation of internships and slots more toward primary care physicians, so you'll have more people in that business, and they don't have to go where the market is.

Secondly, I think, we know the national health service works; it just got cut way back. So if you put another 7,000 doctors out there, it will make a difference, because that's a way to pay your medical school. And then the way the tax credit works is that it will, in effect, increase the income of every doctor and the underserved areas by $12,000 a year. That's what a $1,000-a-month tax credit is. And even though, you know, if people just come in here in 5-year cycles, that's a significant amount; that's a big commitment of your professional life; you can keep going that way.

[*Mr. Scott described the Montgomery County not-for-profit corporation designed to recruit six to eight family physicians to alleviate the 100-hour week for the physicians currently in the county. He then introduced Beth Howell, director of nursing, Montgomery Memorial Hospital, who discussed problems recruiting and retaining nurses in rural areas.*]

***The President.*** How many more nurses do you need? I mean, just for example.

***Beth Howell.*** I would like to have five additional registered nurses.

***The President.*** And where are most of them trained, most of the RN's you get here?

***Ms. Howell.*** In the local community colleges.

***The President.*** And is there one—where's the nearest one?

***Ms. Howell.*** We actually have two that are within 20 miles and another one that's within 40 miles.

***The President.*** So that's not a real problem—[*inaudible*].

***Ms. Howell.*** Right.

***Dr. McRoberts.*** Retention is the problem. The nursing staff turns over a lot, just like she was saying.

***The President.*** I'd be interested in your feedback on this. The only thing that I know of that's in our bill that would help is there's also—as I say, we felt that the quickest way we could deal with the income disparity—I mean, we can't go in and sort of change the economics of every community in the country, but you could give a Federal tax credit. And a credit is not like a deduction; it's a dollar-for-dollar deal. And so there's a $500-a-month tax credit for 5 years for nurses, too. And I think that will almost close most of the gaps. I mean, that's $6,000 a year. That's probably about what the gap is early on.

***Dr. McRoberts.*** Is that just for health profession shortage areas?

***The President.*** Yes. For shortage areas. But you could qualify.

***Dr. McRoberts.*** Thanks. [*Laughter*]

***The President.*** I mean, nobody can work 80 hours or 100 hours a week forever. You burn out. You can't do it.

***Dr. McRoberts.*** That's right. [*Laughter*]

***The President.*** That's what I tell all of the young people at the White House with their boundless energy. At some point, you stop working smart and you start working stupid. When you work hard, you just can't—there's a limit to how much anybody can do.

***Mr. Scott.*** Mr. President, Dr. Craft is in pediatrics. He came through our facility when he was in his resident program and worked in our emergency room for a short period when he was doing his residency. So I think that Dr. Craft probably has some comments that he could address and shed some light.

[*Dr. Hugh Craft, chief of pediatrics, Community Hospital of Roanoke Valley, VA, discussed treatment of children who do not receive adequate primary care in their communities and briefly discussed efforts in outreach education for hospitals in smaller communities. He lauded the President's health care plan for its emphasis on preventive care, universal coverage, and rural health initiatives.*]

***The President.*** One of the things—you mentioned the area health education concept, which I think has really done wonders in rural America, all over the country. But one of the things that we have tried to do in this plan which we haven't talked about this morning is to provide some funds for electronic hookups with really great access to technology so you can have almost instan-

taneous and continuous contact with medical centers around the country. I think it isn't quite like being there, but it will go a long way toward bridging the gap that exists now.

[*Dr. McRoberts described an electronic system linking Montgomery Memorial Hospital to the University of North Carolina, providing instant consultation to the hospital, which had been discontinued for lack of support. Dr. Tom Townsend, East Tennessee State Medical School, discussed the problems of training rural medical communities, emphasizing that medical schools must be reoriented to the needs of rural communities.*]

***The President.*** You know, this has been a source of real controversy, by the way, in the medical community, as you know, because we are only, of all of our graduates from medical school now, only about 15 percent are family practitioners. And in most other major nations, about half the doctors are family practitioners, maybe slightly over half.

So in our bill, we propose over a 5-year period to change the mix of medical school slots that the Federal Government subsidizes, and as you know, they're heavily subsidized, to get to a point where about 55 percent have to be in family and general practice. And I met the other night with all the teaching hospitals in the Boston area to talk about how quickly that can be done, because as you pointed out, they're all sort of geared up and wired to their specialties and subspecialties and all that, and that's sort of where the money is. But I just think that we have a very compelling obligation to spend the taxpayers' money at the national level to try to remedy what is a blooming horrible crisis.

You know, we're here in a little rural area, but there is a shortage of family practice doctors in a lot of the major urban areas of the country. So I think it's not just the training setting; you actually have to get the med students into those slots, and we're going to have to change the subsidy ratio.

Now, again, this is something that almost never gets discussed in the larger debate about health care. But unless we're prepared to do what it takes to guarantee that we educate our young people in sufficient numbers to be family practitioners, all the economic subsidies in the world won't get them out there because they won't be there; people won't be there. And I think that's one thing that's very important, that the American people know that, that with all of the doctors we have, we actually have a shortage of family practitioners nationwide, and it's going to get worse unless we change the economic incentives for the next year.

***Mr. Scott.*** Mr. President, this is a wonderful discussion, and I know that you have other commitments that you must attend to today, and we could sit here all day and all night——

***The President.*** I'm having a good time.

***Mr. Scott.*** ——carrying on these discussions. And it is wonderful for us to have the opportunity to sit down and discuss with you. I'd like to take this opportunity to thank you for visiting Montgomery Memorial Hospital and in speaking to our patients and our citizens, and to let you know we think that we're doing the right things in Montgomery County to deliver the best medicine we can, quality medicine, to our citizens. But the problem is much larger than we are. And we are hoping and working for a payment system that can allow us to operate and serve our citizens.

I believe one of the doctors said earlier that when we see a patient, they normally haven't been to a doctor, and they're to a stage that, if they need hospital care, it's normally extended hospital care. So we realize that the problem is much larger than we are, and we are working very hard in our community to do what we can do. But we need the help from the Congress. We need the help from—[*inaudible*].

***The President.*** How much uncompensated care do you do here every year, do you know—just people who show up at the emergency room that are uninsured?

***Ms. Howell.*** Fifty percent.

***Dr. McRoberts.*** I would say it would be about 50 percent in the emergency room. Probably, what——

***Ms. Howell.*** In emergency.

***Q.*** Uncompensated care or less than total compensated care is better than 50 percent in our hospital.

***Mr. Scott.*** That's true, our hospital, too.

***The President.*** So that goes back to the first point you made, that universal coverage is a big deal and if people want medical care to continue in rural America and forget about the taxpayers and anything else, this hospital could pay more——

***Mr. Scott.*** That's right.

***The President.*** ——to pay the nurses more, to pay other people—to offer incentives to doctors to come directly if you had compensated care. And you'd have a—if you had a better array of services then because it was compensated, you could take better care of the pregnancies and everything else.

It all comes back to this universal care thing. We cannot be the only country in the world that can't figure out how to provide basic coverage to all its citizens. We can't justify this any longer.

***Mr. Scott.*** Thank you very much, Mr. President.

***The President.*** Thank you all. Dr. Townsend, I'm glad to see you. Your father has been educating me about these things for years and years.

***Dr. Tom Townsend.*** He's tried to figure it out.

### *Health Care*

***Q.*** Mr. President, why is it worth it for you to come here and talk to just such a few people when you have already basically done this before? You asked a lot of these same questions before.

***The President.*** Because it's obvious to me that these things come in waves. I mean, the American people are thinking about it again now, and it's very important that we deal with some of these horrible health problems. Most people lobbying on Capitol Hill will be lobbying against universal coverage in one way or the other. But these folks who are out here giving health care know we've got to have it.

I also think it's very important to emphasize a lot of the things that are in our health care program that are not controversial on their face, but they could get lost unless we emphasize them, for example, all the incentives for people to come out here and become family practitioners.

And so the debate, in a funny way, is just beginning. We're getting all this work in subcommittees; we're getting things going forward. All the surveys show an interesting dichotomy. They show that support for our plan goes up and down based on what they heard about it from interest groups or in paid ads, but that if you tell them what the details are in our plan, there are more than two-thirds of the American people support all the specifics.

So what I'm trying to do is to get out here and highlight these real-world experiences that these doctors and nurses and other health care providers have so that we can focus the attention of the American people and the Congress on solving the real problems, not the rhetorical problems.

***Q.*** And get this on local television.

***The President.*** Well, yes, that's the idea.

***Q.*** Mr. President, are you losing the public relations battle, Mr. President?

***The President.*** No, I think we're winning it again now. And we're getting real movement in Congress. But I think we don't have the ability to raise the kind of funds or do the kind of nationally organized advertising that has been done by some against the program. And inevitably, a lot of the national organizations may get more publicity than local ones do. But when you get out here and you go beyond the rhetoric and get down to the details and the real-life experiences of these folks that are out here trying to take care of America, then the compelling case for reform, for universal coverage, for guaranteeing health security for all Americans, and getting the funds in here to these rural hospitals and providing more family doctors is overwhelming. And so I think we just have to keep hammering this home, not just on local television—I'll be grateful if you put this story on national television tonight. [*Laughter*]

***Mr. Scott.*** Thank you, Mr. President, we appreciate you being here.

***The President.*** Thank you.

NOTE: The President spoke at 11:04 a.m. in the activity room of the nursing facility at Montgomery Memorial Hospital. Harold A. Scott, Jr., chairman of the board, Montgomery Memorial Hospital, served as moderator.

## Remarks to the Community in Troy

*April 5, 1994*

Thank you very much. Kerry, you did a terrific job on the tour and just now with the introduction. I do want to say, since a lot of you made comments about the basketball game, if it had come out the other way, I probably would have been in the Montgomery County Hospital as a patient today—[*laughter*]—rather than just someone trying to learn. I want to thank my good friend Bob Jordan for what he said and for his long friendship and support for me. And I thank Congressman Hefner for representing you so well and faithfully, as well as for being fairly restrained last night. [*Laughter*] I brought all my North Carolina staff members and all the people that work at the White House who went to Duke to the game last night. And so in our little box there were more people ''agin'' me than for me—[*laughter*]—but it was a wonderful occasion.

This morning before we came here I met with Kerry and some other folks who are here who helped to talk to me a little bit about some of the medical problems that you face here in this county and in similar places throughout our country. I'd just like to ask them to stand and be recognized, because I want you to know that I was with them before I came here, and a lot of what I have to say responds to what they said: Jim Bernstein, the director of the North Carolina Office of Rural Health and the president-elect of the National Rural Health Care Association; Dr. Hugh Craft is the chief of the pediatrics at Community Hospital in Roanoke, Virginia; Beth Howell, the director of nursing at your local hospital; Dr. Deborah McRoberts, who is one of your local family physicians; the chairman of the board of the Memorial Hospital, Hal Scott, who kind of emceed our event; and Dr. Tom Townsend, who is now at East Tennessee State University and has been a family practitioner for many years. And just by coincidence, his father is probably the dean of pediatric practice in our State. And I looked at him today, and I said, ''I knew a Tom Townsend who was a doctor once,'' and he said, ''He was my father.'' But I didn't organize that. I get accused of bringing Arkansas into everything. I didn't do that. [*Laughter*] I'd also like to thank the people here at this fine school for taking us in, your principal and your superintendent and the Mayor of Troy. And I also know that these benches were constructed especially for this event by Jerry Holders, so I don't know what's going to happen to them, but I want to thank Jerry for making the benches available to us. He did a fine job.

I've been working on the issues that we talked about today and the things that you heard about today from the previous speakers for nearly 20 years now, since I was first elected attorney general of my State in 1983, or—excuse me—in '79 when I served as Governor for the first time. My wife and I started a rural health initiative, trying to connect our children's hospital to all of the rural hospitals in the State and deal with a lot of the issues that you've done so well with here in North Carolina.

In 1990, after years of dealing with the headaches of the Medicaid program as a Governor, I agreed to work with the then-Republican Governor of Delaware, who is now a Congressman from Delaware, on a Governors Association project, trying to figure out what we could do at the State level to deal with some of the terrible problems of health care: the rising costs, the strain on State budgets, the lack of reimbursement, the high infant mortality rates in a lot of rural areas, all the—and the lack of doctors. And after I worked on this for some time, and after I had been involved in this issue for a very long time, I came to the conclusion that a lot of the problems of the American health care system simply could not be addressed in the absence of a national effort to reform the way—primarily the way we finance health care and the way we provide health care professionals in America.

There's so much that's good about our health care system, and that which is good is the best in the world. So the trick is how to fix what's wrong and keep what's right. And that has been the great debate in which we have been engaged.

Over the last year or so, through the First Lady's task force, we have asked for the help of literally thousands and thousands of doctors and nurses and other health care providers and consumer groups to try to give us

some sort of insights into what we should do. But the main point I want to make in the beginning is that my roots are in a county a lot like this one. And I sometimes think in Washington we lose track of the human face of America's problems and America's promise. And I'm deeply grateful to be here today to see both of those things.

First, let me say that rural America has a lot of folks who either don't have health insurance or who have very limited health insurance. There are a lot of small business people, there are a lot of farmers, there are a lot of self-employed people who have enormous difficulty with insurance policies that often have lifetime limits, very high deductibles, big copays, and premiums that go up every year. A lot of citizens I have met around this country have really told me of the decisions that they make on an annual basis about whether they can even afford to insure their family. Seventeen percent of rural America has no health insurance at all. The folks at the hospital today told me that half of all of the emergency room business they do in the hospital are with people who have no insurance, who show up at the emergency room when the care is too late, when it's too expensive, because they didn't have insurance to get it on a regular basis. Twenty-five percent of our farm families have no health insurance in America. We have to do something about this. If you look at where we are, you can see here, at any given time in America our population is roughly 255 million people. At any given time in a year there will be a total of 58 million people every year who don't have health insurance at some time during the year. And on any given day, the figure is somewhere between 37 million and 40 million who don't—go uninsured.

There are 81 million Americans who have preexisting conditions. You heard Bob Jordan talking about someone who lost their job with IBM and had a preexisting condition. Now, people with someone in their family with a preexisting condition normally find themselves in one of three positions. Either they can't get insurance at all, or they're paying a whole lot more for it, or they're in a job where they got insurance before the preexisting condition that they had or their spouse or their child developed, and now they can't ever change their job because if they try to change jobs, they won't be able to get insured at a new job.

That is a huge deal in a country where the average 18-year-old is now going to change work eight times in a lifetime and in which labor mobility is going to be the key to our future economic growth, when big companies are downsizing and small companies are expanding. And we already know it's harder for small companies to get affordable insurance.

Then there are 133 million Americans, or a majority of our people, who have insurance but have lifetime limits on it, which means if they have serious illnesses they could run out of the lifetime limits. I met a family in Florida about 10 days ago that had written a letter to my wife about their problem. They had two sons with rare forms of cancer that apparently had some sort of genetic connection because both their boys had it. They had a daughter that at least to the present time had not developed this kind of cancer. They had a lifetime limit on their policy, and they felt the lifetime limit would run out before the first child was out of the house and eligible to be on Medicaid or something and certainly would clearly run out before the second child would. They had no idea how they were going to get care for their children when that happened.

So we have to decide whether we're going to do something about this. No other advanced country with the kind of national economy as strong as ours has failed to provide for health care security for its people. And there are basically only two ways to do that. You can do what Canada does, which is just to abolish the whole private insurance industry and pay for it with a tax. We do that with the Medicare program today. That's how we finance Medicare; that's how we finance Medicaid. You have low administrative costs, but there are all kinds of cost problems—cost control problems there.

The other thing you can do is to have the mixed system that we have and extend it to everybody. That is, employers can cover their employees; employees can pay part of their health care; employers can pay part of their health care. And then if they are very small businesses with low payrolls, you can provide

a discount for them. But in other words, you just extend the system we have now that we're most comfortable with.

The third thing you can do is to keep on doing what we're doing, just talk about it, say how terrible it is, and figure we're just not smart enough to figure out how to do it. Now, let me just say, if we keep on doing what we're doing, a lot of bad things will happen. More and more hospitals like this one will either—will go under or have to really cut back on what they do. You won't be able—because this hospital doesn't have full reimbursement, it restricts the income that can be paid to the nurses; it restricts whatever incentives you can offer to the doctors. You get fewer doctors, and you get doctors like this doctor who told me she's, on a hard week, worked over 100 hours a week, and in a slow week worked an 80-hour week. Pretty soon the doctors are going to need doctors if you do that.

So I really don't think doing nothing is an option. Every year the number of Americans—we lose about—about 100,000 Americans a month lose their health insurance permanently. So the problem will get worse, not better. There is a perception today, I think, in the Nation's Capital that maybe the problem won't get worse because there's so much managed care, that inflation in medical costs overall has gone down. Well, it has. It always goes down when there's the threat of real health care reform. But for small business people and farmers and a lot of individuals, health insurance has not gone down. It's still going up quite rapidly. And a lot of people are still losing their health insurance.

So we have to deal with the fact that there is plainly a crisis. I think that we ought to make the choice of guaranteed private insurance because, as a practical matter, I don't think we ought to just shut down all the health insurance companies in the country and figure out what all those people are going to do for a living and then figure out how to substitute a tax for a health insurance premium, when most people have health insurance and you could make the health insurance work better for small business people. People in Government and big business today normally have pretty good health insurance systems, and their inflation rates have come down within inflation, the inflation rate generally.

So I think the simplest way is simply to guarantee private health insurance to all Americans. That's what our plan does. It says every American should have health insurance that can never be taken away; that if you work, employers and employees should make a contribution to that health insurance plan. If you don't work, the Government should pay.

Now we're paying anyway. If somebody shows up at this emergency room and gets care when it's too late and too expensive, you're going to pay one way or the other. Either the hospital will have to find a way to pass the costs along to the other payers, or if the hospital can't do it, you pay for it in terms of reduced services, fewer doctors, and terrible financial strain on the hospital.

When everyone is covered, it reduces all this incentive to shift costs, and it provides the funds that you have in medically underserved areas that you need so desperately to hire more doctors and to keep the people that you have. I think that is terribly important.

There's another thing that's important about it, and that is when everybody has health insurance, then you can use more preventive care and you can have more primary care. Almost all of us were raised on that old adage that an ounce of prevention is worth a pound of cure. We ignore that almost entirely in health care.

You have here—the infant mortality rate in this country is well above the statewide average. Why? Because you have a whole lot of pregnant women who only have 7 prenatal visits when they ought to have 12, who have low birth weight babies who have problems. That has to be addressed. Because we do not do enough in this country to do enough primary and preventive work in health care. We have great high-tech medicine. If you're really sick, we do more in medical research than any other country. I don't propose to stop that; in fact, our plan would invest more in it. But where our real shortcoming is, is in primary and preventive care. So I think that is very important.

Now, the second big issue that I think we have to face is this: What kind of system are

we going to have from the point of view of the patients? And should you have or not have a choice of the doctor or a medical plan you buy into? This is a big issue. I don't know how big an issue it is in Montgomery County, but I can tell you now that slightly less than half of the American people who are insured at work have a choice of more than one plan now. More and more employees are being required to buy into whatever plan that the employers decide it's the only one that he or she can afford, and there's less and less choice in these plans of what doctor you visit, what hospital you visit, and what you do. That is a big issue.

So I think that one of the things that I would like to emphasize is the need to have choice: not only insurance that can't be taken away, not only comprehensive benefits, not only no lifetime limits, but under our plan, if it passes the way we have proposed it, people will be able to have a choice every year of at least three different plans. You can join an HMO. You can have a fee-for-service practice—and if you're in a rural area, that may be the only option you have, just to go through the same system that you have now. Or there will be at least one other kind of plan offered, maybe a mix between the two. I think that's very important. Most Americans believe that they should have some say over their own health care. And most Americans believe that the quality of health care will be increased if their choices can be maintained.

And I can tell you that if we do nothing, if we do nothing for a couple of years anyway, people who get their insurance through big businesses and through Government, like I do, will continue to get good health care at reasonable prices. The price of that will be, putting price squeeze on everybody else, which means that teaching hospitals, for example, which are very important in rural areas to support you, will find it harder and harder to get adequate money. And it means that people who are small businesses and people who are self-employed will pay higher and higher premiums.

One of the great raging debates we're having now is in the small business community about whether it will be terrible for small business to have to insure their employees if the small businesses don't do it now. Well, the Director of the Small Business Administration, Erskine Bowles, from North Carolina, is here with me today. He spent 20 years helping to organize small businesses, get them started, help them expand. And he's one of the strongest advocates of our health care program because he knows most small businesses already insure their employees, don't get the insurance that they want, pay higher premiums than they should, and that the small business sector is going to be in worse trouble if we don't do something than if we do. So I think that this whole issue of having more choices is very, very important.

Let me also mention something else. If you're going to have comprehensive benefits and the right to choose your own doctor, then it seems to me we also have to outlaw some insurance practices. Let me just talk about this. Today insurance companies, as you just heard the story, can drop people for nearly any reason whatever. Under our plan, insurance companies couldn't drop coverage or cut benefits, couldn't increase rates just because you've got somebody in your family who's been sick, who's got a preexisting condition, couldn't use lifetime limits, and couldn't charge older people more than younger people just because they get older.

Now, how are we going to do this and not bankrupt the insurance company? The answer is you've got to cover everybody, and you've got to make it possible for insurance companies to make money the way grocery stores do, to make a little money on a lot of people instead of a lot of money on a few people. That's what community rating—you hear this—when you hear all this talk about community rating, you hear all these words that may not mean anything to you, that's all community rating means.

Why do you think people in Government—if you belong to the Federal employees health insurance plan, why do you think we have a good deal? Because there's a whole bunch of us. It's as simple as that. There are just a bunch of us, and we can get a good deal. And we can get a good deal whether we're the President in Washington or whether we are the postmaster in Troy. If you buy into the Federal health insurance plan, there's a lot of us.

So to make it possible for us to cure these insurance abuses and have it really work in a town like Troy or for a small business person or a farm family, you have to be able to put folks in large pools. That's what community rating means. That's all community rating means is you make money—insurance would make money the way grocery stores do. And just the way grocery stores have to allow for a certain amount of broken merchandise or stale bread or people making off with olives or whatever, if you've got a big enough base, then if you get a few people who are real sick you can spread it over the base, and people can still make a living doing it. That's basically what we're trying to do. I want to come back to how this affects rural America in a minute.

One of the programs that does work in the Government, I think, is Medicare. Most people think it works. It's very important that the American people know and that the senior citizens in this county know that our plan preserves Medicare. But it covers two things that are not covered in Medicare now. One is the prescription drug benefit—big problem. A lot of older people wind up going to hospitals because they can't afford to buy medicine that they should take to stay out of the hospital under Medicare. This will save money over the long run. There have been a couple of studies showing that it will. The second thing is, we begin to cover some long-term care coverage through Medicare. Today basically what the Government does is if old folks are real poor, they can get long-term care under Medicaid, and mostly it's institutional care, nursing home care. So we want to support in-home care and other community-based care.

I've already been over this. We want to guarantee the benefits that work. If small businesses have low payrolls and low profit margins and are strapped, we will provide discounts to those small businesses so that they might pay as little as 4 percent of payroll. People say, "Well, I can't even afford that." But if all of the competitors have to pay, you can. I want to point this out. Seventy percent of the small businesses in America today provide some health insurance for their employees, 7 out of 10. Almost 100 percent of the small businesses where jobs are growing in numbers provide health care benefits for their employees.

Health care costs of small business are 35 percent more than they are for big business for the same benefits, 35 percent more, because they're small. Under our plan, you won't ever be at a competitive disadvantage because all of your competitors would also have to provide for health care coverage. You'd be able to get a better deal than you can now. And here's something else that has received almost no notice: Our health care plan folds the health care costs of workers' compensation and automobile insurance health care costs into this. So small businesses that are being killed by workers' compensation costs will have their workers' comp rates go down because the health care portion of it will be covered in the health care plan.

So health care—the small business community of this country will come out a winner in this, not a loser, if we do it. If we don't do it, what will happen is more and more small businesses will lose their health insurance every year, or they'll have higher copays, higher deductibles, and less coverage.

So let me just make one last comment about the rural areas. The biggest problem I heard today here was there are not enough doctors. You've got one doctor for nearly 8,000 people. That's not enough. You need many more. So do most folks in rural America. Why does this happen? Well, doctors make more money in cities, doctors have more support in cities, and frankly, our medical schools are turning out too many specialists and too few general practitioners for the needs of not just people in rural areas but all over the country. What does our plan do about that? Number one, it changes the incentives. The Federal Government spends an enormous amount of money to subsidize the training of doctors, as expensive as it is. We change our subsidy program over time to subsidize more family practitioners and fewer specialists. It's important; we've got to produce more family practitioners. If the doctors aren't there, no incentive will bring them here. Number two, we will dramatically increase the national health service corps, another 7,000 doctors over the next few years, to pay people's way through medical school.

Let them come out here and practice for a couple of years and pay their debts off. Number four, we give a $1,000-a-month tax credit, or a $12,000-a-year income subsidy, to doctors who will go to medically underserved areas for 5 years and a $500-a-month credit to other medical professionals that will go to underserved areas. That will make a huge difference. Number five, we help to hook these doctors up with new medical technology—to the medical centers in urban areas far away, which is very important, and we give certain tax incentives to make it easier for physicians to buy the laboratory and other equipment they need to feel good about their practice in rural areas.

Now, all these things will really help the terrible problems I heard about today. I'll say again, I don't see how your hospital is functioning with doctors where a slow week is an 80-hour week and a fast week is a 110-hour week. There is a limit to how long you can expect your physicians to do that and function at a high level of efficiency. You cannot do it. So we have to change that, and we're going to.

So in summary, we've got a plan that would expand the system we've got: guaranteed private insurance, keep your choice of doctors, provide real insurance reform in a way that will permit the insurance companies to function in our free enterprise economy and still make a profit, preserve Medicare but add a prescription drug benefit and a long-term care benefit, and guarantee these health benefits at work. And finally, there is a very special attention given to the problems of medically underserved areas, which are especially rural America, to get more doctors out there, more nurses out there, and keep the connections that physicians and other health care providers feel they need to folks in the big medical center areas so they can give high-quality care.

Now, we don't have to do any of this, but if we don't, the problems of this hospital are going to keep getting worse. You can organize a local community effort like you are, and it can make a real difference. You can raise money, you can do things, you can get some more doctors in here, and maybe you will escape the trend. But if the number of family practice doctors continues to go down, then somebody in rural America is going to be hurt even if you aren't. If you escape—there are just only so many ways you can cut a pie that gets smaller. And even if you do that, if you keep having people who don't have insurance not come in here for primary and preventive care, showing up when they're real sick at the emergency room and half your emergency room load are people with uncompensated care, it's going to get worse.

So you're doing what you have to do to succeed, but your country is not doing what it should do to help you succeed. And that's what this health care reform issue is all about. And what I want to ask you to do is to take the experience that you have—this is the real world out here, that's what I heard these folks talking about—and support Bill Hefner and support the other Members of the Congress and say what Bill did. This is not a political deal. Everybody gets sick, regardless of their political party. And this country needs a health care system where the financing is as good as the medical care. That's what we need. And if we don't do this we are going to pay a terrible economic and human price. You know this. And what happens is we get up there in Washington, we start going to work on this, and all we ever hear from are lobbyists. Then the real world experience, what really is going on out here in the heartland of America, gets lost in a cloud of hot air.

I'm here today just to ask you to encourage this good Congressman and the other Members of Congress to deal with this issue and to deal with it now and not to fool with it any more. Sixty years ago we had a chance to guarantee health care coverage for all Americans, and we passed it up. Twenty years ago, under President Nixon, he proposed guaranteed private health insurance for all Americans with employers and employees paying their part, and we passed it. And every time we have passed it, we have let the problem get worse, we have put more of a burden on rural America, we've put more of a burden on small business people and farmers, and we have really played havoc with a significant percentage of the American people. We can do better than that. So I'm asking you to take what you know in your

heart, your mind, and your life is the truth and say to the Congress of the United States, ''The time to act is now, and we will support you.''

Thank you very much.

NOTE: The President spoke at 11:38 a.m. at Troy Elementary School. In his remarks, he referred to Bob Jordan, former Lieutenant Governor of North Carolina, and Kerry Anderson, Montgomery Memorial Hospital administrator.

## Remarks in a Town Meeting in Charlotte, North Carolina

*April 5, 1994*

***Q.*** Welcome, Mr. President.

***The President.*** Thank you. I'm hooked up.

***Mr. Donovan.*** Right. We will be getting to our first question for President Clinton, but first he would like to begin with some opening remarks.

Mr. President.

***The President.*** Thank you. Well, first of all, I want to thank you for hosting this town meeting. And I want to thank all of you for participating and all the people in the communities that are hooked into us tonight. I try to do a number of these every year as a way of sort of getting in closer touch with the American people, listening to people directly about their concerns, and making a report.

Last year, in my first year as President, I devoted most of my time to trying to get the economy back in order, to impose some discipline on the Federal budget, and to start investing in growth for the jobs of the 21st century. This year we are working on trying to keep that economic renewal going. Our economy in 14 months has produced 2.3 million private sector jobs. That's more than twice as many as in the previous 4 years. If the budget which I have proposed to Congress passes, we will eliminate another 100 Government programs, cut another 200 and something more, and have 3 years of reduction in the Federal deficit for the first time since Harry Truman was President of the United States. That's a long time. So we're moving in the right direction.

This year we're also trying to improve our political system. We've got a lobby reform law which will restrict lobbying in Washington and increase reporting requirements for lobbyists, which I think is a very good thing.

The Congress just passed and I just signed our major education bill for public education, Goals 2000, which for the first time will set world-class standards of excellence for our public schools and promote all kinds of domestic grassroots reforms, school district by school district, to achieve them.

We are dealing with welfare reform in the Congress. We are dealing with health care reform, and I know a lot of you have questions about that. I visited today in Troy, North Carolina, in a rural hospital and with people in that community, talking about the problems of providing health care in rural America.

And the first item of business—and I will close with this—when the Congress comes back will be to take up the crime bill. I know you just had a special legislative session here in North Carolina. Governor Hunt proposed some legislation. Our crime bill will put another 100,000 police officers on the street, will ban 28 kinds of assault weapons, will have a ''three strikes and you're out'' provision to affect the relatively small number of criminals that commit a large percentage of the truly violent crimes, and will provide some funds to communities to try to give our kids a chance to avoid getting in real trouble: more funds for drug treatment, for recreation, for alternatives to imprisonment for first-time offenders. It's going to be a very busy year in Congress.

What I want you to know is that this work is going on. Sometimes I think maybe out here in the country, because of what comes across the airwaves, you may not know that the work of the people is going on, and that's my first concern. And we're doing everything we can to push an agenda which would make this year, if we can complete it, even more important to the American people and their future than what happened last year.

***Mr. Donovan.*** Mr. President, we will open up our town hall meeting now with questions, and Kim Hindrew is standing by with the first questioner.

### *Crime*

***Kim Hindrew.*** Mr. President, we have with us here a gentleman who has a question on crime.

***Q.*** Good evening, Mr. President.

***The President.*** Good evening.

***Q.*** With the inner-city crime rate at an all-time high, is there any plans for Congress to allot funds for programs that would help the inner-city families deal with these problems?

***The President.*** Yes, there are. Let me just explain a little bit about how our crime bill works. This crime bill would do far more than Congress has often done in the past. It's not just a posturing bill, where we say we're getting tougher on crime but we don't give the cities and the rural areas the means to deal with it. We actually would put another 100,000 police officers on the street in our cities over the next 5 years in community policing, that is, where people could walk the streets, know their neighbors, know the kids, work with people, and prevent crime as well as catch criminals. We provide the communities funds to help to promote more community activities for young people, to help to provide for afterschool activities, for jobs, for recreational activities, for drug treatment, for the kinds of things that will prevent crime, as well as for boot camps and other alternatives to prison for first-time offenders who are nonviolent. And as I said, we do increase penalties for the relatively small number of people who commit a large number of the violent crimes. And we eliminate several—28, to be exact—kinds of assault weapons which have no hunting or sporting purpose, which are just used to make sure that gang members are often better armed than police officers.

So that's what this crime bill does. And it's all paid for not with a tax increase but with a trust fund which will be funded by reducing the Federal employment rolls by 252,000 over 5 years, not by firing anybody, but by attrition. If this budget passes, this year's budget, combined with what we did last year, 5 years from my first year in office the Federal Government of the United States will be as small as it was when John Kennedy was President. It will be the smallest it has been in 30 years, which is a huge change. And all the money will be put right back into local communities and into law enforcement. So that's what we're going to do. It will make a difference, sir.

***Ms. Hindrew.*** Mr. President, we have a question now about Government efficiency.

### *Health Care Reform*

***Q.*** Mr. President, Federal Government does not presently have a good track record in its operation of other health care programs. Examples are Medicaid and Medicare, where the costs have continued to skyrocket. Also a very good example are VA hospitals that have empty beds and yet waiting lists, and because of funding, they're not operating at full capacity. In light of that, why do you think we can operate your proposed health care program without adding greatly to our already serious deficit in this country?

***The President.*** Well, that's why I don't propose that the Government take it over. My program is, guaranteed private insurance. My program is, take the people who are working who don't have health insurance and extend the same system that they have now. Eighty percent of the people without health insurance in America today are in working families, and what we propose to do is to guarantee them private insurance and then give them the chance to choose their own doctor, choose their own medical plan, and to have a new choice every year, not to have the Government run it.

But let me just say, sir, I don't agree with you. I don't think Medicare is a poorly run program at all. And the Medicare program, I think, has worked right well. It only has a 3 percent administrative cost. By contrast, most private insurance plans have administrative costs 4 and 5 and 6 times that. So I don't think you can make a very good case of Medicare's not well run. I think it is. Medicaid is growing so fast and Medicare is growing so fast in part because there are more and more people on it because we don't have enough other kinds of insurance. But I don't think that either one of those programs, but particularly the Medicare program, is poorly managed. I think Medicare works real well for elderly people, and I think it ought to be left alone. Under my plan we leave it alone just as it is. But we don't extend Medi-

care to the uninsured, we extend private insurance. I think we should have a private plan.

I do believe that you're going to have to have some way to let small business people and self-employed people buy health insurance at the same competitive rates that people in the Government and people in big business get it now. Those of us that are in the Federal Government have terrific health insurance plans. Why? Because there's a whole lot of us, so we can get good plans. But farmers or self-employed people or small business people, they pay 35 to 40 percent more because they don't have any buying power. So under our system, what the Government does is to create buying pools, almost like old-fashioned farmers co-ops, so that people can buy insurance that's more adequate for lower cost. In California, the first big buying pool was set up by the State of California this year, and small businesses actually got their insurance at a lower cost. The same thing is about to happen in Florida. So that's what the Government does: We require private insurance and provide the buying pools. Otherwise it should all be left in the private sector, because I agree with you, we can't run it; we shouldn't try.

***Mr. Donovan.*** Mr. President, you have vowed to veto any health care reform bill that does not include universal health care. Your plan has been changed somewhat. You've compromised, you've been willing to compromise. Are you still going to stick to that, or would you be willing to accept something short of universal health care?

***The President.*** I think if you—well, let me just quote to you back what the doctors and the nurses and the hospital folks said in Troy, North Carolina, today. We were out there with doctors that have spent their entire life in rural areas. They said unless you're going to cover everybody, you can't have health care reform. In the hospital I saw in Troy today, 50 percent of the people who come into the emergency room are people without health insurance. That cost is either going to be passed onto the rest of the folks in Montgomery County who have insurance or is going to be absorbed by the hospital in ways that undermine their ability to provide health care. We are the only advanced country in the world that doesn't do this. I just refuse to believe we can't figure out how to cover all of our people just like every country we compete with does.

So no, that's something that I don't feel we can compromise on, because if we don't do that, we can't stop this explosion in cost. The gentleman mentioned how much Medicare and Medicaid's going up, how much other rates are going up. One of the ways we're going to get health care costs in line with inflation is to provide insurance to everybody, get primary and preventive care out there, and then let people buy it in a competitive marketplace. So you've got to cover everybody to get that done, so I can't compromise on that.

***Mr. Donovan.*** Thank you. We're going to go to our first question tonight from Bristol, Connecticut, Mr. President.

***The President.*** Bristol, Tennessee——

***Mr. Donovan.*** I'm sorry, Bristol, Tennessee.

***Mr. President.*** ——or Virginia, depending on which side of the line you're standing on, right? [*Laughter*]

***Steve Hawkins.*** You're exactly right, Mr. President. Good evening, and welcome to Bristol and WCYB. Now, as you know, we're in the tri-cities, Johnson City, Kingsport, and Bristol in east Tennessee and southwest Virginia. I'm Steve Hawkins, and with me tonight a woman who has a question about education.

### *Education*

***Q.*** Good evening, Mr. President. At one time our schools seemed a protective and enriching environment for our children. Now not only are our children falling academically behind those of many other nations, they're also too often unsafe in their schools. The preceding administration developed the Goals 2000 for education. What new initiatives has your administration developed that would address the seemingly worsening educational crisis, particularly as it reflects the social conditions in our country, and that would help our children find futures in our changing world?

***The President.*** Let me try to answer the question with three or four points. First of all, the national education goals for the year

2000 were developed at a meeting of the Governors and the White House under the previous administration. I represented the Governors in that. We stayed up all night long, and we wrote those educational goals.

The legislation I signed last week for the first time actually provides funds to school districts to promote the kind of grassroots reforms necessary to meet world-class standards. So we've finally done something on that. And also, we'll actually set up those standards in the law. They've never been done before. This country has never had any educational standards, any way of measuring whether students in Bristol, Tennessee, or New York City, or El Paso, Texas, were learning what they needed to know in a global economy.

The second thing we're doing is passing something called school-to-work legislation which will provide extra training opportunities for young people who don't want to go on to college but do need further training. Our evidence is that if you don't have at least 2 years of post-high school education or training when you get out of high school, you don't have a very good chance of getting a job with a growing income.

The third thing that we're trying to do is to change the unemployment system into a reemployment system so that people can continuously get education throughout their lifetimes.

And fourthly, there is in the crime bill, as well as in this education bill I just signed, a safe schools program which will provide more funds and other help to schools to try to make our children safe in their schools. There are an awful lot of schools in this country today where people aren't safe going to and from schools or aren't even safe in the schools. And if they're not safe there, learning can't occur. One of the goals that I worked real hard for back in 1989 to get adopted is that every school ought to be safe, disciplined, and drug free. And so we have a program here that will enable the schools to do that and will give our troubled schools, our most troubled schools, extra help to have the kind of security they need and the kind of learning environment they need and the kind of alternative dispute mechanisms our kids need to learn so that they can avoid violence.

So all these things are on the education calendar this year. This should be the most important year for education reform in 30 years if all these bills pass, and I think they will.

***Mr. Donovan.*** Mr. President, our next question comes from Austin, Texas.

***Sally Holiday.*** Good evening, Mr. President. I'm Sally Holiday with KXAN–TV in Austin, Texas. And here in the studio with me are more than 2 dozen people who have a wide variety of concerns and questions for you. Our first question comes from the chief of our police department, Elizabeth Watson. And Chief, I believe you have a question about community policing, something you're trying to spread here in Austin.

### *Community Policing*

***Q.*** Mr. President, I have real appreciation and optimism about the crime bill and the hope that it provides for an unprecedented investment of Federal dollars into making the streets of America safer. It is music to my ears to hear the President of the United States speak supportively about community policing, because I'm a real advocate. My concern, however, and the concern of many of my colleagues is that community policing has become a buzzword, a panacea, that there is an oversimplification that 100,000 more police is somehow, in and of itself, going to dramatically impact the crime problem. What assurances, if any, might you be able to provide that the investment of Federal dollars will indeed be channeled to those cities and areas of the country that truly understand and embrace community policing, as evidenced by the partnership and empowerment across the board of the citizenry that it inevitably entails?

***The President.*** Let me try to explain a little behind what the chief's question is. What she is saying is that community policing works if it's properly implemented. That means it's not just enough to let a city hire more police officers. The police officers have to be properly trained, properly deployed, and connected to the community so that they not only catch criminals, they actually work with people to prevent crime from occurring

in the first place. We know this can happen in Texas—she's in Austin—and in the city of Houston, where they went to a more aggressive community policing situation, in 15 months the crime rate dropped 22 percent. And the mayor got reelected with 91 percent of the vote, and the two things were connected, believe me.

You can do something to bring the crime rate down. The answer to your question is—at least if I prevail, the bill has not come out in its final form yet—we will give some of this money out based on the size of the problem in cities. But some of the money will have to go to—the money will be tied to a commitment to genuine community policing strategies that work. In other words, if you give more money to a city and they hire all the police to sit behind desks, the crime rate will not go down. That's basically what she's saying. You've got to know that this money is going to be properly spent. To the extent that we can do it, we are going to have standards to make sure that the money will go—we want to give it to all major cities that need it, but we want them to agree to implement strategies that work in order to get the money. And I thank you for what you're doing.

***Mr. Donovan.*** And Mr. President, on to our third city now, Roanoke, for a question from a resident there.

***Q.*** Good evening, Mr. President. Good evening, I'm Callie King here at WSLS–TV in Roanoke, Virginia. In our audience tonight in our studio are 25 people who also have a wide variety of questions they'd like to ask you. So let's get right to our first one. With me is a health insurance agent from Rural Retreat, Virginia.

### *Health Care Reform*

***Q.*** Yes, Mr. President, my question would be, as a health insurance agent, my clients are primarily self-employed and small business owners. I would like to know what's in store for people like myself and my colleagues who these folks depend on. When they have any problems with their insurance, they call us.

***The President.*** Well, they would still be able to buy their insurance from you because we don't propose to abolish private health insurance. What we want to do is to require people who do not have any insurance to buy insurance, with employers paying a portion of the premium and employees paying a portion of the premium. We want to make it possible for you to offer health insurance to small business people and self-employed people at either lower rates or more comprehensive health care services for the rates that you've having to charge now, which is something, as you know, insurance companies can't do economically now if they're insuring people in small pools. So what we've proposed is some insurance reform that will change the nature of the economics of the health insurance industry, but leave it intact.

And let me just basically say what we propose to do. From the point of view of the people buying the health insurance, we want to make it possible for small business people and self-employed people to buy insurance at lower rates without inflation at 35 percent a year, which is what it's been averaging nationwide. We want to make it illegal for people to have higher rates because somebody in their family has been sick or because they're older. We want to make cutting people off illegal because somebody in their family has been sick. But we don't want to bankrupt insurance companies, so we propose to have people insured in larger pools, which will mean that smaller insurance companies will have to pool together to insure people in larger pools. But that way, it will be economical for the insurance industry to insure people, and the people will be free of these terrible problems.

Right now in America, 81 million Americans out of 255 million, 81 million, are in families where there is a so-called preexisting condition, where somebody in that family has been sick, which means either they're paying higher insurance costs, they can't get insurance at all, or they can't change the job they're in, because if they do, they can't get insurance in the next job.

These things are not this insurance agent's fault, this gentleman who has asked me this question. He can't help that; that's the way the market's organized. So what we have to do is to put people in bigger insurance pools and protect them from those kinds of abuses. But if they're in bigger pools, then the insur-

ance companies, in essence, will be able to still provide those services, and they'll still be able to make a decent profit.

It will change. Your business will change, but you can still be in business, because I don't propose to take insurance out of this but to change the way it works so that everybody can be insured at an affordable price.

***Mr. Donovan.*** And now we return to home base, Mr. President, if I can direct your attention this way. Kim is standing by with our next questioner here in Charlotte.

***Ms. Hindrew.*** Mr. President, obviously tobacco is near and dear to the hearts of those in the Carolinas. This gentleman has a question about that cash crop.

### *Community Values and Prayer*

***Q.*** Good evening, Mr. President. Initially, I wanted to ask you a question about tobacco products, but I also realize that North Carolina is considered also as the Bible Belt, and I want to ask, since the Supreme Court ruling took prayer out of schools, the divorce rate, drug abuse, and violence has at least doubled. The following year, President Kennedy was killed. What other answer, as a Nation who claims "In God we trust," do we have against these problems?

***The President.*** Well, I don't think you can make a very—with all respect, I think the Supreme Court decision has been carried to the extent that I don't agree with. I agree with the original Supreme Court decision. Let me tell you what the original Supreme Court decision said, and most Southern Baptists, which I am, agreed with it. The original Supreme Court decision said that the State of New York legislature could not write a prayer which then had to get delivered in every schoolroom in the State of New York every day; in other words, that the Government couldn't write a prayer which then everybody who worked for every school system was obligated to read in every school every day. That's all it said. That's what it said.

Now, it's been carried to such an extent now where they say, some people have said you can't have a prayer at a graduation exercise. I personally didn't agree with that. Why? Because if you're praying at a graduation exercise or a sporting event, it's a big open air thing, and no one's being coerced. I'm just telling you what my personal opinion is. I can't rewrite the Supreme Court decisions.

But I agree that the Government should not be in the business of requiring people to pray or telling them what prayers to pray. I do not agree that people should not be able to freely pray and to acknowledge God. We have a chaplain in the Congress, in the Senate and the House. So one of the most difficult decisions we've always had to face as a people is how we can have the freedom of religion without pretending that people have to be free from religion.

The Congress has tried to come to grips with this in two or three different ways, and is trying to make it clear, for example, that school facilities could be made available for religious activities on an equal basis or that people could have periods of silent prayer where they're free to pray their own prayers.

I think what you're saying has some merit in the sense that Government programs can never supplant the role that has to be played by the family, by the church, by community institutions, by people that communicate values to children one-on-one. So I think what we have to do is to try to find ways, continually to find ways in which a society can communicate the values that hold people together.

And let me just say one thing, I think, that I've been advocating for nearly a decade now. I think that there ought to be a set of civic values that everybody can agree with that ought to be taught in our schools: good citizenship, respect for others, don't solve your problems violently, don't cheat and lie and steal, you know?—basic things that ought to be taught clearly and explicitly in the schools, plus, having periods where people can do quietly whatever they want to do. In other words, I think we can work this out in ways that recognize that you just can't have a value-free society. You can't do it. You can't hold people together unless we all agree on certain rules that make it possible to raise children and for us to live in peace together.

### *Tobacco Tax*

***Ms. Hindrew.*** Mr. President, I'll go back to this gentleman's original question, which did have to do with tobacco. This is obviously

a large tobacco-growing area. Your administration wants to ban tobaccos or smoking in the workplace, and also you have proposed raising taxes on tobacco. What do you say to farmers in this area who say you're trying to put them out of business?

***The President.*** Well, first of all, we do not propose banning smoking. The proposed regulation is based on a lot of evidence that people exposed to smoke can also contract cancer and other health problems. So what we propose to do is to say that if smoking is going to be allowed in the workplace, it has to be in separate rooms that are separately ventilated, that are properly ventilated, to protect nonsmokers from the benefits of secondary smoke. That what we propose. And I think that's the right regulation.

On the tobacco tax, basically I attempted to put this whole health care program together without any new taxes. But we have to be able to pay for whatever we do. We don't want to run the Government deficit up. The proposal is that the Government will pay for the unemployed, that is, public funds will pay for the unemployed, and insurance will pay for the employed. In order to do that, we have to have some revenues. I propose that it come from two sources: one, from big companies that will get the biggest windfall from our changes, and two, from the tobacco tax, because tobacco's the only thing that, based on the health studies we know, there is no reasonable amount you can use it without getting hurt. So I thought it was a fair tax.

I know a lot of wonderful people grow tobacco, and it's been good to a lot of farmers. And believe me, the people that represent you in the Congress are not going to let anything be done without some effort to make sure—that the economic implications are considered on the people of North Carolina. But I still think it is a fair and reasonable way to deal with the terrible health care problem.

***Mr. Donovan.*** Thank you, Mr. President. We will continue in just a moment with President Clinton and more questions. Stay with us.

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

***Mr. Donovan.*** Welcome back to our town hall meeting. We're back with President Clinton and ready for more questions. And I'll direct your attention this way, sir, another question from Charlotte.

***Ms. Hindrew.*** Mr. President, our next question.

***Q.*** Mr. President, how about them Razorbacks?

***The President.*** I was very proud of them. But it was a great game, too. I almost had a heart attack. I thought you all would have to visit me in the hospital tonight if we had lost that game. [*Laughter*]

### *Whitewater*

***Q.*** On a more serious note, Mr. President, with recent news reports about the First Lady's cattle futures earnings and with all these Whitewater allegations, many of us Americans are having a hard time with your credibility. How can you earn back our trust?

***The President.*** First of all, I've not been accused of doing anything wrong. I'm still waiting for the first credible source to come up and say what it is I did wrong. Consider this, has any other previous President ever had to say, "Here's what we did 16, 17 years ago"? We lost money on one thing, so they attacked us on that. Then we made money on something, they attacked us on that. We paid our taxes. You now have all my tax bills, going back to 1977. I agreed to have a special counsel look into this just so I could have your trust back but, more important—because the press said that's what they wanted—so we could go back to work.

So the Watergate special counsel, Sam Dash—the man who handled Watergate—said, "Bill Clinton's not like previous administrations; they haven't stonewalled, they've given up all the information. Every time there's a subpoena they quickly comply." I've claimed no executive privilege; I've looked for no procedural ways to get around this. I say, you tell me what you want to know, I'll give you the information. I have done everything I could to be open and above board. They asked my wife about the commodities trading; she showed the reporter who asked about it all the trading documents we had all these years. She'd saved all those records;

she showed them as soon as they asked about them.

So no one has accused us of doing anything illegal. We were attacked for losing money; we've been attacked for making money. And it was the only money we ever lost or made to amount to anything on investments. And it happened 15 years ago, and we've given all the information to this special counsel. If we did anything wrong, he'll find it out. All I've asked to do is let the poor man do his work—I've given him all the information—and let me be President in 1994, while somebody else worries about what happened in 1979. That's what I've asked.

***Mr. Donovan.*** Mr. President, if I may follow——

***The President.*** Let me just say this, I was elected Governor of my State five times. No one ever, even my roughest enemies, my strongest opponents, never suggested that there was a hint of scandal in my administration, that anything—and no one has accused me of abuse of power in this job, and no one will either. You will not be ashamed of what I do as President. And I tell you, what we need is a little perspective here. I said, okay, let's have this special counsel, and I will shovel him all the information I have. I'll answer all the questions they want to know. But I need to go about being President, worrying about the problems of the American people in 1994.

***Q.*** Mr. President, are you one of us middle class people, or are you in with the villainous money-grubbing Republicans? [*Laughter*] I mean, that's where my question came from. I'm sorry.

***The President,*** Well, let me say this. I grew up—I don't think that all Republicans are villainous. Sometimes I wonder in Washington, but I don't really think that. I believe that it is perfectly legitimate for people to invest money and risk it and make it or lose it; that's the free-enterprise system. What I did criticize about the 1980's, and I believe I was right, is that there was too much making money by pushing paper around in ways that cost people jobs and didn't increase the strength of the American economy, where you had people running companies, for example, taking pay raises 4 times as great as their workers got, 3 times as great as their profits went up, throwing people out of work, taking their health insurance away, and taking the money and running. That's what I didn't like.

But I think we have a stock market, we have a commodities market, we have a real estate system in America, and people have to invest their money and risk it. And if you invest money, sometimes you're going to make it, and sometimes you're going to lose it, whether you're a Democrat or a Republican or an Independent. I think that's good. What you don't want is an abuse of the system in ways that hurt the public interest. And I think that's what we have to guard against. And I'm trying to give us an economy where people will want to invest more money, want to put more money at risk in ways that create more jobs for middle class people.

I grew up in what you would charitably call a middle class family, at least by Arkansas standards; I don't know what that means in other places. And I had a good education. A guy said to me today, he said, ''I like you. You were born without much, you got a good education, and you overmarried; you're kind of like me.'' [*Laughter*] That's what a guy said to me in Troy today, so that's about the way I feel.

Thank you.

### *Hillary Clinton's Investments*

***Mr. Donovan.*** Mr. President, if I may follow up on that, aside from the profit and loss, you pledged with your administration an administration that would work hard and play by the rules. There are analysts, however, that feel in terms of Mrs. Clinton's investment in the commodities, that that investment was not handled by the rules. In fact, it appears to them it was given preferential treatment to protect her from any potential loss.

***The President.*** That's just not true.

***Mr. Donovan.*** What can you tell us tonight that would prove them wrong?

***The President.*** They must have never gotten a margin call in the commodities market; because she did, and she was about to have a baby, and she got out of it. I mean, all I can tell you is she had plenty of money at risk, and she could have lost it. And she

actually did lose some money as well as making money.

She gave all the records to the people who asked for it, and they reviewed it. And it's just not true. It's not true that she didn't. She got advice to go in it from a friend of ours who was quoted extensively in the New York Times. They got into a very good market, and they made some money. A lot of the people who got into it at the same time in our area stayed in it too long and lost some money. She got cold feet and got out, and that's the only reason she didn't lose the money that she made. And I think that's the kind of thing that happens in the market every day. It's just not true. The records are there. You can look at the records. And she paid taxes on everything she made. And it's not true that she didn't have anything at risk.

Some of these same people also asserted for weeks and weeks and weeks that I didn't lose any money in the Whitewater thing. Now, the man that was head of the IRS for years has reviewed all the records, and he said we plainly lost money; we plainly paid the taxes we owed. You look at the taxes we paid, the percentage of our income we paid in taxes. I'm like most of you, I gave my records every year to an accountant, and I told them to resolve it out in favor of the Government. I never wanted anybody questioning whether I had paid the taxes that I owed, because I wasn't in my line of work for the money. I wanted to pay what I owed. And I have paid a significant percentage of my income in taxes every year, as I should have. And I have never tried to avoid paying what I owed.

So it's just not true that she did anything wrong or that I did anything wrong. And if we did, that's what we've got a special counsel for. And we've given him all the information. And everybody that's reviewed it said we haven't behaved like previous Presidents, we haven't stonewalled, we haven't backed up, haven't done anything. We've just given him the information. Everybody that's looked at this has said we've been very open with this special counsel. So let him do his job and let me be President. That's what I think we ought to do.

***Mr. Donovan.*** Mr. President, I'd like to direct your attention this way. And we'll go to our next question, this one from Roanoke.

***Q.*** Good evening, once again, Mr. President, from Roanoke, Virginia. Our next questioner tonight is president of the Roanoke Regional Homebuilders Association.

### *High Cost of Lumber*

***Q.*** Mr. President, during the past 2 years, the cost of framing lumber has almost doubled, increasing the cost of a modest home by approximately $4,000. This cost increase has eliminated thousands of borderline buyers from the market. How will your forest plan dealing with the Pacific Northwest balance the environmental concerns with the issues that are driving up the cost of lumber?

***The President.*** Well, first, one of the reasons that the cost of lumber has gone up so much is that we had an explosion in building, because interest rates went down so low, the lowest we've had in over 20 years. And we drove them down real low last year with the deficit reduction plan. And there was a big spurt in building, so there was a shortage in lumber, so the price of lumber went up. That's always going to happen.

It is true that we've had to cut way back on clearing timber in the so-called old growth forests of the Pacific Northwest because there wasn't nearly as much timber up there as we had thought, and it takes forever and a day to grow those tress, something like 200 years a tree.

So what we've tried to do, sir, I guess, will both help and hurt the situation. We have adopted a ceiling for timber cutting that is lower than the ceilings of the past. That will hurt, from your point of view. What will help is, we have moved aggressively to actually start cutting those trees again. It's been years, as you know, it's been years since any trees at all have been cut up there because it's all been tied up in environmental lawsuits in Federal court.

So what we're doing, we just got permission to start cutting trees, and we're trying to move so that we can cut the trees we can without losing the old growth forests. Only 10 percent of the old growth forests of the Pacific Northwest is still up there. And I don't think that in good conscience and le-

gally we can allow it all to be destroyed. But we can clear more timber now if we can just keep pushing ahead and get these things out of the courts and back on the land where they belong.

***Mr. Donovan.*** Mr. President, I'd like to direct your attention back to home base here, and Kim is standing by now with our next questioner.

***Ms. Hindrew.*** Mr. President, this gentleman is here with a question on foreign policy.

### *Bosnia and North Korea*

***Q.*** Mr. President, in view of the recent downsizing of the military and the perception of waffling on using military force in the former Yugoslavia, how can we be taken seriously by North Korea when we threaten force, if necessary, to seize sites not voluntarily open to international inspection?

***The President.*** First of all, I have to correct your premise. I was very clear all during the campaign of 1992 that I did not think we should send our ground forces in to get in the middle of a civil war in Yugoslavia but that I would support using American forces as part of a NATO force if there could be a peace agreement and that I would make our air power available to support the United Nations mission there.

The United States took the lead in getting NATO to agree to do that last August, and as you know, the United States and NATO flights shot some planes down in Yugoslavia recently. And nearly everybody I know, sir, believes that it was the leadership, the aggressive leadership of the United States, which led to the cease-fire around Sarajevo, which helped to get the agreement between the Bosnian Muslims and the Croatians and which has made the progress that we've made. So I don't believe that we have been vacillating at all. There were some planes that were shot down in the former Yugoslavia as the result of the strength that we showed there, as we did in Iraq. When I received concrete evidence that there was an assassination attempt on former President Bush, we took military action there.

Now, the question is: What should we do with North Korea? This is a very serious thing. North Korea has said they want a nonnuclear Korean Peninsula. North Korea has said they want to get along with South Korea. It is the most isolated regime in the world today. Nobody wants them to develop nuclear weapons, not China, their old ally. China doesn't want them to become a nuclear power. Japan doesn't want them to become a nuclear power because they don't want to have to think about developing nuclear weapons. South Korea certainly doesn't. Seoul, South Korea, by far the biggest city in South Korea, is very close to the North Korean border.

The question, sir, is: What is the proper way to try to get North Korea to comply? And what we have done is to try to work very closely first with the South Koreans—whatever we do, we have to do in partnership with them—and with the Japanese and the Chinese, pushing firmly, firmly, firmly, to get the inspections. We got more inspections. They didn't do everything they promised to do, and so now we've got the United Nations to make a very strong statement that they have to do it. If they don't do it, we'll continue to go forward.

But this is a very delicate thing. It's easy to talk about and difficult to do. North Korea and South Korea are right there together; their armies are facing each other. Seoul is a very big city on the border of North Korea. And we've got to work closely with the South Koreans and the others, and we're going to be very, very firm about it. But if I say we're going to do something, we're going to do it. I'm not going to threaten something that we're not prepared to do. I think what we should do is say less and do more in international politics.

***Ms. Hindrew.*** Mr. President, several months ago, in November of last year, you said we will not allow North Korea to build a nuclear weapon. We now believe that there are at least two nuclear weapons and possibly a third. When you say we will not allow them to build it, what are you willing to do to stop them? And what are you willing to do now that we believe they have them?

***The President.*** Well, the intelligence community believes now something they did not believe at that time, which is that they may have a rudimentary nuclear weapon which may or may not even be deliverable,

but which may be a bomb in a literal sense. That may or may not have happened. You've seen that in the press.

We have to see what our options are. One of the things we can do is to continue to put economic pressure on North Korea. But if we do it through the United Nations, we have to carry along with us the South Koreans. After all, the South Koreans have the biggest stake. We have the next biggest stake because we have 40,000 soldiers in Korea. The next biggest stake is in the Japanese who are right there handy. And we have a lot of options short of the military option to continue to make it a very painful decision for the North Koreans to do. So we have not ruled out any of our options, and we will continue to press.

***Ms. Hindrew.*** Specifically, what are those options? Economic sanctions don't seem to——

***The President.*** Well, there's all kinds of economic—well, no, we haven't imposed economic sanctions yet.

***Ms. Hindrew.*** No, we haven't imposed economic sanctions, but most analysts say that economic sanctions won't help.

***The President.*** They may or may not. They may or may not. Economic sanctions have done a lot of damage in the places where they've been imposed. They just don't have immediate results.

***Ms. Hindrew.*** Except North Korea is a different situation. It's incredibly isolated; it's very self-sufficient.

***The President.*** It's not very—actually, it depends on how you define self-sufficiency. It's not doing—they're not doing very well.

***Ms. Hindrew.*** No, they're not doing well, but they're still self-sufficient and they're not doing well.

***The President.*** Well, that's right. So if they do even worse, then they'll have to pay a price for their irresponsible conduct. The thing I said to the North Koreans through formal and informal channels is, what are they getting for this? They get nothing for this. They literally are getting nothing. All they're doing is becoming more and more isolated. They're making themselves poorer. They're making themselves more alienated. Even the Chinese don't agree with what they're doing.

China now is doing 10 times as much business with South Korea as North Korea. So what we have to do is to try to find a way to reach them, get them to come to their senses, keep the commitments they've made. But it's very easy to talk tough here. You have to think about what the consequences are. I am determined to keep putting the pressure on, but I do not believe it serves any useful purpose to inflame the situation with rhetoric. That's what the North Koreans have done; it's a big mistake. We are sending Patriot missiles there. We can resume our military exercises there. We can impose stiffer economic sanctions. We have a lot of options there that we can still explore.

***Mr. Donovan.*** Thank you, Mr. President. And I'll direct your attention once again to the monitor. We go to Austin, Texas, for the next question.

***Q.*** Mr. President, we'd like to go back to a point you raised a little earlier about the economy. Austin is in the midst of a building boom of sorts, not because of any natural disaster but because there are so many people who are just trying to move into central Texas. This gentleman has been in the area since about 1987. He is a money manager, and he has a question about interest rates.

### *Interest Rates*

***Q.*** Mr. President, in 1993 when interest rates were declining, your administration took credit for that. But now both long- and short-term rates are higher than when you took office. Will your administration now take responsibility for higher rates?

***The President.*** Why do you think they went up?

***Q.*** Well, I'm asking you.

***The President.*** I'm asking you. You asked me to take responsibility, so I ask you why. They plainly went down after we declared our deficit reduction package. That's why they went down. They have gone up, I think, for two reasons, maybe three.

One is we had 7 percent economic growth in the last quarter of last year. That's the most economic growth we have had in 10 years. Second—we had 458,000 new jobs come into this economy in the month of March alone. That's the most new jobs we've had in any given month in over 6 years. When you have

that kind of growth, some people are going to think that inflation is coming back in the economy, and interest rates will go up.

Secondly, I think there was an overreaction to what the Federal Reserve did. The Federal Reserve raised short-term interest rates in the hope that they would send a signal that they were going to fight inflation and that long-term rates would stabilize. Instead of that, the market overreacted to it.

The third thing that happened is most everybody in America thought the stock market was somewhat overvalued. When people pull their money out of the stock market, if they put their money into other securities, that will tend to raise long-term rates.

I think those are the reasons they've gone up. The issue is, are we going to continue to have economic growth or not? I think we are. And if you ask me to take responsibility because interest rates went up where we had 7 percent growth in the last 3 months of last year and 458,000 new jobs in March, I'll be glad to take responsibility for that if that's what you want. That's what I call a high class problem.

I do think that the markets are overreacting to what the Federal Reserve did. And I hope that they'll settle down. I hope the stock market will settle down; I hope the interest rates will go back down. But we still did the right thing, sir, to keep trying to bring the deficit down. And I still think we've got to pass this budget that will eliminate 115 programs, cut 200 and something others, and give us 3 years of deficit reduction for the first time since Harry Truman. I think we ought to do that. I think it's good economics.

***Mr. Donovan.*** Back to Charlotte now, Mr. President. And we have our next question from a young lady; Kim is standing by with her.

***Ms. Hindrew.*** Mr. President, I have an 11-year-old girl, and she has a question on crime.

### *Crime*

***Q.*** How do you think you could help improve the crime—I mean help stop the growing crime rate in our country?

***The President.*** I think we have to do a lot of things. I think, first of all, really serious criminals who continue to repeat their crimes endangering people should be put away for longer periods—that young girl, Polly Klaas, who was kidnapped and killed, about your age, by a person who had done something like that before. A relatively small number of the criminals in this country are repeat offenders and truly dangerous. Those people can be identified with some accuracy, and they ought to be subject to our ''three strikes and you're out'' law. The second thing I think we need to do is to have what the police chief in Austin said, we have to have police that are on the street working with folks like you, making it safe for people to go to school, safe for children to be in school, and reducing the crime rate. The third thing we ought to do is to begin to take these dangerous weapons out of the hands of these young gang members and other people who do not have them for sporting or hunting purposes. And the fourth thing we need to do is to begin to teach young people, when they're your age and younger, nonviolent ways of dealing with their frustration and their anger and their differences. You've got kids just up and shooting each other today. The Mayor of Baltimore told me a heart-wrenching story about an 18-year-old young man on Halloween day last October who was taking two little kids down the street and was shot dead by a 13-year-old who was just dared to do it by another teenager. These kids have got to be reached. We've got to reach these kids so they don't do that, before they become terrible problems. That's what I think we have to do.

***Mr. Donovan.*** Thank you. As you make your way back over here, Mr. President, we'll get ready for our next question, which will come to you from Bristol, Tennessee.

***Mr. Hawkins.*** Mr. President, I'm here with this gentleman, and he has a question about the national debt.

### *The Economy*

***Q.*** My question has to do with the national debt and the deficit that seems to be climbing and increasing all the time. I know you referred to this in your opening remarks, but we're concerned about Social Security and about who has to pay this debt and inflation that might have some bearings upon it. My questions are, should we really be con-

cerned? And what is being done in a substantial way to deal with this? And when will this be resolved and no longer be a problem?

***The President.*** Let me say first, with regard to Social Security, right now the Social Security tax brings in more money than is necessary to pay out in Social Security every year. And Social Security should be stable for quite a long while now. I don't think you have to worry about that.

Secondly, does the deficit matter? Yes, it does. It matters when we have to take 15 cents of every dollar you pay in taxes to pay in interest on the debt. That's money we can't spend on education or health care or jobs or something else. And it can weaken our economy, because we have to borrow money sometimes from overseas.

Now, if we keep going, right now, the real way to look at the deficit is, what is the percentage of our deficit as a percentage of our national income? If you look at it that way and compare it to all the other major economies of the world, our deficit now, we've gotten it low enough so that it's smaller as a percentage of our national income than any of the countries we compete with, major economies, except one, except Japan. And if we keep going, we'll get it down below that. We have to keep driving it down.

The only way to get it to zero is to go back to the very first question I was asked. The only way to get it to zero, because we're cutting defense all we can, and that gentleman made—I don't think we can cut it any more. And I'm very concerned. I don't want the Congress to cut defense any more than is in our plan in this budget session. We're cutting defense already. We're cutting domestic spending that's discretionary for the first time since 1969. The only thing that's going up in this budget is that health care costs are still going up at 2 and 3 times the rate of inflation. So the only way we can get the deficit down to zero now is to bring health care costs in line with inflation. And that's what I'm trying hard to do. And I hope we can do that.

But as long as the deficit is going down instead of up, which it is now, it will be a smaller and smaller percentage of our income, and our economy will be stronger. And I think you can be confident that we're going in the right direction. And that's the important thing. We're going in the right direction not the wrong direction.

***Mr. Donovan.*** Over here now, Mr. President, our next question from Charlotte.

### *President's Travel Costs*

***Q.*** Mr. President, I don't mean any disrespect, because I'm an avid sports fan. But I'm also concerned about frivolous spending in Government. I would really like to ask what did it cost the taxpayers for you to attend the games?

***The President.*** I really—I don't know. But one of the reasons I scheduled this and I put this health care thing together here was because we had already planned for me to be out all week long doing this. And I had not been to North Carolina to do an event like this. So we decided that it would add no extra, except whatever it cost to prepare me to go in and out of that arena. And that's mostly because of the security.

But I would say to you what you have to decide is whether you think the President should either give up the Secret Service or should, for example, never throw out the first ball on opening day of baseball season. Because one of the things that's happened, particularly since President Reagan was shot back in 1981, is that the security surrounding the President—and especially since the violence has gone up in our country—has increased greatly. And it does, it costs too much money, and it's too disruptive to take the President around. I mean, to me it's really a troubling thing coming as I do from kind of ordinary surroundings in a little State where my lifestyle was very informal.

But I think what the American people have to decide is whether they want the President to stay home in the White House all the time. If you want the President to go out and be either a normal citizen contacting other citizens or do things the President normally does, like throwing out the first ball in baseball season, then you have to be willing to say that that's an ordinary part of the cost of being President.

Now, when I do go out for political events, for example, if I go speak to a fundraiser for somebody, they have to pay the cost of my going there. So if I do something political,

that's—or any President, the same was true for President Bush and President Reagan—then you don't bear that cost; that is covered. But if we do something that is not political, you do bear the cost, even if it's what you might call—what you said, frivolous. I mean, if I go on vacation, the Secret Service goes with me; so that I pay for the cost of my personal expense on vacation, but you pay the cost of all the Presidential apparatus being there. That's something that has always been true and is now more costly, especially since the attempt on President Reagan's life.

***Mr. Donovan.*** Thank you, Mr. President. We——

***The President.*** I don't blame you, I didn't think it's disrespectful. It bothers me, too.

***Mr. Donovan.*** We'll let you relax for a few moments. We'll take a break and come back with more questions for President Clinton.

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

***Mr. Donovan.*** Welcome back to our live town hall meeting with President Clinton. Questions continue now from Charlotte, Bristol, Austin, and Roanoke. And our next question from Charlotte, Mr. President.

***Q.*** Mr. President, I have with me a gentleman with a question on health care.

### *Health Care Reform*

***Q.*** Thank you, Mr. President, and thank you to the NBC for giving me this opportunity, and I thank God for allowing me to be here today.

Mr. President, I'm a temporary worker and have applied for a job in a number of places. The reply always comes, ''You're not qualified for a job.'' I applied for a temporary agency. Within a day I was called and sent to work with another company to which I had previously applied and I was not accepted. And this time, working as a temporary agent, I do not have any kind of benefits, no insurance, and working so hard making too little. I want to ask, is the Labor Department aware of the agony that the temporary workers are going through in this country? If they do, what are they doing about it? My second question is, working so hard without any insurance, in your health care plan, what benefits would that apply to the temporary worker working so hard without any insurance at all? Thank you.

***The President.*** Thank you. First of all, I think a lot of you probably know this, but one of the reasons for the explosion of temporary workers in America may be that the employers don't have to pay for the benefits. So that's one of the things that happened.

Under our plan, here's how it would work. If a temporary worker worked 10 hours a week or more, the employer would have to pay a portion of the health insurance premium for the employee and the employee would have to pay a portion, and then we'd have a pool, a Government-funded pool, that would pay the rest. Because it isn't fair to make the employer pay the whole thing, for example, if the temporary worker's only working 20 hours a week, or 15 or 10; they would pay a portion. Then if it was 30 or more, the employer would just have to cover the temporary worker as long as the worker worked for the employer as if the employee were a regular employee. So you would be covered as a temporary worker always. And I think that's very important.

Let me just make one related point. I have spent a lot of the last 12 years of my life trying to figure out how to help people who are on welfare get off of welfare and go to work. We just made a big change in the tax laws in America, cutting income taxes for almost 17 percent of the American people who work for very modest wages and are just above poverty line because we want to make sure that people always have an incentive to work.

The next big problem is making sure people have health care. A center here, right here in Charlotte, North Carolina, just reported in the last couple of days that having interviewed welfare recipients in Tennessee and North Carolina, 83 percent of them said they would take a minimum wage job and leave welfare if they had health coverage for their children. So I'm just supporting what this gentleman's saying. That's why it's very important. Our plan would cover that for you.

***Mr. Donovan.*** Thank you, Mr. President. Our next question, once again, from Roanoke.

***Ms. King.*** And it is related to the previous questioner's question tonight but from a different perspective. I'm here with a small business owner who's concerned with the rising cost of health care insurance under the new health care reform plan.

***Q.*** What I would like to express as a small business person—we have 70 employees, I'm a GM dealer, and our present health cost is $39,000 a year. We computed the health costs on the new proposal that you have where we would pay 80 percent of all the employees and all their dependents. And using the same insurance cost under that new proposal, our cost would be $184,000 a year, or a $144,000 increase. My question to you, sir, is will the Government help small business people subsidize this cost, and if they will, what percent will it be?

***The President.*** Well, first of all, is 8 percent of payroll—is that what 8 percent of payroll is for you?

***Q.*** Question? What was that?

***The President.*** Would 8 percent of payroll be $180,000?

***Q.*** Eighty percent—eighty percent is your proposal, sir.

***The President.*** I know. But there is a ceiling; even for the most prosperous businesses, no one can pay more than 7.9 percent of payroll. For small businesses that are eligible for a discount, it can go down as low as 3.5 percent of payroll. That's the maximum in a sliding scale in there.

Let me ask you a question. We don't want to take everybody else's time on this. I would appreciate it if you would actually write to me personally and send me this information. The short answer to your question is, no employer can pay more than 7.9 percent of payroll under our plan. Today, on average, American employers pay between 8 and 9.5 percent of payroll for health care. Small businesses with low average wages are eligible for discounts that will take the payroll costs down as far as 3.5 percent of payroll. I would not favor a small business mandate unless we can provide a discount to small businesses because there are too many that can't afford it.

I will say this, though, since you talk about the car dealership. I grew up in the car business, and I had a car dealer from Arkansas and his family staying with me the other night. And he pointed out he provided health insurance for 20 years, as you have, and his is right at 8 percent a payroll. And he said none of his competitors had done it, but he'd put three competitors out of business even though he had to pay it because he never lost any employees. So it's hard for me to believe that your payroll costs would be that great with only 70 employees, and that's why I'd like to ask you to write.

There's a ceiling of 7.9 percent for all businesses. Small businesses, depending on their size and their wage, are eligible for discounts that could go down to a low of 3.5 percent. That's how it would work.

***Mr. Donovan.*** Mr. President, our next question is from here in Charlotte, and Kim has the next questioner for you.

***Ms. Hindrew.*** Mr. President, we have a woman here; she's a student.

### *Immigration*

***Q.*** Mr. President, my question concerns the high unemployment and lack of higher education for the immigrant Hispanic community. Certain areas, like southern California, have been affected to the point of considering anti-immigration measures. I hope the Federal Government can take steps to educate and train Hispanic immigrants so that the States will not feel forced to take such drastic measures. Can you tell me your ideas on this issue?

***The President.*** I do think we should do more on education and training. But I also have to tell you, I think we should do more to keep people who are not legal immigrants out of the country if we can.

Now, we're a democracy with a vast border, so our ability to keep all illegal immigrants out is somewhat limited. But we have laws in this country that I think ought to be—I have encouraged immigration. I believe in immigration, but I think people should come here legally. And you know, there are people that have been waiting years to get in this country and who won't violate the laws. And people who come against the law get around that and get ahead of the ones that have been waiting years to come in. I don't think that's fair. So we're trying to stiffen the borders.

Now, when people are here, I think more of them should go to college. And I think more American citizens should be able to go to college. What we've done there is to try to lower the interest rates on college loans, stretch out the repayments, and permit more young people to earn money against college by doing community service. Those are the three things we're doing to try to get more education and training for kids that otherwise couldn't afford it who are legally in this country, whether they're citizens or legal immigrants.

***Mr. Donovan.*** And we go next to, Mr. President, to Austin, Texas. And I believe they have a student there with a question for you.

***Ms. Holiday.*** We do have a question from a student. Austin, of course, is the home to the University of Texas, where there are some 50,000 college students alone, plus there are several other colleges and universities in the central Texas area. This gentleman is a senior majoring in economics at UT. And he is also the student body president. His question is of concern to virtually every college student in America, I would guess.

### *College Graduates and Unemployment*

***Q.*** Good evening, Mr. President. Basically, in my tenure I've observed that there are two major concerns outside of academics that students have. One is how do I pay my bills while I'm in school, and, two, how will I pay them when I graduate, or more specifically, will I be able to find a job? In light of legislation, such as, as you said, the national service act and the current economic situation with health care, all these pulling on the economy, what other things, what other roles do you think the Federal Government should play in helping students out with this particular dilemma?

***The President.*** Well, first, let's talk about how you pay your bills when you're in school. My goal was when I became President to make sure that money was never a reason young people did not go to college. We know that the unemployment rate in America for high school dropouts is 11.5 percent. The unemployment rate for college graduates is 3.5 percent; with all the job problems, it's much lower.

So we are redoing the student loans so that the interest rates are lower and the repayment terms are better and you can get the money you need while you go to college. There also, year after next, will be 100,000 positions in America in community service so people can earn credit against their college—you can get the money to go to college while working in their communities.

Now, when you get out, if you can get a job, and I'll come back to that in a minute, under our plan, you can pay these college loans off as a percentage of your income no matter how much money you borrow. So the last thing I have to do is try to create more jobs. And I'll go back to what I said opening the program. In the last 14 months, our economy has produced 2.3 million new jobs. In the previous 4 years, the economy produced only a million new jobs in the private sector. So we're trying to make 8 million in this 4-year period, as opposed to about a million in the last 4-year period. If we make it, there will be more jobs for young people. That's what we have to do. And so far we're on track. We're on track to make that 8 million. And we've got to keep doing it.

That's all I can tell you. There's nothing else I can do except to keep trying to create more jobs and help the private sector to create more jobs.

***Mr. Donovan.*** And back, now, Mr. President, to Charlotte for our next question, Kim with the next questioner.

### *Teenage Pregnancy*

***Q.*** Due to the rising teen pregnancy, do you plan to increase the amount of sex education given in schools?

***The President.*** I think we should. It is largely a decision to be made at the local school district level. But I have worked on this problem for a long time; when I was a Governor I worked on it. And I can tell you what I've seen from my own experience works—what I believe works.

I believe if you have programs in the schools which are supported by community leaders, including religious leaders, which do two things: number one, tell young people that the only completely safe way to avoid

teen pregnancy is to abstain from sex but that also, here is how your body works, here's what causes this, here's how families are built, here's how it all works, and here's what you should do to protect yourself so that you do not get in a position where you have an unwanted, premature pregnancy—I think those kind of clinics work. I know they do; I have seen them work, if they are supported by the community. And I could give you example after example where it's happened.

I personally believe it is a great mistake to pretend that this problem doesn't exist and to say that somebody else is going to handle it. This goes back to what this gentleman said. If we don't deal with this in the schools, I don't know where it will be dealt with. Now, I know a lot of religious leaders think that if you discuss this in schools, you'll be encouraging children to have sexual relations prematurely. I personally don't believe that because of the evidence. I think it's better to tell kids the truth, tell them they ought not to do it, tell them if they do it, here are the consequences and here's how to deal with it. That's what I think; I think we should be very up-front.

But it only works—I have seen this, I have seen this issue tear communities apart—it only works if you bring the community people, including the leaders of the community of faith, in on the front end and honestly and frankly discuss this. I saw a community in my State where a Methodist minister sat on a committee that voted to give the nurse in the health clinic the authority to distribute condoms. I saw another community which voted against doing it. Both communities had a decline in teen pregnancy because they agreed on the values that would be pressed, and they tried to get these kids to save their own lives and their future. So I think we can push it at the national level, but there has to be a belief at the local level that your life and your generation's life is worth fighting for.

***Mr. Donovan.*** Mr. President, I'll direct your attention, once again, to the monitor. And our next question comes to you from Bristol.

***Mr. Hawkins.*** Mr. President, a gentleman here has a question about Whitewater and integrity.

***President's Record***

***Q.*** Mr. President, given the fact that during your campaign you supported a middle class tax cut that you did not support after your election, that you criticized the former administration as to its handling of Bosnia, Haiti, and China, but rhetoric aside, your administration has pretty much continued with those same policies—and those are just two examples, a more recent example being conflicting statements made, or advancing credulous statements made, regarding tax returns formerly filed by you and your wife. Given all of that, why should we believe you as to Whitewater allegations or as to statements made or positions taken by you as President?

***The President.*** Well, first of all, let's go through each one of those issues. If you take the Whitewater issue, you don't have to take my word for anything. Look at my tax returns. When's the last President that went back 17 years before he became President and gave his tax returns up? Just look at them; don't take my word for it.

A former commissioner of the IRS said that all the Republican attacks on me saying that I owed more taxes and that I made money instead of lost money on Whitewater were flat wrong. I have been the subject, sir, of false charges. People saying things about me that are not true don't make my credibility an issue. They make their credibility an issue, not mine.

Secondly, we have a different position on Bosnia, a different position on Haiti, and a different position on China. We have not solved the Bosnian process, but I would remind you that because of the leadership of this administration, we have got an agreement now with the Europeans that we worked with. There is a safe zone around Sarajevo; there's an agreement between the Bosnian Muslims and the Croatians; we are making progress in Bosnia. We have a significantly different policy in China that a lot of people disagree with, but it's clearly different from the policy of the previous administration. On Haiti, our policy in Haiti is different. Our policy on return of the Haitians is the same because I became convinced, after I became President, that hundreds and hundreds of Haitians were going to die trying to come to the shores of this country unless

we set up a system that would allow them to apply for refugee status in Haiti before they came here. And we have set up a system that did not exist when I became President to allow the Haitians to apply for refugee status in Haiti before they came here. So I just disagree with that.

On the middle class tax cut, let me just point out to you, sir, that after the election, the deficit by the previous administration was revised upward by more than $50 billion in the next year. I didn't do that; I didn't have control of those figures.

So here's what I had to do. Do I go through with a whole middle class tax cut and let the deficit balloon and have interest rates higher and weaken this economy? Or do I tell the American people the truth, which is what I did: The deficit is bigger than I thought it was going to be, so I can't go the whole way. I'm going to give 17 percent of the working people in this country an income tax cut, which you never heard about last year. On April 15th, 1.2 percent get an income tax increase, 17 percent almost—16.6 percent—get an income tax cut. And I still believe there ought to be a family tax credit for the rest of middle class America. But I have a 4-year term, sir, not a one-year term.

I haven't abandoned it; I can't get everything done in one year. I'm doing the very best I can and, by the way, the independent analysis last year said that we got more done in the first year of our Presidency than anybody in the last 30 years. So I haven't given up on that commitment; I just can't get it done. I think I have done a remarkable job of doing what I said I would do, and I think you ought to trust me.

***Mr. Donovan.*** Mr. President, we're back to home base for our next question.

***The President.*** You ought to be free to disagree with me, but disagreeing with me is different from trust. We ought not to mix our apples and oranges here.

***Ms. Hindrew.*** Mr. President, a gentleman has a question for you on crime.

### *Crime*

***Q.*** Good evening, Mr. President. There are over 2,800 convicted criminals on death row. Last year only 30 were put to death. The Federal Government, in your crime bill, has a rule of "Three strikes and you're out," which makes a sentence for certain crimes with life without parole after three offenses. Crime becomes more violent, and punishment continually provides more liberties, with ridiculous appeals and paroles. What can we do to put the laws in favor of the citizens instead of the criminal?

***The President.*** First, I believe as I said, that "Three strikes and you're out" laws will help. You just passed one here in North Carolina, too. Keep in mind, most criminal law, folks, is State law carried out by local prosecutors and local police forces. That's why I think what I can do is to help change the environment: more police, deal with the assault weapons, give the local folks the resources they need to fight crime and to help kids before they get in trouble.

I also support capital punishment, and since 1981 have been on record, at least since then, in trying to accelerate the appeals process. I think it is wrong to have appeals processes that take 6, 7, 8, 9 years. And there are things that can be done to accelerate that, which we are debating in the Congress as well now.

But I think it's important—what you need is certainty and clarity of punishment. We need a clean, meaningful, credible "Three strikes and you're out" law. We don't want to put the kitchen sink in there. Take the serious violent offenses and put them there. And then the States that have these laws should enforce the laws, whatever they are. That's what I believe.

We had a capital punishment law in Arkansas when I was Governor, and I carried it out. But it is not the sole answer, believe me. What you've got to do, I think, is to reduce the crime rate and—you heard the police chief in Austin—most law enforcement people I know think that putting more police on the street in the proper way, and connecting them to the community again will do more to lower crime than anything else we can do. But I do agree with you on the appeals, too.

***Ms. Hindrew.*** Mr. President, while we're here, we have a gentleman. And do you have a question?

***Q.*** Yes. Mr. President, first of all, I want to try to assure you that thousands of us who

have worked hard to get you in the White House to do the job that we sent you there to do, that we are behind you, and we have not abandoned you.

The second thing I'd like for you to do is, if you can, to give us some specifics as to what we as average Americans can do to help you do the job that we sent you there to do. What are some specifics that we can help you do on the local scene?

***The President.*** Let me just give you a few, real quickly. First of all, you can tell your Member of Congress, whether you're a Republican or Democrat or whether they're Republicans or Democrats: Pass the crime bill, deal with the health care crisis, and don't let anything divert us from the major business of the country. Let's pass the budget, keep the deficit coming down, pass the crime bill, deal with the health care crisis, deal with welfare reform, act to reign in some of the excessive lobbying activities. In other words, do the country's business.

Then, here in every community—believe me, I mean, I used to live in a community, I didn't always have this job where I, to go back to what the lady said, travel around with a big retinue—if you really want to help my agenda, what can be done in your community to help people walk the streets and fight crime? What can be done in your community to put males like you, one-on-one, in touch with these young men before they get in trouble or when they're on the edge of being in trouble, to help them rescue their lives? I met a man today who works in a program like this, who introduced me to a 17-year-old boy who was orphaned, living alone in his house at 17, but still in school, obeying the law, graduating from high school, looking forward to a better life. Citizens have got to get involved in saving these children one-on-one. The most important thing you could do is to figure—in my judgment, to help carry out my agenda—is figure out whether in your community everything has been done to make the streets safe, the schools safe, the kids have a better future, recreational opportunities for kids, the kind of things that make communities strong and bridge racial and income divides that are tearing this country apart. That's what I think we have to do. If you want to help my agenda, make your community strong, and America will work. Personal volunteer time, committing to that kind of thing, that will work.

***Mr. Donovan.*** Thank you, Mr. President. In the couple of minutes we have remaining, we'd like to have you, if you will, please reflect on what you've heard here tonight: 90 minutes' worth of questions, it's gone very fast, and you've answered a variety of questions. What will you take back to Washington with you from tonight?

***The President.*** A deeply rewarding sense that the American people love this country and that most people in this country get up every day and go to work and do the very best they can with their jobs and with their families and with their communities, and they want me and they want those of us who live in Washington not to become diverted from their business. We have some serious problems, but don't forget, folks, we also have some great strengths in this country.

We've still got the strongest economy in the world. We've still got the most flexible economy with the greatest chance to make the changes we need to make to go into the 21st century as the greatest country in the world. And the only thing that could divert us, the only thing that can defeat us is ourselves. And I also think, frankly, I've been reassured that I think you all have a pretty realistic idea about what it is that I have to do and what it is that you have to do. We've all got jobs to do. Some things have to be done by the President and the Congress. Some things have to be done by the private sector and community leaders. Some things have to be done by the State and local government.

And I try always to think about how I can be a leader with a voice for all the people and still be very up front with the American people about what I have to do and what you all have to do. Because these are things we have to do together. The Government cannot solve all the problems of the country. But together we can solve the problems of the country, and together we can move ahead.

I always come away with this—I come away here so much more energized and optimistic because I think people are real realistic and yet hopeful out here. I don't think

the American people are as cynical as sometimes people in public life think they are. I think you all still believe in yourselves and your potential and your country.

***Mr. Donovan.*** Congress is coming back from its break. And I'll just ask you just in a few seconds, have you heard anything here tonight that will change your agenda when you go back to Washington?

***The President.*** No, but I'm going to tell them that near as I can tell, people sure want them to pass that crime bill and not fool around with it, do it right away. That's where we're going to start.

NOTE: The town meeting began at 7:35 p.m. at WCNC–TV studios.

## Exchange With Reporters in Charlotte

*April 5, 1994*

### *Supreme Court Justice Resignation*

***Q.*** Mr. President, have you heard about Justice Blackmun's resignation tomorrow?

***The President.*** I can't comment on it. Let's let him speak for himself.

***Q.*** Have you spoken to him in the last two days?

***The President.*** I have not.

***Q.*** Have you got a short list, Mr. President?

***The President.*** Let Justice Blackmun speak for himself. I have not spoken to him. We have to let him speak for himself.

***Q.*** Has he written to you? Has he notified you?

***The President.*** No. I have not talked to him. I have not talked to him or, to the best of my knowledge, we have received no letter from him. Let's let him speak for himself—some communication with him tomorrow.

***Q.*** But given the recent shakeup at the White House, is the White House in a position to select a new Justice?

NOTE: The exchange began at 9:45 p.m. outside WCNC–TV studios. A tape was not available for verification of the content of this exchange.

## Remarks on the Resignation of Supreme Court Justice Harry A. Blackmun and an Exchange With Reporters

*April 6, 1994*

***The President.*** Good morning. It is my duty and my honor on behalf of the people of the United States of America to thank Justice Blackmun for his lifetime of service to our Nation.

I have received his letter announcing his intention to step down from the Supreme Court. In so doing, he will step up into our history. During his 24 years on our highest court, Justice Blackmun has become part of the rich and evolving story of American justice and constitutional law with majesty and reason, with scholarship and grace. He is a good man who has earned the respect and the gratitude of every one of his fellow countrymen and women.

When President Nixon nominated Harry Blackmun for service on the Court, his candidacy naturally occasioned a great deal of speculation about what kind of Justice he would be. Some labeled him a strict constructionist. But he rejected any attempt to tag him with a label, saying, and I quote, "I've been called liberal and conservative. Labels are deceiving. I call them as I see them." Twenty-four years later, we can say that he did exactly what he said he would do 24 years ago.

It was President Woodrow Wilson who called our judiciary "the balance wheel of our entire system." It is meant to maintain the nice adjustment between individual rights and Government powers which constitutes political liberty. Harry Blackmun has been a steady and strong hand on that balance wheel.

In cases argued before him, he found the human dimension and struck the right balance in the struggle over how we might best overcome our legacy of racism, in protecting the women's reproductive rights, in providing poor people and sick people access to the lowest priced prescription drugs, in opening the courthouse doors to the mentally ill and upholding tough sentencing guidelines that keep hardened criminals confined in prison, in averting a constitutional crisis by

voting with a united Court to tell the President who appointed him to obey the law.

Those of us who have studied the law can at times be lost in its abstractions. The habits, the procedures, the language of the law can separate lawyers from the people who look to the bar for justice. Justice Blackmun's identification was firmly and decisively with the ordinary people of this country, with their concerns. And his humanity was often given voice not only in majority opinions but in his dissents.

When he stood apart from the Court and aligned himself with an abused son against a violent parent and an indifferent child welfare agency, he appealed to the Court, "What is required of us is moral ambition. Poor Joshua. It is a sad commentary upon American life and constitutional principles that Joshua and his mother are denied by this Court the opportunity to have their rights protected." As he promised, his opinions defied labels. Only the word "justice" applies. Justice has not only been his title, it has been his guiding light.

Consider the history of which he has been a part. His tenure on the Court of Appeals and the Supreme Court extended through the terms of nine Presidents. Fewer than 110 Americans have served on the Supreme Court, and Justice Blackmun served with 17 of them. Of the Judiciary Committee members who unanimously approved his nomination, including strong people in the Senate like John McClellan and Sam Ervin, Phil Hart, Hugh Scott, Mack Mathias, only three remain, Senators Kennedy, Byrd, and Thurmond. He's been part of a very lively period in American history. And he has served us well.

Let me also say on a personal note, one of the most rewarding experiences of my public life and my personal life has been the opportunity that Hillary and I have had to get to know Harry Blackmun and his wonderful wife, Dotty, who is here with us today. I have seen his passion in a private way for the people of this country, for its history, for its leaders, for its institutions, for its laws, for holding us together and moving us forward.

I can only say that every one of us who serves in any capacity in public life would do very well by the people of the United States if we could bring to our work half the integrity, the passion, and the love for this country that Justice Blackmun has given us on the United States Supreme Court for 24 years. And I thank him very much.

***Justice Blackmun.*** Mr. President, you've been generous, far too generous in your remarks. There are those who don't agree with you, of course. [*Laughter*] But I really wanted to say that it's been a great privilege to be on the Federal bench for over 34 years, in 24 terms here, and to watch the country move along through those 24 years. It hasn't been much fun on most occasions, but it's a fantastic experience which few lawyers are privileged to have. And as Byron White put it a year ago, it's been a great ride. And I'm indebted to the Nation and, Mr. President, to you and your predecessors, for putting up with the like of me.

But thank you all for your generosity and for being here today. It's not easy to step aside, but I know what the numbers are and it's time. Thank you very much.

### *Supreme Court Nomination*

***Q.*** Mr. President, these are such large shoes to fill. Have you thought about the kind of person you would want? And if we could take you back to politics and the practical nature of politics, would it be possible, for instance, to elevate someone from the Senate, such as George Mitchell, without jeopardizing your program, such as health care?

***The President.*** Well, today I'd like to make just one statement about that because I think today should be Justice Blackmun's day. We'll have a lot of time in the days ahead to discuss this.

The shoes are large. The role that he has filled on this Court is terribly important. I will attempt to appoint someone of genuine stature and a largeness of ability and spirit to the Court. I will try to do it in a timely fashion, in an appropriate and timely fashion, that is, within a reasonable amount of time. But I want to make sure that we have reviewed the appropriate options, and I will do that.

And I think we'll have lots of time to talk about it in the days ahead. But I just don't

think I should say much more today. I think this should be Justice Blackmun's day.

### *Roe v. Wade*

***Q.*** Mr. President, Justice Blackmun has been known for his commitment to the decision in *Roe* versus *Wade* that legalizes abortion. How important is it for the Supreme Court to keep that philosophy toward the right to abortion? And I wondered if Justice Blackmun might say a few words about where he thinks the Court might be headed on that issue.

***The President.*** Well, I don't know if he wants to talk about it. You know, of course, that I agree with the decision, and I think it's an important one in a very difficult and complex area of our Nation's life. But again, I don't want to talk about the appointment of a new Justice today.

***Q.*** Justice Blackmun, could you say a few words about *Roe* versus *Wade*, what it's meant and why you think that it has been an important decision for our country?

***Justice Blackmun.*** I didn't hear that. Can you repeat it?

***Q.*** I'm sorry. Could you say a few words about the decision in *Roe* versus *Wade* and about why you think it's been important for women in this country, your continued commitment to it, and where you think the Court might be headed on it?

***Justice Blackmun.*** Well, I didn't come in here to indulge in a question-and-answer session, but I'll try to answer that. Roe against Wade hit me early in my tenure on the Supreme Court. And people forget that it was a 7-to-2 decision. They always typify it as a Blackmun opinion. But I'll say what I've said many times publicly: I think it was right in 1973, and I think it was right today. It's a step that had to be taken as we go down the road toward the full emancipation of women.

### *Supreme Court Nomination*

***Q.*** Mr. President, I take it you've had some advance warning that this might be coming. Could you give us some sense of how much opportunity you've had to get your process started and how far along it might be?

***The President.*** Well, I spoke a little this morning with our staff about it. We will have, I think, a good process that will involve Mr. Cutler, the White House Counsel, the Attorney General, Mr. McLarty, and Mr. Lader, who's been overseeing our personnel operations. And I think it will proceed in a very deliberate way. You know, Justice Blackmun referred in his letter to a conversation we had several months ago indicating that he might—or that he intended to leave at some time during this year or announce his intention. I, frankly, kept hoping he would change his mind. But I think we are prepared, and I think we proceed forthwith.

***Q.*** Mr. President—this is for Justice Blackmun. I thought you had taken the public decision that your doctors would tell you when it was time to go. That having been so, can you say how you reached your decision to retire? And would you add to that how you can get along without a daily fix of hate mail? [*Laughter*]

***Justice Blackmun.*** I missed the punch line.

***The President.*** He asked how you were going to get along without your daily fix of hate mail.

He offered to take some of mine. [*Laughter*]

***Justice Blackmun.*** I think the President and I have a lot to share in those hate mail things, but we'll see. We'll let the future take care of itself. I'm advised there's a vacancy on the 8th Circuit I think I'll apply for. I'll be turned down I know. [*Laughter*]

***Q.*** Mr. President, it took you 3 months the last time. Will it take you that long this time?

***The President.*** Thank you. Let's go.

NOTE: The President spoke at 10:34 a.m. in the Roosevelt Room at the White House.

## Remarks at the Funeral Service for William H. Natcher in Bowling Green, Kentucky

*April 6, 1994*

To the family of our friend Bill Natcher; Mr. Speaker; Governor; distinguished Members of Congress; all those who have preceded me on the program: Reverend Welch; Reverend Bridges, thank you for that wonderful sermon; Mr. Orendorf, thank you for making us laugh and for being so wise.

Mr. Speaker, thank you for proving that Reverend Bridges was right: There are still noble and good people in public life in America. Thank you all for making my role almost completely irrelevant. There is hardly anything else left to say.

I think I would like to tell you two things about Bill Natcher from my point of view. The country doesn't work very well in tough times, when difficult decisions have to be made, if the President cannot work with the Congress. We faced an enormously difficult position, Bill Natcher and I did, when I became President and he took the reins of the Appropriations Committee. Our country was drowning in debt, our deficit had been going up, our national debt had tripled in 12 years, and yet, every person who studied the issue knew that there were some things we needed to invest even more money in. You heard people talk already today about the National Institute of Health, the need we had to make the changes so that our country could go into the next century, and more Bill Natchers would have a chance to make their way in life. We had to find a way to bridle this debt and then invest more in education and in scientific research and in making the transition from a defense to a domestic, high-technology economy. And all that fell on the shoulders of the chairman of the Appropriations Committee.

I said to myself—I didn't know Mr. Natcher when I became President; I knew about him, nearly everybody in American politics did—everybody's asking, ''Can this young guy from Arkansas who has only been a Governor, never been in Congress, be President?'' And I'm saying, ''Can a man who doesn't own a fax machine run the Appropriations Committee?'' [*Laughter*]

Well, let me tell you, he came to see me one day, and we sat alone in the Oval Office, and he almost held my hand, which is just about what I needed. And he said, ''Now, Mr. President''—how many of you heard him say that to you, right—[*laughter*]—''now, we're going to get through this all right, and you're going to make some hard decisions, and I'm going to help you. And then if we're real lucky, we'll get it through the Congress. And you will have to be willing to be misunderstood for a while,'' which I thought was a delicate way of putting the position we were in. [*Laughter*]

But he said, ''The end will bring us out all right.'' And sure enough, he set about doing his work. And he worked with all of the Members in the Congress and figured out some way or another to produce a budget that both brought the deficit down and spent more money on things that were critical to our future.

It was a service to the Nation that those of you here in his home district made possible. And it was a remarkable thing, a great gift that he helped to give to our country. And it was very, very hard to do. And I agree with the Speaker: It will affect people's lives in ways that are even more important than the shining example he set by never missing a vote and by being able to be in such harmony with his constituents that he never had to raise money or spend it or campaign or politic in ways that those of us who are more mortal have to do. And I thank him for that.

The other thing I thank him for, which may have an enduring benefit to the country, is far more personal. You heard the Speaker talk about how he was the chairman of the Gym Committee, and they have this dinner every year. And you know, I read all about how I spend too much time at McDonald's, and so I'm always trying to watch my weight in there. But I never wanted to offend Mr. Natcher. So I show up at his dinner, and he takes me to be seated, and he lays a big steak and a baked potato and peach cobbler there. And by the time he got through talking to me, I not only did not offend him, he had talked me into having two of everything. [*Laughter*]

And we talked some more, and our relationship developed some more. And then when he got terribly ill, I went out to Bethesda to see him, and I had the great honor of being there and presented him with the President's Citizens Medal. And I pinned it on his pajamas, and I talked to him about his life.

And I thought to myself: Why is it that I am so moved by this man? What is it that he has done, not just the votes and the no contributions and all that, what is it that he has done that if the rest of us could do it, we could really be true to the Founders of

this country, true to the challenges of our time? We could bring more harmony and a stronger sense of community to our people. What is it, exactly?

And I think what it was is that he found a way to live in Washington and work in politics and still be exactly the way he would have been if he'd been here in Bowling Green running a hardware store. And this country works well when people in Washington treat each other the way they would have to treat each other if they were living in Bowling Green. And it doesn't work very well when everybody up there thinks, ''Oh, this is a different place, and we have to treat each other differently, and we have to muscle each other around, and we have to posture rather than produce.'' And we're all so worried because we're bound to be misunderstood, being filtered to 250-plus million people, so that all of our positions on complicated issues get simplified and often distorted.

But somehow, Bill Natcher just had enough internal strength and coherence. Maybe he was just enough old-fashioned that he literally was able to live every day as he would have lived if he'd been here all the time. That was the beauty of his legacy. And if the rest of us can remember that about him, even if we miss a few votes or have to go out and raise campaign contributions, if we can just imagine the roots that we had, the childhood friends that we had, who always reminded us of our foibles as well as our strengths, if we can remember what the church choir sounds like on Sunday, even on the Sundays when we don't show up, and every day imagine that we were living where the people who sent us to Washington still live, then we could do something really precious for Bill Natcher. We could do for the American people what he would have done had he lived another 84 years.

God bless you, Mr. Natcher, and thank you.

NOTE: The President spoke at 3 p.m. at Eastwood Baptist Church. In his remarks, he referred to Rev. Paul M. Welch, pastor, Eastwood Baptist Church; Rev. Richard W. Bridges, pastor, First Baptist Church, Bowling Green, KY; and Top Orendorf, who delivered the eulogy of friendship.

## Proclamation 6663—National Former Prisoner of War Recognition Day, 1994

*April 6, 1994*

*By the President of the United States of America*

### *A Proclamation*

The Armed Forces of the United States of America have faced hostile actions in every decade of this century. Over 200,000 American service members are currently serving overseas, many in situations where armed conflict is an ever-present possibility. Recent events in Somalia and continuing peacekeeping operations in Bosnia and elsewhere keep us fully mindful of the high risks that even humanitarian missions entail.

Over the more than two hundred years of our Independence, thousands of Americans have fallen into the hands of our enemies. Many did not survive the ordeal. Many who did return from captivity had suffered unrelenting indignities, physical and psychological abuse, and unspeakable torture.

Despite deprivation and suffering inflicted by their captors, these brave Americans persevered, maintained their honor, and kept faith with each other and with the American people. In the Congress, in State and local government, and in civic organizations across the Nation, former prisoners of war still keep faith with America through their continued service in positions of leadership and trust.

These men and women rank with our greatest patriots; no group of citizens is more deserving of remembrance and special recognition than our former prisoners of war.

The Congress, by Public Law 103–60, has designated April 9, 1994, as ''National Former Prisoner of War Recognition Day'' and has authorized and requested the President to issue a proclamation in observance of the occasion.

**Now, Therefore, I, William J. Clinton,** President of the United States of America, do hereby proclaim April 9, 1994, as National Former Prisoner of War Recognition Day. I urge all American citizens to join in honoring members of the Armed Forces of the United States who have been held as prisoners of war. I also call upon Federal, State,

and local government officials and private organizations to observe this day with appropriate ceremonies and activities.

**In Witness Whereof,** I have hereunto set my hand this sixth day of April, in the year of our Lord nineteen hundred and ninety-four, and of the Independence of the United States of America the two hundred and eighteenth.

**William J. Clinton**

[Filed with the Office of the Federal Register, 4:15 p.m., April 6, 1994]

NOTE: This proclamation was published in the *Federal Register* on April 8.

## Remarks on Arrival in Topeka, Kansas

*April 7, 1994*

Thank you, Governor Finney, for your friendship, your leadership, and your kind remarks, and for your belief that every American and every Kansan ought to have health care that can never be taken away. Thank you, Congressman Slattery, for your long personal friendship and your support and for being such a strong voice in the Congress not only for fiscal responsibility but for basic sanity in our national policies.

Ladies and gentlemen, I'm glad to be back in Kansas. I want to thank Major General Rueger for welcoming me, and Colonel Dewayne Ellinson. I want to thank the people who helped to put this event together today, the carpenters local, the floorlayers local. I want to thank the Topeka High School Band over there and the cheerleaders and all those who are cheering. The people who are here from Pauline South Elementary School, thank you for coming. I want to thank the members of the National Guard and the police officers and others who made this day possible. I also want to acknowledge in the audience today the presence of the first American woman to be the Treasurer of the United States, Georgia Neese Gray. How are you, ma'am? God bless you for being here. I want to thank your Lieutenant Governor, your attorney general, your State treasurer, your local mayor, and the chairman of the Democratic Party for meeting me here at the airport. But mostly I just want to tell you it's nice to be back in Kansas.

You know, since Jim was kind enough to mention the basketball game, you all know that for most of my public life I didn't live in Washington, DC. I was the Governor of one of your neighboring States. I lived and worked in an atmosphere very much like the way you all live and work. And I didn't understand what I often saw in Washington, where every position was pushed to its logical extreme, whether left or right, where it seemed that every debate took on more rhetoric than reality and shed more heat than light, where people seemed to be debating whether the Government could do everything or the Government had to do nothing, where people were either told they were on their own or not challenged to assume any responsibility for their own future.

I ran for President because that didn't make much sense to me, because I thought we ought to come together as a people, we ought to bridge the lines that are dividing us, and we ought to move to the 21st century together, recognizing that Government cannot solve all the problems but that we have a Government to discharge those responsibilities which have to be done by all of us together through our elected officials. I believed then and I believe even more strongly today that instead of paralyzing extremism, what this country needs is moderate, aggressive progressivism of people who are dedicated to getting together and getting things done. Cut down on the rhetoric, turn up the action, put people first, and move the country forward.

Now, there has been a lot of rhetoric about the deficit and how terrible it was, but it tripled in the last 3 years. Instead of that, we have adopted an aggressive economic program designed to reduce the deficit, hold down interest rates, increase investment, and get growth back into this economy. In the past 14 months, the American economy has produced 2.5 million private sector jobs, twice as many as were produced in the previous 4 years. That's the kind of action I went to Washington to take.

I have asked the United States Congress to pass a new budget that cuts spending in 300 different areas, eliminates 100 different

Government programs, still invests more in education, in high-technology jobs, in defense transitions to help the people who won the cold war to win in the face of defense cutbacks, in health research and the things that will help us to win in the 21st century. And if it is adopted, it will mark the first time since 1969 that the President has proposed and the Congress has adopted an actual decrease in domestic spending, exclusive of health care and Social Security, and it will mark the first time since Harry Truman was President of the United States that we reduced the Government's deficit 3 years in a row. That's action, not rhetoric.

We also have many challenges to face. The United States Congress has already done some things in the area of education and training which will be important for the future of Kansas, and more are on the way. Last year we reformed the college loan program so that more young people could borrow the money to go to college at lower interest rates and pay the money back on better terms, and so that tens of thousands of our young people could work in their communities solving problems at the grassroots level in the national service program and earn money to invest in a college education or further education and training. That will move our country forward.

Just a couple of days ago I signed out in California a bill called Goals 2000, which for the first time in the history of America will write into our laws world class education standards for all our schools and all our students and support grassroots reform, not Government mandates but grassroots reform in every community in America to meet those world class standards.

Soon the Congress will pass a bill we call school-to-work, for all the young people in Kansas and throughout the country who know they need more training after high school but don't want to go to 4-year colleges. We know from the census data that every one of our young people needs to finish high school and should get at least 2 years more of some sort of training if they want to get a good job with a growing income. We don't have a system to move people from school to work, but at the end of 4 years, if this bill passes and I get to sign it, we will.

Moving our people to the 21st century by making sure that they can change jobs, learn new skills, and always be able to compete and win, this is the kind of thing that I wanted to be President to do. It's a real thing, not a rhetorical thing, that will change the lives of the American people.

And finally in this area, I have asked the United States Congress to completely change the unemployment system. You know and I know that even in the months when we create a lot of jobs in America, a lot of jobs go away. All over America today, small businesses are creating jobs; big businesses are still downsizing. We know that the average 18-year-old—you look at those young people out there from this high school—the average one of these young people will change work eight times in a lifetime. We do not need to have an unemployment system that says you can live on unemployment payments for several months, and then your unemployment will run out and you still won't have a job. That's what's happening today. Most people do not get called back to their old job. We need a reemployment system so that the first day people are unemployed they immediately begin to train for, look for, and have help in finding a new job to build a new American economy. And we are going to do that this year in Washington.

We're also trying to make your Government more responsive to you. The House of Representatives has before it historic legislation limiting the influence of lobbyists in Washington, increasing the influence of ordinary citizens. And I urge them to pass the lobby reform legislation soon when they come back.

In addition to that, this Congress adopted last year an economic plan which, as you will find out on April 15th, raised the income taxes of the top 1.2 percent of the American people and devoted 100 percent of that money to deficit reduction—every last red cent—and lowered the income taxes of one-sixth of the American people who are working 40 hours a week, who have children in the home, who are hovering just above the poverty line. We don't want them to go into welfare. We want them to stay in the work force. So we say, lower the taxes of the people who are working hard and playing by the

rules, reward work over welfare, and make it possible for people to be successful workers and successful parents. And we did that for one-sixth of the American taxpaying families. And I am proud of that.

I do want to thank Governor Finney for what she said about the response of our administration during the flood. We did everything we could to try to help people all over this country, but especially here, who were devastated by that flood. During the flood, when the Missouri River inundated the town of Elwood about 100 miles from here, FEMA responded with disaster relief, and the Corps of Engineers already today is guarding Elwood against the flooding in the future by helping to rebuild the levee.

It's just one town, but there are hundreds of towns like that. Every time we had a disaster we had tried to say to the American people, ''This is about people. This is not about ideology. It's not about political party. It's about delivering the goods.'' What I want is to see the Government work all day every day the way we work when we've got a disaster. Why should we wait for a disaster to do the right thing? We ought to get together and do the right thing all day every day to move this country forward.

That brings me to the last two things I want to say to you today. The first business Congress will face when it comes back is action on the crime bill. I think all of you know that over the last 20 years we've had a big increase in violent crime and that even though many of our major cities are beginning to see small declines in the overall crime rate, we still have a higher rate of violent crime than any other major nation. We already have by far the highest percentage of our people in prison of any major nation. And still there seems to be no end in sight.

Some people say the answer is tougher punishment. Other people say the answer is to reach these young people before they get in trouble and try to give them a better life. I say both are right, and we must do both. We have to be tough, but we have to be smart.

I started out my career in public life as an attorney general almost 20 years ago, and I thought crime was bad then. But I never dreamed that I would live to see the time when children would actually stay home from school, over 150,000 every day, because they were afraid to walk to school or afraid to sit in a classroom or afraid to walk in a hall. I never dreamed I would see towns, even towns in my home State of Arkansas, where gang initiations would require people to go in and pull robberies with guns that could turn into murders. I never dreamed I would see young people better armed than police officers with semiautomatic weapons shooting people at random. I never dreamed I would see that. And I tell you, we have got to do something about it.

Our crime bill will do the following things: Number one, it will put 100,000 more police officers on the street, working the streets, working the neighborhoods, knowing the people who live there, in community policing. And it will lower the crime rate. If there are those of you here who don't believe that you can do it, let me say all you have to do is look at the examples all over America. In the city of Houston, Texas, which had one of the highest crime rates, one of the highest murder rates in the entire country, when the mayor got elected and put 660 more police officers on the street and they started working with the communities, the crime rate went down 22 percent in 15 months. The murder rate went down 25 percent. And the mayor got reelected with 91 percent. And I think the two things were connected. We can do better. We need more police officers on the street helping to make our young people and our families safer.

The bill also toughens sentences for a lot of crimes and says if you commit three crimes which cause violence or are reasonably likely to cause serious violence, you are not eligible for parole. A small percentage of criminals do a large percentage of the violent harm in this country. We should identify them and isolate them. And that is very important.

Finally, the bill provides funds to give drug treatment to young people, to have community recreation for young people, to provide young people a place to go after school or before school, to give communities the means to deal with all these kids that are coming from broken families in difficult neighborhoods and troubled circumstances to keep these things from happening in the

first place. An ounce of prevention is worth a pound of cure. My mother told me that when I was 6 years old. And it's a whole lot more true today than it was 40 years ago. We are trying to give you an ounce of prevention, and I hope you in Kansas will take full advantage of it when the crime bill passes.

Now, the last thing I want to say is when we leave here, Congressman Slattery's going to take me over to a forum. We're going to hear from a bunch of small business people and talk about whether we can provide health security for all Americans.

Let me just tell you what the stakes are. We are the only country in the world with an advanced economy that doesn't provide health care security to all its citizens. All of our competitors have figured out how to do it. We are spending 40 to 50 percent more of our income on health care than any of our competitors. We are spending about $90 billion a year—and that's real money everywhere, folks—on paperwork and rules and regulation because of the way we organize the financing of health care that nobody else does.

On any given week in America 58 million Americans have no health insurance; 81 million Americans live in families where somebody has a preexisting condition, a child with diabetes, a father who's had a heart attack, a mother who's had cancer. They either can't get health insurance, or they pay more than they can afford, or they can never change the job they're in because their new employer will not insure them. Three-quarters of the American people have lifetime limits on their insurance policy so that, God forbid, if they should have one child with a terrible illness that drags on for 10 or 15 years, they could lose all their insurance at the time they most need it. That is the reality of the world in which we live. No other nation permits this to happen, only the United States.

The result of all this is, small business is paying 35 percent more for health insurance than big business and government today. Every day more and more people lose their health insurance; about 100,000 a month lose it forever. The Government, as Congressman Slattery will tell you, is cutting defense spending, cutting domestic spending, cutting everything, but health care costs are still going up at 2 to 3 times the rate of inflation so that we can pay more for the same health care. This system is not working.

We have the best doctors, the best nurses, the best health care providers, the best medical research, the best technology in the world, and the worst system of financing health care. And we have to do something about it.

Now, those who like the system the way they have it now say that I want to give this country some sort of Government program of health care. I don't. You have one, though. It's Medicare, the Government program for older people. And most older people feel pretty secure with it. But I don't propose to do that. What I want to do is to extend the system we have now, guaranteed private health insurance for all Americans, and to extend the choices we have now, give every American family at least three choices every year of doctors and health care plans.

I want to protect people from unfair insurance practices just as Governor Finney is trying to do here. I don't think people should pay more because they are older or pay an unreasonable amount because somebody in their family has been sick. I don't think people should be able to be cut off of health insurance.

I want to have these benefits guaranteed at work. Why? Because 80 percent of the people who are uninsured are in working families. And 90 percent of the health insurance in America today is covered at work where the employer and the employee share the costs.

Can we do it without bankrupting small business? Of course we can. You have to give discounts to really small businesses that operate on limited profit margins. Of course we can. Can we do it and be fair? If everybody does it so no competitor has an advantage, yes, we can.

Will we continue to be the only country in the world that shovels more of our health care dollars into paperwork and less into health care? Will we continue to be the only advanced country that has another 100,000 Americans a month lose their health insurance? Will we continue to discriminate against small business people and self-employed people and let them pay 35 to 40 per-

cent more? Will we continue to have a situation where rural folks don't have access to doctors? I don't think so.

I believe we can do better. I think you think we can do better. And if we cool the rhetoric and talk about the facts and have practical and compassionate approaches to this, we will solve this problem. I'm here in Kansas to try to do it today.

Thank you, and God bless you all.

NOTE: The President spoke at 12:35 p.m. at the Kansas Air National Guard ramp. In his remarks, he referred to Maj. Gen. James F. Rueger, Adjutant General of Kansas; Col. Dewayne Ellinson, Commander, 190th Air Refueling Group, Kansas Air National Guard; Kansas Attorney General Robert T. Stephen; State Treasurer Sally Thompson; Mayor Henry Felker of Topeka; and Dennis M. Langley, Kansas Democratic Party chairman. A tape was not available for verification of the content of these remarks.

## Remarks in a Health Care Roundtable in Topeka

*April 7, 1994*

***The President.*** First, thank you, Congressman Slattery, for hosting us. Congressman Glickman, thank you for coming. Governor Finney, it's always good to be with you. I see former Governor Carlin out there; thank you for coming. Most of all, thank you to the small business people who are here on this panel.

I'd like to spend most of my time listening to these folks talk here and dealing with how their specific circumstances would be affected by health care reform, if we can pass it. But let me try to set the stage, if I might, for how we came to this place and how I came to spend the amount of time that I have, that my wife has, that our administration has, working on this health care issue.

Before I became President, as I think all of you know, I was the Governor of your neighboring State of Arkansas for a dozen years. I grew up in a family with a mother who was a nurse anesthetist. I grew up hanging around hospitals, talking to doctors and nurses all my life, having a passionate interest in health care from the point of health care providers. As a Governor, I was forced to deal with the problem of health care from the point of view of people who are paying for it.

First of all, in State Government, we had huge burdens under the Medicaid program, which is a shared program for paying for health care for poor people paid for by the Federal and the State Government. And secondly, my job was to try to increase the economic base of my State, both small and large businesses. And I watched medical inflation driving up medical costs rapidly.

I spent in 1990 an enormous amount of time as a Governor, long before I ever dreamed I'd run for President, talking to literally almost 1,000 health care providers personally in my State and hundreds of business people about the problems in the health care system and what could be done about it. Without going into a great deal of detail, let me say I reached the conclusion that we could not solve this problem as long as we continued to be the only advanced economy in the entire world that could not figure out how to provide basic health care coverage to all of our citizens. Every country with which we compete has figured this out, and we haven't.

Now, we have the best doctors, the best nurses, the best health care providers, the best medical research, the best medical technology in the world. We also have, by far, the most bureaucratic and administratively costly health care system in the world. There's more paperwork in our system today, and it costs more to administer this system, by far, than any other system in the world. We also discriminate against small business people, farmers, and self-employed people in the provision of health insurance; they tend to pay more.

We discriminate also against people based on their age or whether anybody in their family has ever been sick or not. We also, in a funny way—Jim Slattery alluded to this—we actually discourage people from leaving welfare for minimum-wage jobs because if you stay on welfare, you're covered by Medicaid, the Government program for poor people. If you take a minimum-wage job without health insurance, you're going to lower your income and put your children at risk because you lose your health insurance by going to work. Instead, you start paying taxes to pay

for the health insurance of the people who didn't go to work.

These are things that are present in our system that you don't find in other systems. In addition, a lot of people who pay health insurance just pay too much. This plant here, for example, where we are, as is my understanding, has offered health insurance to its employees since its beginning; with the price of health care going up has had to ask the employees to share the costs. I do not know what they pay, and I have not even discussed it with our host. But I'll bet you anything that on average, they pay more than they fairly could because here's what happens: The people who don't have any health care coverage in this country, if they get sick, will eventually get health care. But they tend to get it when it's too late and too expensive. They show up at the emergency room, and the hospital does one of two things. They either pass the cost along to all the rest of us who have insurance, and we pay it in higher rates, or they eat it, and they get in more trouble.

I was in a rural hospital in North Carolina a couple of days ago with Mr. Bowles, who is from North Carolina, as you can see, and the hospital folks there told me one-half of all their emergency room bills were from people who had no health insurance who just waited until they got real sick and showed up at the door, couldn't pay. And they were either going to reduce the quality of care at the hospital or pass the cost along to everybody else in the area who had health insurance.

So, is this a national problem? Yes, it is. At any given time in America, 39 million Americans don't have health insurance. During any given year, 58 million Americans will be without health insurance at some time during the year, out of a total population of 255 million. Eighty-one million of us, more than one in four, live in families where somebody has had a preexisting condition: a child with diabetes, a father with a heart attack, a mother who's had cancer. And we either pay higher rates or we can't get health insurance, or we've got a job with health insurance but we can never change jobs, because if we change jobs, nobody will insure us because someone in our family has been sick. One hundred and thirty three million of us, a majority, are insured with lifetime limits. So if, God forbid, we should have a child with a pronounced and prolonged chronic problem, we could run out of health care coverage just when we need it most. None of these conditions exist in the countries with which we are competing for the economic opportunities of the 21st century. Only the United States has somehow not been able to figure out how to provide health care security to all of its people.

Now, if we want to do that, we have some options. But none of them are simple or easy. If this were simple or easy, somebody would have done it already. What are our options to cover all Americans, to stop the cost-shifting, to allow small business people and self-employed people and farmers to buy insurance on terms that are comparable to what those of us in government or big business can get, and to stop discrimination against people who have had somebody in their family that's sick or who are older workers? What are our options?

I would argue that we only have three. We can do what some other countries like Canada do; we could have a Government-run system. We could have private doctors and hospitals, but we could abolish insurance and substitute a tax and just pay for health care. The only part of our system today that's like that is Medicare and Medicaid for poor people. But the elderly program for Medicare is the thing that's most like that here. That's the way everybody gets their health care paid in Canada.

We could, instead of that, just build on the system we've got, keep a private system with private insurance, private health care providers but organize it in a way that bad insurance practices would be abolished and that small business people and self-employed people could get a break by being in buying pools that would enable them, kind of like a farmer's co-op, to buy on better terms. Or we could say, it's too hard, somebody will be discomforted by this, and we're not going to do anything. Now, that's an option. But that option means—I just want you to know what that option means.

If we do nothing, if we don't go to universal coverage, the following things will hap-

pen: More Americans will continue to lose their health insurance; medical inflation will continue to make less and less coverage available, especially to small business. And I want you to know what's going to happen to your Government, at a time when we need more money to invest in education, training, new technologies, and the jobs of the future. The budget I asked Congress to adopt this year cuts defense and, for the first time since 1969, cuts discretionary domestic spending, and the only thing that goes up is Social Security by the cost of living and health care costs by 2 and 3 times the rate of inflation. Pretty soon, you're going to be paying all your money to the Federal Government to pay interest on the debt and more money for the same health care because we are cutting defense, we are cutting investments in discretionary domestic areas.

So I would argue that doing nothing is not an attractive option. I would argue that we shouldn't have a Government insurance system when we have a private insurance system now that is working pretty well for people who can take the maximum advantage of it. That's why I argue that what we ought to have is guaranteed private insurance for all Americans. Eighty percent of the people without health insurance in this country live and work in families. Ninety percent of the people who have health insurance, private health insurance, get it through their place of work. So the question is, should there be some system through which the people who don't have health insurance now or who have very minimal health insurance that doesn't amount to anything get an adequate insurance package through their place of work? I think the answer to that is yes, and that's why I'm out pushing this program.

So let me just say, my program rests on five principles: Guarantee private insurance. Give the people who are insured, that is, the families who are insured, a choice, and give it to them every year, not just once but every year, of how they get their health care, either through fee-for-service medicine, just picking their doctor and paying; through a health maintenance organization; or through some other way of getting it. But we guarantee three choices to everybody every year. We would outlaw unfair insurance practices. I've already mentioned them, cutting people off because they've had somebody in their family sick, for example. We would protect the Medicare program for elderly people and not fold it in, because it works and most senior citizens like it. And we would do this—we would guarantee private insurance by using the workplace, because that's where most people get their insurance now, by requiring employers and employees to contribute to health insurance.

Now, would that mean that some people would pay more than they do now? Yes, it would. It would mean that people that don't pay anything, for example, would have to pay more. But keep in mind, all those folks are benefited by the present system we have. It's just like the roads you drive on. We all benefit from the hospitals, from the medical research, from the doctors, from the nurses, from the work done at the Kansas Medical School. We all benefit from it. And when we get sick, we're going to take advantage of it whether we can pay for it or not. But if you want to stop cost-shifting and allow small business people and self-employed people to buy on competitive terms, you have to find a way to make sure everybody's covered from the beginning and everyone has some responsibility for what they do.

Our figures—we'll talk more about it with each of these examples here—show that over half the American people would pay the same or less money for the same or better insurance if our plan passed just as it is without any modification, because so many people in the small business sector are paying exorbitant rates for limited health insurance.

We do a lot of things to help small business. We already increased the expensing provision, as Erskine Bowles said, from $10,000 to $17,500 a year on the income tax. For people who are self-employed, we extend the deduction, which is now only 25 percent for self-employed people, totally unfair for medical premiums, to 100 percent. These things will help to alleviate it. Furthermore, there are discounts for businesses that are quite small with limited profit margins and low average wages to try to keep the cost down. So we'll talk about all that by going through some of these specific examples that are here now.

The main thing I want to say is, we can discuss the details of this plan and whether you think all the details are right. But I do want to make it clear that if you say there should be no mandate and we shouldn't abolish private health insurance and replace it with a tax the way Medicare's funded, then we're arguing for continuation of the present system, never getting to the point where we cover everybody, having the most administratively expensive system in the entire world, more money on paperwork, less money on health care, and having this problem get worse. There are no simple, easy answers. We have to try to take the best answer for America.

So having said that, let me start and ask—I don't know that it matters where I start, but I'll start with David Porterfield, who owns a flower shop in Topeka. Where are you, David? Tell us what your situation is, how many employees do you have, and what's your situation.

[*David Porterfield explained that he once provided health insurance for his small staff of employees, but due to the high hospitalization and medical costs for an employee, the insurance rates tripled, and he could no longer afford to offer the coverage. Through his efforts to find another insurance company, he learned that, because he is in the florist industry, which often has many employees who are suffering from the AIDS virus, many insurance companies have "red lined" florist businesses and will no longer provide policies for them.*]

***The President.*** I'd like to make an observation about this, if I might, because you see this quite a lot. Both cases—you have someone who has got a serious health problem, a diabetes problem, with a small business, it blows your rates up, and you can't afford to keep your coverage; or a certain industry gets red lined, a certain business. If you look at it today from the point of view of the person in the insurance business, trying to be responsive and trying to still make a profit in the American free enterprise system, if you insure people and they're in fairly small pools, and one person has a huge medical bill, that can wipe out the whole profit in the insurance policy in the small pool. If you have one or two AIDS patients in a small pool, the same thing can happen.

Now, the reason that I think that what we're trying to do is so important to small business people is this: What we're trying to do is to create the conditions that existed in the beginning. When health insurance first started, when Blue Cross first got started, insurance was just what you would normally think. All of us were put in a big pool and paid roughly the same rates, and it was for the people that got sick. And we all bought insurance against getting sick, in the same way you buy insurance for life insurance. And the premiums are set based on the probabilities, but everybody is sort of treated the same at a certain point in time. Well, what's happened now is, we're the only country in the world with 1,500 separate companies, writing literally thousands and thousands of different policies, so that people are in smaller and smaller pools. And sometimes the administrative costs and the profit margins against the premium is enormous.

What we need to do is to go back to community rating where you would be put into a very large pool, so if you had one patient, one employee, who turned out to be a diabetic, that problem would be spread over a very large number of people. And the insurance business would, in effect, have to make money the way grocery stores do, a little bit of money on a lot of people, instead of a sizable amount of money on a few people where you can't afford the risk of having even one person who's real sick and the policy becomes nonprofitable.

This is key. We cannot do this and be fair to small business and really do it unless we go to community rating and all of us can share these risks. I think it's very important.

I'd like to go to David Hoffman, if I might, now to make the point in another way with somebody who kept insurance and had to pay an enormous premium for it or at least did until recently. Would you talk, David, about your experience?

[*David Hoffman explained that his architecture firm was started in 1967, and many of his employees have gotten older and are now needing more medical attention. His insurance premiums have increased by 35 percent because several of his employees have needed*

*surgery, and he has been forced to find a new insurance company three different times. He stated that the cost of the premiums are split between the firm and the employees; however, the firm still spends 12 percent of its payroll on health insurance premiums.*]

***The President.*** Total, 12 percent total?

[*Mr. Hoffman stated that the total amount his firm pays for insurance premiums is 12 percent of the payroll.*]

***The President.*** Let me try to make an observation here about these two cases. Under the plan that we propose, no one could pay more than 7.9 percent of payroll in—no employer—for the health insurance premiums. So in the case of the architectural firm, in David's firm, they would actually pay less, considerably less, than they're paying now. Why would they be able to pay less? Well, because they would be, again, in a big pool where they'd have more bargaining power, and it would be more economical to insure them.

Now, in the case of the florist shop, they would obviously pay more since they're paying—they can't get insurance now. But because it's a smaller business, they would be eligible for a bigger discount, and for somewhere in the range of, let's say, 6 percent of payroll, they'd be able to get a comprehensive benefit package, and no one would get cut off.

Again, it all goes back to the economics of scale. Now, the problem is that some people will say—and we'll explore this because we're going to come to some harder cases as we go around the table—some people will say, ''Well, that's fine, Mr. President, but I can't afford 4 percent of payroll. My payroll is 50 percent of my costs of doing business, so 4 percent of payroll adds 2 percent to the cost of doing business, and I can't add 2 percent of the cost of doing business.'' Some people say that.

Now, what we have to do is to—we need to kind of work through that. And that's one reason I've asked Erskine Bowles to be head of the Small Business Administration, because he spent 20 years starting small businesses instead of in politics or doing something else, to try to work through these things.

There's no question that the ability to bear this cost is greater if all your competitors have to do it as well. And that's one point that David Hoffman made, I thought, very eloquently. I was in a—we have someone here who's in the food service business—I know I was in a restaurant in Columbus, Ohio, with a woman who had 20 employees full-time and 20 part-time and had had cancer. And she insured the full-time employees; she didn't insure the part-time employees, and she paid high rates because she had cancer 5 years ago. And she said, ''I'm in the worst of all worlds; I insure my full-time employees because I feel that I should; but my competitors don't, so they have an advantage over me. And I feel guilty that I don't help my part-time employees.'' And she paid very high rates because one person—happened to be the owner there—paid for her previous illness.

So again, this whole thing will only work if everyone contributes. But as a result of contributing, you get to be in big buying pools, so at least your rates are manageable. In your case, I just don't think anybody should be paying 12.5 percent of payroll for a reasonable health insurance policy. We know that the economics of the competition—we've had it analyzed by too many people—will permit us to have a ceiling of about 7.9 percent of payroll. And you might actually qualify for a modest, but not a great, discount there because your employees make a good living.

I'd like to go on now to Sheryl Wohlford, who is from Wichita, and have her talk a little bit about her situation because it's slightly different. And it will get more complicated as we go around the table to show some of the problems we've got with this.

Sheryl.

[*Sheryl Wohlford explained that she provides insurance for the majority of her employees. Given the fact that premiums have continued to rise, she expressed her concern that they will become even higher under the President's health care plan.*]

***The President.*** Yes, Jim.

***Representative Jim Slattery.*** I'm just curious, Sheryl, could you tell us how much you project that the costs for your company

would go up in the event that the mandate was imposed?

***Ms. Wohlford.*** We currently pay 5.5 percent of payroll, so it would be up to the 7.9 percent.

***Representative Slattery.*** Have you had the opportunity to visit with your insurance agent to determine if, in fact, the benefit package that the President's plan envisions was enacted, what that would do to your costs? I mean, do you think it would bump it then from the, what did you say, 5.5 percent to the 7.9 percent?

***Ms. Wohlford.*** No. I have not done that.

***Representative Slattery.*** Okay. I was just curious how that was going to affect you individually.

***Ms. Wohlford.*** Well, based on—and I was doing that based on in the discussions with the people this week, prior to this. I was informed that it would raise our costs a little bit.

[*At this point, Small Business Administrator Erskine Bowles stated that under the President's plan small businesses like Ms. Wohlford's will get better coverage at better rates.*]

***The President.*** Sheryl asked two questions. I think we ought to try to deal with them as forthrightly as possible. The first question is, okay, if I have to go from 5.5 to 7.9 percent, how do I know it's going to stay at 7.9 percent? I mean, that may be the most important question of all. And the answer to that question is—I mean, I can only tell you where I'm coming from on this—is that we looked at what the average employer contribution was for a good health care plan that included primary and preventive benefits—because one of the ways you get health care costs down is to emphasize primary and preventive benefits; nearly any physician will tell you that—and it was about 8 percent. So we decided to go with 7.9 percent. And from my point of view, if we can't manage at that, we'll have to find some other way of dealing with it, not raising the payroll cost. I just don't think we can. The whole idea is to try to get health care costs as close to the rate of inflation plus population growth as possible.

The second issue is what about people who—if you go back to Sheryl's situation, she went from 5.5 percent, let's say, to 7.9 percent of payroll. You should know that we provide discounts for small businesses if they have fewer than 70 to 75 employees, and if the average annual wage is $24,000 a year or less. Is that right, Erskine?

So if you go over either one of those, then the discount system goes away. But the main reason for the difference—and I haven't looked at the health care package—is that she's on a 50–50 cost share. And the reason we went to an 80–20 is that that was the average cost share of employers and employees in the private sector insured now. But I'll bet you that the package will be better, too, as a result of that, because again of the bulk buying plan. So even she would benefit from that.

But we've got to be up front about this. Not everybody pays less. Some people pay more, and that's part of the assessment you have to calculate. But I do think you can rely on the 7.9 percent. I do not believe the Congress would enact a program and I do not believe that I would support it unless we could do that.

And let me also say, we had lots and lots of insurance actuaries and others look at this for a year and constantly labor over the costs. So we would not knowingly do anything that would run the cost up. And I will say that, as Erskine was reminding me earlier, our ability to predict these costs now is far better than it used to be. We've been pretty good about predicting what's going to happen to our medical costs for the last few years. And I think that ability is pretty well intact.

Let's go on now to James Heiman, who's in, again, in a different situation. And I'd like for him to talk about his businesses and what he does about it and how he thinks he'd be affected by this.

[*James Heiman stated that he employs approximately 61 people in his agricultural related companies and provides health insurance for all his employees. However, due to a heart attack he suffered and the decline in health of another employee, the cost of his premiums increased by 2 to 3 percent. He has since found a more affordable policy but*

*is still concerned about the rising cost of health insurance under the President's plan.*]

***The President.*** I think there's a lot of well-founded skepticism about the ability of the Government to fix anything; I understand that. And that's one of the reasons that I did not want us to get into a situation like the Canadian health care system, which a lot of people I respect favor, which is inexpensive administratively but has huge cost problems because it's all Government financed. If you save the private insurance system, and you keep the employers and the employees directly involved in trying to manage their costs, then our view is that we'll have much better luck in trying to control the costs in the future.

But under your situation, you would plainly pay considerably less because you would not only have a maximum of 7.9 percent, but with about 60 employees—I understand that's about how many you have—you would qualify for some kind of discount there, which I think would be important.

And let me explain why the administrative costs would go down. Presently, if you have 1,500 separate companies writing thousands of different policies and you overlay on that the Government's program of Medicare and Medicaid, every doctor's office and hospital in America has to hire a huge number of people to figure out what is and isn't covered under every policy. Every insurance company in the country has to hire a huge number of people to figure out what is and isn't covered. So instead of facilitating the payment of health care bills for people who have paid their insurance, you literally have an untold number of people in the doctor's offices and the hospitals and the insurance company figuring out what is and isn't covered. And the burden of that is staggering.

I visited the Children's Hospital in Washington the other day, and they estimated that they could have another 100,000 children's visits a year if the doctors and the nurses had a single form with a single benefit package as opposed to what they've got now. It was a staggering encounter. And I would urge any of you—I don't know if there are any doctors and nurses in the audience, but I spent a lot of—I've got a friend at home, a man in Washington, who grew up with me, who just had to hire—there's two doctors in his office, and they have a lot of clerical workers. Now they've had to hire a third person—or a fourth person—to do nothing but just telephone insurance companies all day trying to get payments as they struggle to find out what is and isn't covered. And that's why we can simplify this.

And a lot of people say, well, if you put small businesses in these big alliances and buying pools, that's going to be a huge government bureaucracy. Let me just give you one concrete example, because in order to give you good rates, you have to be in a big buying pool; that's what we talked about for the florist shop or the architects or anybody else. The State of California just set up a small business buying pool, put 40,000 businesses and their employees in it. They hired only 13 people to operate it, and the insurance premiums for the people in the pool all went down this year instead of up. And Florida is starting it and having the same experience.

So the question on these alliances is, how do you have enough cooperative buying power, just like the old-fashioned farmers co-ops which you have in Kansas and Arkansas, to give the small business people the same sort of break that those of us in government and big businesses have.

Dan, were you going to say something? You look like you were about to.

***Representative Dan Glickman.*** Sheryl, do you cover 100 percent of the self and family, or just the self coverage?

***Ms. Wohlford.*** We pay 50 percent of either. If it's a family plan, we pay 50 percent. If it's a single plan, we pay 50 percent.

***Representative Glickman.*** One of the things that struck me is that a lot of people—small businesses—will pay the self, but not the family. And so they may be paying $150, $180 a month per employee for self but not the $450 for the family. And they worry, under this plan, whether they would in fact be paying more. But the numbers that I've seen under your plan indicate that 80 percent payment rate under the premium rate of a 7.9 percent in a majority of cases would result in lower premium rates, even combining self and family. Is that correct?

***The President.*** That's correct because—for a couple of reasons. One is—and I don't think it applies, though. We've got to be careful; I don't want to overclaim. I don't think it applies to Sheryl. If you've incorporated, it wouldn't apply.

But, for example, we've got a lot of small business—and we're going to Regina in a minute; I think she'd be covered like this—we have a lot of small businesses where the small business, let's say, has four or five employees, and there's a family policy for the owner of the small business. And then they may or may not cover the individuals who work for them. The family policy alone is often so expensive and if it's under a self-employed provision, only 25 percent of it is deductible under the income tax code, that when you look at the 100 percent deductibility we would provide, plus the ability to buy more insurance at a lower cost, there are an awful lot of small businesses in this country who could insure their families and their employees and their families for less money than they're paying just for their family policy today. And a lot of farmers—there are a huge number of farmers that are in that situation just because their family policies are so high and because they don't have any access to these buying pools.

[*Administrator Bowles explained that grouping small businesses into large buying pools will lower the cost of health care for small businesses and will help them to become stronger. He also stated that simplifying the insurance system and reducing the amount of insurance forms will make the system more cost effective and will enable them to provide health insurance to those who do not have any.*]

***The President.*** You don't feel strongly about that, do you? [*Laughter*] That was great. Thank you.

I'd like to now ask Regina Jaramillo to talk a little bit about a situation in her restaurant. And let me preface this by saying that one of the toughest issues that we face here is the restaurant business, because you have a lot of part-time employees; you have a lot of young, single employees who don't feel like they need health insurance and probably think they're going to live forever; you have a lot of businesses operating on relatively narrow profit margins. And it is an enormous part of our economy now; over 40 percent of the American food dollar is spent eating out. So this is a very big deal and probably in some ways the biggest sector of our economy with large numbers of workers without insurance. You also have lot of part-time employees and a lot of turnover. So I'd like to hear her talk a bit about that.

[*Regina Jaramillo explained that she and her husband gave up their old jobs and their health insurance to run their small family restaurant. Although they have bought an insurance plan for their own family, they would like to provide health insurance for the 12 people they employ in their restaurant. However, she found that insuring all her employees would cost her more than 10 percent of her payroll, a price too high for her to afford. She expressed hope that the President's plan will help her to insure her employees at a lower cost.*]

***The President.*** Let me ask you something. What percentage of your total cost of doing business do you estimate is in labor costs, what you pay your employees?

***Ms. Jaramillo.*** My payroll? My payroll was at approximately—excuse me, I did write this down—$886,000 a year that I pay in payroll.

***The President.*** But of your total costs of operations, what would you say that is? Is that about half your total cost of operations, and the rest is food and utilities and the operations——

***Ms. Jaramillo.*** Oh, I'd say it's at least a third.

***The President.*** About a third. So I just want to try to lay this out, because actually you are in—because your restaurant is small, we estimate that you would qualify for the maximum discount, and you could actually insure your employees for about what you're paying now for your family under our program, because you'd go to a big buying pool and because you'd be eligible for a discount because you're a very small business. But it's not fair to say that all food service workers would be like you because—there are a lot of restaurants that have 100 employees or 150 employees, so they don't qualify for dis-

counts. They would have to pay the 7.9 percent.

So in your case, if our plan were to pass, we think that there would be no increase for you or just absolutely minimum, because you would qualify for the small business discount to a maximum degree. But let's say you had a restaurant of 100 employees or 200 employees, some of them have 200 employees, with a lot of part-timers. You would only pay for the part-timers when they were actually working. You'd have no responsibility when they don't work for you. At 7.9 percent—then the real cost, additional cost of doing business would be one-third of that because the payroll is a third of total cost or something less than 3 percent.

And that's what we have to figure out, to what extent could all restaurants pass that on if they were all in the same boat, if they were all treated the same way? Would we change our habits, our eating habits, if our food prices went up that much? Would more of us eat at home? I mean, these are the kinds of questions that it's hard to answer. But my instinct is that if all the competitors in this business were treated the same way, that most of us have ingrained habits of eating out because we have more and more families where both the man and the woman are working and working longer hours, and I think it's doubtful that habits would change within that range, where the maximum increase—if 100 percent of it were passed on to the customers, which it might not be—was still less than 3 percent.

In Regina's case it wouldn't happen that way, but it would in a case of a cafeteria with 150 employees, if our plan passed just as it is, with the 80–20 match. But for the smaller businesses, again I would say, families still have to pay too much for their health insurance if they have to buy them as individual families. So you would get a 100 percent deduction instead of a 25 percent deduction for the premium you pay, plus a discount. So you'd be able to insure your employees for about what you're paying now.

Let's go on to Alonzo Harrison, who runs a construction company, and let him talk about his situation, because this again is a, I think, a pretty typical small business situation where he'd get some discount but would still have to pay more.

[*Alonzo Harrison explained that he cannot afford to provide insurance for his employees but tries to help them find insurance companies who will cover them at a reasonable cost. He also explained that a recent trip to Washington, DC, made him ill.*]

***The President.*** You ought to try living there. [*Laughter*] Actually, it's not bad.

[*Mr. Harrison then said that he would like to provide health insurance for his workers but is concerned about the cost. He also stated that many of his employees are seasonal, and he is concerned that health insurance be made portable under the President's plan to cover seasonal employees during the months that they do not work for him.*]

***The President.*** Our program, as proposed, would make health care entirely portable, including for part-time employees. And essentially what would happen is the employers and the employees would have the responsibility for paying while the employee was working for the employer. And then—or seasonal workers, when you weren't working, then the Government would help to make sure that the plan is portable and people kept it year-round. It would be the same plan.

For part-time employees, as opposed to seasonal workers, the same thing would be true. It depends on how you define part-time, but if the worker worked more than 10 but less than 30 hours a week, the employer would have a responsibility to pay for some of the premium but not the full premium. You have to go over 30 hours a week before he'd have to pay for the full premium. And again, if there were differences, then the Government would help make up the difference there. So the responsibility would be there, but it would be based on how much time the employee is actually working for the employer.

In your case, because you have a smaller business—except when you're hiring your seasonal employees full-time—you would qualify for a small business discount. Could you afford this if it was between 4 and 5 percent of payroll?

***Mr. Harrison.*** We think so. But again, since we're not paying it now, it would be an extra cost. And since our profit margin still isn't where we'd like for it to be, that means we're going to have to do something as it relates to raising our prices; meaning then that, yeah, we could put that into part of our budget, but then the cost is going to be in our bid.

***The President.*** Would it help knowing that everybody that competed with you had to do the same thing?

***Mr. Harrison.*** Absolutely.

***The President.*** I mean, since at least in the contracting work that you do, presumably the work has to be done. Somebody's got to have it done by someone.

[*Mr. Harrison explained that the high cost of workman's compensation is of great concern to him because his business involves work that can be dangerous to his employees.*]

***The President.*** One of the things that we're working on doing—we haven't figured out how to solve it entirely yet, but I think would make a huge difference to small businesses, especially to people like you with big workman's comp bills, but a lot of businesses that aren't particularly dangerous have big worker's comp bills—is to try to figure out a way to take the health care portion of worker's comp and at least have some common administration of it so that you're not, in effect, paying twice for it. Because right now, as you know, worker's comp is a disability program, it's an unemployment program and it's a health care program, all three. But if you have a health care system, we think we can figure out how to moderate a lot of the health care portion of worker's comp costs, which has accounted for approximately 50 percent of the rate increases in State after State in the last few years, in this health care thing. And that would also be a big boost to small business, because it's all part of the same cost of operations.

Jim? Anybody else have anything they want to say?

[*Representative Slattery stated that Congress will address the issues that the participants discussed and will try to pass a plan that requires everyone to contribute to the health care system so some businesses will not be paying more than others.*]

***The President.*** I'd like to emphasize that for most of the last 20 years, big businesses have paid way more than their fair share of the health care, and the rest of us have sort of ridden along with them. I mean, you've got some companies paying 15, 16 percent of payroll for health care. In other words, they've paid more than the percentage of our total wealth we spend on health care. And the rest of us have benefited from that.

Now, big businesses and governments are finding that they can get competitive arrangements and buy health care for less money or at least they don't have to go up as much as inflation anymore, which is going to put more and more pressure on small business, which is why we've got to find a way, unless we want more and more people to be without insurance altogether, while we've got to find a way to get everybody insured and then get them in these larger pools.

Let me just make one remark that I meant to say to our friend with the construction company. He said some of his best workers were over 60, including his father. Let me tell you, the fastest growing group of Americans are people over 65. More and more Americans are going to work well into their seventies. The average 18-year-old is going to change jobs eight times in a lifetime now. You have people in their late fifties and sixties losing their jobs because the defense business is cutting back. And there they are, 59 years old, some of them still with kids at home not even out of high school, having to find new jobs.

This health care issue is a big issue. And one of the things that I think is very important about community rating is that we not discriminate against people in their sixties who are otherwise healthy and able to be good workers. Because if you do that, you're going to make it harder for people to change jobs.

And one of the reasons that America—believe it or not, with all of our economic problems, we have a lower unemployment rate than all of our major competitors except Japan. We're now creating more jobs than all of them. And one of the reasons is that people can move freely in and out of the job

market. But it's going to be harder and harder and harder for older people unless we remove this discrimination against age.

So your company would be especially helped by that. In other words, you'd be able to buy insurance on much fairer rates if we said that vigorous working people in their sixties shouldn't be charged more than vigorous working people in their thirties. It would make a big difference. But again, I will say since the odds are still greater that a 60-year-old will get sick than a 30-year-old will get sick, the only way the insurance industry can provide this health insurance and not go broke is if you have big pools of people where the risk can be broadly spread. That's the only fair way to do it.

Dan, you want to say anything?

***Representative Glickman.*** Can I just make a couple of comments? One is, is that, Erskine, I appreciate your comments about workman's comp. The bill actually does not fold the health part of workman's comp into it. If it did, I think you'd probably get almost unanimous support in this audience, because that is an extraordinary rising cost. And that's something we need to work on to include.

The other thing is that a majority of people do pay health insurance. But I wonder, we got this as an 80–20 mix. I wonder if right now the majority of people who employ 50 or less, are they paying 80 percent, or does that include all businesses all the way to the top?

***The President.*** That includes all businesses all the way to the top. I do not know what the average is for people with 50 employees or 60 employees or less.

***Representative Glickman.*** If Sheryl pays 50 percent now, one of the things that strikes me that maybe we ought to consider is that 80 percent may be a little rough for smaller businesses. And maybe we need to start with—after all it's 50–50 under Social Security now, and I don't know if that's the right percentage, but maybe there is a way to bring that number down and then over a period of years perhaps slide it up or something, because for a lot of the very small businesses, I bet you find a lot of them aren't paying 80 percent. I know the big companies are paying up to 100 percent as you say. And that's just something that we may want to think about.

***The President.*** You're at 50–50; you're at 80–20. What were you when you had insurance?

***Ms. Wohlford.*** We were 50–50.

***The President.*** In part of his business you're at 100.

***Representative Glickman.*** So, it's just a thought.

[*Administrator Bowles stated that small businesses will continue to pay high costs for health care until there is health care coverage for all Americans and until small businesses are incorporated into large buying pools. A participant then asked what could be done to discourage the large number of lawsuits against physicians.*]

***The President.*** For doctors worried about being sued? You mean, physicians worried about being sued?

***Q.*** Physicians, hospitals, yes, the whole group.

***The President.*** We've proposed two things in our bill. First was limitation on the percentage of lawyers' fees in the contingency cases. The second is something that has actually worked to hold down medical costs where it's been tried, and that is to give different kinds of doctors the benefit of medical practice guidelines developed by their own professional associations nationally, that if the doctor can demonstrate that he or she followed these guidelines, that raises a presumption that the doctor was not negligent.

Now, this is a big deal in rural areas. This could be a big deal in rural Kansas, For example, where you've got a lot of general practitioners who are out in the country and somebody shows up with a broken arm or someone needs a baby delivered and a lot of doctors just won't do it anymore. They just won't do it. They won't even set simple fractures in some of the country places in my State. They'll send them to the biggest medical center where there's a specialist, where the cost is 5 times as great. And so what we've tried to do—the State of Maine had an experience with this, basically developing simple practice guidelines. It's funny. We do it with pilots all the time. That's why every time one of us gets up in an airplane with somebody

else, we expect the pilot to have the practice guidelines. That's what they are. And they are checked.

And if we could give that to doctors and just not say that there can be no negligence but just say that that raises a presumption that the doctor did the right thing, we believe that would drive down malpractice rates considerably and let doctors free to practice medicine with common sense instead of just bending over backwards to order a lot of tests. For example, in cases—oftentimes, when they know they shouldn't do it, but they're just guarding against a lawsuit.

***Q.*** I have a question about part-time employees, and it sort of would apply to Regina's situation as well. I employ several retired executives that deliver flowers for me, and it's a job they love to do. And they come with a wonderful work ethic, and you know, I'm glad to have them. They also come to me with Cadillac health care packages that they've gotten as benefits upon their retirement. What is going to happen to those packages that they have in place under your plan? And also, what about—I have one employee who works one day a week. Am I responsible for his health care?

***The President.*** If the employee works less than 10 hours a week, the answer is no. Isn't that right, Erskine?

***Administrator Bowles.*** Also, you're not responsible for covering anybody who works less than 10 hours a week. You're not responsible for covering anyone who is under the age of 18, period. And you're also not required to cover anyone who is under the age of 24 who is also a full-time student.

***The President.*** And I believe, in addition to that, you've asked me a question slightly different from the way it's ever been asked me before. But I believe that all retiree health plans are left intact, and that therefore, you would not have the responsibility to pay for someone who is a retired worker with a retiree health plan from another company. I believe that is right.

If it's wrong, I'll get back to you and tell you. But I'm almost sure that's right because one of the things we've tried to do is make sure that people like retired State employees and other people who knew weren't going to have their benefits that wrote, if they happen to have a better plan than our minimum plan. So if they've got the kind of plan you say, my belief is that they would not be required to be covered.

Let me just say one thing in closing in response to what Jim Slattery said. The toughest part of this is obviously the mandate which is why we tried to work out a discount. The main thing I want you to know is I have no interest in the Government running the health care system of the country. I am trying to use the power of the Government to organize the market so that small business people and self-employed people can get access to good benefits and so that these kinds of discriminatory practices that insurance companies follow today will not have to be followed in order for people to make money in insurance.

And I believe you have to require everyone to be covered in order to stop the boat from leaking because there's always going to be people who will be dropping their folks even if others pick them up if we adopt these new changes. So it seems to me that that is something we just have to work through.

That is the whole concept that has led some of the small business groups to oppose what we're doing. But I think it's also important that you understand that I will not sign a bill that does not have discounts for very small businesses with low payrolls and low profit margins. I won't do that. I want a bill that preserves the private delivery system we have and that makes the competition that is working very well now for Federal employees and for large businesses available for people in the small business sector.

But I think that none of it will get done unless we can provide the security that every American will know there will always be some health care coverage there, that will also stop a lot of the unfair cost-shifting and permit people to compete on a more even basis. So that is what we are trying to achieve. I hope that you will be supportive of all the Members of your congressional delegation without regard to party in trying to work through this with less rhetoric and more reality.

You know, I've tried to just get around here and listen to people's real life stories and try to work through the real life stories

in a way that solves the problem and permits America to take advantage of what we have which is the best medical delivery system in the country and fix what we have which is the worst financing system in the world. We've got the best medical care in the world and the worst financing system. We ought to be able to figure out how to do that. I think we can. And we have to do it in a way that permits small business to flourish because small business is the main generator of new jobs for the American economy.

Thank you very much.

NOTE: The President spoke at 2:03 p.m. at the Topeka Foundry and Ironworks Co. A tape was not available for verification of the content of these remarks.

## Remarks in a Town Meeting in Kansas City, Missouri

*April 7, 1994*

***Mr. 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 preexisting 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.

***Ms. 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.

***Ms. 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 it 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, good evening.

***Mr. 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 amount 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.

***Ms. 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 coun-

try 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 your 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.

***Mr. Anschutz.*** Mr. President, even at a town hall meeting, the wheels of American commerce keep rolling, so if you'll excuse us, we'll break for a commercial break, and we'll be right back.

[*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

havehealthcareinsuranceprimarilythrough theiremployers.Andtonightyouindicated thatoutofthosepeoplewhodonothave insurance,8outof10ofthemworkforsome-one.Andyourplanwouldforceemployers topaythisinsuranceforthosepeoplethat theycurrentlydonotcover.Iwouldcontend thatemployerswhodonotcoveremployees, donotforonesimplereason,anditrelates tocost.

Now,Ihavegonethroughtherigorsof calculatingtheimpactofyourplanonmy business,whichhasabout525unitsthroughout the country, and we employ in total over 10,000 employees. I have also talked to many, 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.

Alright, 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 pay, and we'll say you would've 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.

### *Current Medical Financing*

***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 preexisting 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 often times 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 fullblown 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.

[*At this point, 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*

***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 cir-

cumstances, 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 heath 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 biotechnology 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.

[*At this point, 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 your—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 Attack 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 Ntaryamira 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 not allow criminals to find

shelter in the public housing community they terrorize.

I have also asked the Attorney General and Secretary Cisneros to explore what other resources we can provide for sweeps by localities and by Federal agencies.

During the last weekend in March, 13 people died violently in Chicago—3 of them in the Robert Taylor Homes—and more than 300 gun incidents were reported to local police. The people in the Robert Taylor Homes have asked us to help protect them, and within constitutional limits we will do so.

## Proclamation 6664—Cancer Control Month, 1994

*April 7, 1994*

*By the President of the United States of America*

### *A Proclamation*

April 1994 has been designated Cancer Control Month. For the past 56 years, the President of the United States, at the request of the Congress, has designated one month each year to focus public attention on the progress that we, as a Nation, have made with regard to this devastating disease. This Proclamation continues to be a national statement of hope that one day we will understand, control, and eliminate cancer.

It would be hard to exaggerate the toll cancer exacts. Each year more than 1 million Americans are diagnosed with cancer, and nearly one-half that many die of the disease. We face an awesome challenge in controlling cancer—one that can be met only through research and the implementation of research results.

Breast cancer is the most common cancer among American women and epitomizes the challenge of our mission to protect and improve women's health. Breast cancer is widely prevalent and takes a tragically large toll on women's lives. Yet there are realistic prospects for its eventual prevention and cure. The strategies used to foster the translation of scientific knowledge into clinical innovations toward eradicating breast cancer also serve as prototypes for the treatment of other malignancies.

Likewise, prostate cancer is the most frequently diagnosed cancer among men and the second leading cause of male cancer deaths. Researchers continue to direct their efforts toward understanding the biology of this disease in order to design more effective therapies, search for more effective screening methods, and ultimately, prevent its occurrence.

The National Cancer Institute, the American Cancer Society, and other organizations are intensifying the effort in cancer prevention research. Programs to identify environmental and occupational causes of malignancy continue to be at the forefront of this research. Current studies address the links between cancer risks and exposure to pesticides, proximity to sources of environmental toxins and occupational carcinogens, air pollution, drinking water contaminants, and electromagnetic radiation.

We now know that every one of us can join the fight against cancer. The role played by the public is just as important as the role played by the most highly trained scientists. Each of us can adopt a lifestyle that lowers our chances of getting cancer.

In cancer control, nothing is more important than understanding and striving to reduce the effects of smoking, implicated in at least one-third of all cancer deaths each year. Some 50 million Americans smoke—most are adults, but a significant number are teenagers. Smokers bear the brunt of our annual national tragedy of more than 200,000 cases of lung and mouth cancers and more than 100,000 cases of pancreatic, kidney, and bladder cancers. No new drug—no new prevention or screening technique—would strike as powerful a blow in our fight against cancer as the single decision by millions of smokers to quit their habit once and for all.

Thanks to our progress in cancer research, more than one-half of the people diagnosed with cancer survive their disease 5 years or more. Such survival rates were not even a whispered hope for cancer patients just one generation ago. The years ahead hold promise of important advances in the prevention and treatment of cancer. Together we will continue to work so that fewer people will have to suffer from cancer and its aftermath, so that fewer lives will be jeopardized, and

so that fewer people will lose their loved ones to this disease.

In 1938, the Congress passed a joint resolution (52 Stat. 148; 36 U.S.C. 150) requesting the President to issue an annual proclamation declaring April as ''Cancer Control Month.''

**Now, Therefore, I, William J. Clinton,** President of the United States of America, do hereby proclaim April 1994 as Cancer Control Month. I invite the Governors of the 50 States and the Commonwealth of Puerto Rico, the Mayor of the District of Columbia, and the appropriate officials of all other areas under the American flag, to issue similar proclamations. I also ask health care professionals, private industry, advocacy groups, community groups, insurance companies, and all other interested organizations and individual citizens to unite during this month to publicly reaffirm our Nation's continuing commitment to controlling cancer.

**In Witness Whereof,** I have hereunto set my hand this seventh day of April, in the year of our Lord nineteen hundred and ninety-four, and of the Independence of the United States of America the two hundred and eighteenth.

**William J. Clinton**

[Filed with the Office of the Federal Register, 12:25 p.m., April 7, 1994]

NOTE: This proclamation was published in the *Federal Register* on April 11.

## Letter to Congressional Leaders on Iraq

*April 7, 1994*

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

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102–1), and as part of my effort to keep the Congress fully informed, I am reporting on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the U.N. Security Council.

It remains our judgment that the U.N. Special Commission on Iraq (UNSCOM) and the International Atomic Energy Agency (IAEA) have effectively disbanded the Iraqi nuclear weapons program at least for the near term. The United Nations has destroyed Iraqi missile launchers, support facilities, and a good deal of Iraq's indigenous capability to manufacture prohibited missiles. The UNSCOM teams have reduced Iraq's ability to produce chemical weapons; inventorying and destroying chemical munitions. The United Nations has inspected, and is preparing to monitor, several facilities identified as capable of supporting a biological weapons program.

Iraq's formal acceptance of U.N. Security Council Resolution (UNSCR) 715 (ongoing monitoring and verification) in November 1993 was long overdue. The next challenge for the international community is to ensure that Iraq does not break its promise on ongoing monitoring and verification as Iraq has repeatedly done so in the past on other commitments. Continued vigilance is necessary because we believe that Saddam Hussein is committed to rebuilding his weapons of mass destruction (WMD) capability.

We are seriously concerned about the many contradictions and unanswered questions remaining in regard to Iraq's WMD capability, especially in the chemical weapons area. It is therefore extremely important that the international community establish an effective, comprehensive, and sustainable ongoing monitoring and verification regime as required by UNSCR 715.

Rolf Ekeus, the Chairman of UNSCOM, has told Iraq that it must establish a clear track record of compliance before he can report favorably to the Security Council. However, Chairman Ekeus has said he does not expect to be able to report before the end of the year, at the earliest. We strongly endorse Chairman Ekeus' approach and reject any establishment of a timetable for determining whether Iraq has complied with UNSCR 715. There must be a sustained period of unquestionable, complete compliance with the monitoring and verification plans.

The ''no-fly zones'' over northern and southern Iraq permit the monitoring of Iraq's compliance with UNSCRs 687 and 688. Over the last 2 years, the northern no-fly zone has deterred Iraq from a major military offensive in the region. Since the no-fly zone was established in southern Iraq, Iraq's use of aircraft against its population in the region has

stopped. However, Iraqi forces have responded to the no-fly zone by stepping up their use of land-base artillery to shell marsh villages.

Indeed, the ongoing military campaign against the civilian population of the marsh villages intensified during the beginning of March. A large search-and-destroy operation is taking place. The offensive includes the razing of villages and large-scale burning operations, concentrated in the triangle bounded by An Nasiriya, Al Qurnah, and Basrah. The magnitude of the operation is causing civilian inhabitants to flee toward Iran, as well as deeper into the marshes toward the outskirts of southern Iraqi cities.

In northern Iraq, in the vicinity of Mosul, there is both Iraqi troop movement and some increase in the number of troops. Iraqi intentions are not clear and we are watching this situation closely.

The Special Rapporteur of the U.N. Commission on Human Rights, Max van der Stoel, presented a new report in February 1994 on the human rights situation in Iraq describing the Iraqi military's continuing repression against its civilian populations in the marshes. The Special Rapporteur asserts that the Government of Iraq has engaged in war crimes and crimes against humanity, and may have committed violations of the 1948 Genocide Convention. Regarding the Kurds, the Special Rapporteur has judged that the extent and gravity of reported violations places the survival of Kurds in jeopardy. The Special Rapporteur judged that there are essentially no freedoms of opinion, expression, or association in Iraq. Torture is widespread in Iraq and results from a system of state-terror successfully directed at subduing the population. The Special Rapporteur repeated his recommendation for the establishment of human rights monitors strategically located to improve the flow of information and to provide independent verification of reports.

The United States continues to work closely with the United Nations and other organizations to provide humanitarian relief to the people of northern Iraq. Iraqi government efforts to disrupt this assistance unfortunately persist. We continue to support U.N. efforts to mount a relief program for persons in Baghdad and the South, provided that supplies are not diverted by the Iraqi government. We have stepped up efforts to press for the placement of human rights monitors for Iraq as proposed by the U.N. Special Rapporteur. We also continue to support the establishment of a U.N. commission to investigate and publicize Iraqi war crimes, crimes against humanity, and other violations of international law.

The Security Council most recently addressed Iraqi sanctions at its March 18, 1994, regular 60-day review of Iraq's compliance with its obligations under relevant resolutions. At that meeting, Security Council members were in agreement that Iraq is not in compliance with resolutions of the Council, and that existing sanctions should remain in force, without change.

The sanctions regime exempts medicine and, in the case of foodstuffs, requires only that the U.N. Sanctions Committee be notified of food shipments. The Sanctions Committee also continues to consider and, when appropriate, approve requests to send to Iraq materials and supplies for essential civilian needs. The Iraqi government, in contrast, has maintained a full embargo against its northern provinces and has acted to distribute humanitarian supplies only to its supporters and to the military.

The Iraqi government has so far refused to sell $1.6 billion in oil as previously authorized by the Security Council in UNSCRs 706 and 712. Talks between Iraq and the United Nations on implementing these resolutions ended unsuccessfully in October 1993. Iraq could use proceeds from such sales to purchase foodstuffs, medicines, materials, and supplies for essential civilian needs of its population, subject to U.N. monitoring of sales and the equitable distribution of humanitarian supplies (including to its northern provinces). Iraqi authorities bear full responsibility for any suffering in Iraq that results from their refusal to implement UNSCRs 706 and 712.

Proceeds from oil sales also would be used to compensate persons injured by Iraq's unlawful invasion and occupation of Kuwait. The U.N. Compensation Commission (UNCC) has received about 2.3 million claims so far, with another 200,000 expected. The U.S. Government has now filed a total

of eight sets of individual claims with the Commission, bringing U.S. claims filed to roughly 3,000 with a total asserted value of over $205 million. In addition, the U.S. Government intends to submit this summer numerous corporate claims filed by American corporations and is currently reviewing over 180 claims by U.S. businesses for possible submission to the UNCC. The asserted value of U.S. corporate claims received to date is about $1.6 billion.

During the week of March 21, 1994, the Commission's Governing Council adopted decisions on how to allocate future funds among different claimants and how to ensure that payments made to claimants through national governments would be made in a timely, fair, and efficient manner. Meanwhile, a panel of commissioners began to work on the first set of individual claims for serious personal injury or death. The panel is expected to report its findings to the Governing Council in its spring meeting, scheduled for May 1994.

U.N. Security Council Resolution 778 permits the use of a portion of frozen Iraqi oil assets to fund crucial U.N. activities concerning Iraq, including humanitarian relief, UNSCOM, and the Compensation Commission. (The funds will be repaid, with interest, from Iraqi oil revenues as soon as Iraqi oil exports resume.) The United States is prepared to transfer to a U.N.-managed escrow account up to $200 million in frozen Iraqi oil assets held in U.S. financial institutions, provided that U.S. contributions do not exceed 50 percent of the total amount contributed by all countries. We have arranged a total of about $113 million in such matching contributions thus far.

Iraq still has not met its obligations concerning Kuwaitis and third-country nationals it detained during the war. Iraq has taken no substantive steps to cooperate fully with the International Committee of the Red Cross (ICRC), as required by UNSCR 687, although it has received more than 600 files on missing individuals. We continue to work for Iraqi compliance.

Examples of Iraqi noncooperation and noncompliance continue in other areas. For instance, reliable reports indicate that the Government of Iraq is offering reward money for terrorist acts against U.N. and humanitarian relief workers in Iraq. The offering of bounty for such acts, as well as the commission of such acts, in our view, constitute violations of UNSCRs 687 and 688. In the latest series of attacks on the international relief community, there were two incidents in which members of the U.N. Guard Contingent in Iraq were shot and seriously wounded in March 1994.

As I stated in my last report to you on this issue, Iraq can rejoin the community of civilized nations only through democratic processes, respect for human rights, equal treatment of its people, and adherence to basic norms of international behavior. Iraq's government should represent all Iraq's people and be committed to the territorial integrity and unity of Iraq. The Iraqi National Congress (INC) espouses these goals, the fulfillment of which would make Iraq a stabilizing force in the Gulf region.

I am grateful for the support by the Congress of our efforts.

Sincerely,

**William J. Clinton**

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate.

## Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

### *April 2*

In the morning, the President and Hillary and Chelsea Clinton traveled from San Diego, CA, to Charlotte, NC, where they attended the NCAA basketball championship semi-final game at Charlotte Coliseum. In the evening, they returned to Washington, DC.

***April 4***

In the morning, the President traveled to Cleveland, OH. Following his arrival in the afternoon, he attended the Cleveland Indians opening day game at Jacobs Field and threw the ceremonial first ball of the 1994 baseball season.

In the evening, the President traveled to Charlotte, NC, where he attended the NCAA basketball championship final at Charlotte Coliseum.

The President announced his intention to nominate Lt. Col. Linda M. Hooks, USA, to be Assistant Secretary of Veterans Affairs for Acquisition and Facilities.

***April 5***

In the morning, the President went to Troy, NC, where he toured Montgomery County Hospital and met with patients. The President returned to Washington, DC, in the evening.

***April 6***

In the morning, the President traveled to Bowling Green, KY. He returned to Washington, DC, in the early evening.

Later, in the evening, the President and Hillary and Chelsea Clinton attended a gala performance of the Royal Ballet at the John F. Kennedy Center for the Performing Arts.

***April 7***

In the morning, the President traveled to Topeka, KS. In the afternoon, he went to Kansas City, MO. In the evening, the President traveled to Minneapolis, MN.

***April 8***

In the morning, the President attended a health care rally in the Crystal Courtyard Atrium of the IDS Tower.

In the evening, the President participated in the "Health Care in the Heartland" town meeting at KSTP television station in St. Paul, MN. He returned to Washington, DC, later that evening.

The White House announced that the President will host the Summit of the Americas in Miami, FL, on December 9–10.

The President announced his intention to make the following nominations:

Timothy A. Chorba to be Ambassador to the Republic of Singapore;

Donna Jean Hrinak to be Ambassador to the Dominican Republic;

Johnny Young to be Ambassador to the Republic of Togo;

Joseph Edward Lake to be Ambassador to the Republic of Albania;

Irvin Hicks to be Ambassador to the Republic of Ethiopia;

Myles Robert Rene Frechette to be Ambassador to the Republic of Colombia, and;

Peter R. Chaveas to be Ambassador to the Republic of Malawi.

## Nominations Submitted to the Senate

NOTE: No nominations were submitted to the Senate during the period covered by this issue.

## Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

***Released April 6***

Transcripts of two press briefings by Special Counsel to the President Lloyd Cutler on the selection and nomination of a Justice of the United States Supreme Court

Statement by Press Secretary Dee Dee Myers making available a letter from David E. Kendall, personal attorney to President and Mrs. Clinton, to Sam Heuer, attorney to James McDougal

***Released April 8***

Transcript of press briefing by Director of Media Affairs Jeff Eller, and KSTP–TV general manager Harold Crump and News director Dean Bunting on the President's town meeting in Minneapolis, MN

Statement by Press Secretary Dee Dee Myers on Vice President Albert Gore's intention to meet with King Hassan II during his planned visit to Morocco on April 14

## Acts Approved by the President

### *Approved April 6*

H.J. Res. 329 / Public Law 103–229
Designating March 23, 1994, as ''Education and Sharing Day, U.S.A.''

S. 1284 / Public Law 103–230
Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1994

S. 1913 / Public Law 103–231
To extend certain compliance dates for pesticide safety training and labeling requirements