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holding paramilitary groups in Northern Ireland accountable when there is clear, convincing evidence of their use of violence or preparations for it.

The United States strongly backs the Good Friday agreement as the blueprint for peace and prosperity in Northern Ireland. Since its signing 4 years ago, the agreement has brought significant gains to the people of Northern Ireland, and it is a beacon of hope for people everywhere seeking to overcome histories of violence, terror, and sectarian strife. It is the responsibility of all parties, including those associated with paramilitaries and those who are not, to work together to uphold the agreement and its institutions.

I condemn the recent violence that has marred the lives of the people of Northern Ireland, and I commend those political and civic leaders who have worked to stop it. Paramilitaries must end their violent activities, cease all preparations for them, and recognize the political process as the only valid vehicle for change. Those who cling to the violent ways of the past cannot be allowed to derail Northern Ireland's progress towards a more peaceful future.

Remarks at High Point University in High Point, North Carolina

July 25, 2002

Thanks for that warm welcome, and thanks for coming out today. I want to thank you all for fighting through the rain. It's part of my drought relief program. [*Laughter*] I do want to thank you all for coming. I want to thank all your fellow citizens for lining the road and being so gracious in their hospitality. I love coming to North Carolina. It's a fabulous State, full of fabulous people. I'm honored to be here.

And I'm glad my friend Tommy Thompson came with me. He was the Governor of the State of Wisconsin, and then I convinced him to come to Washington to head up the Department of Health and Human Services. I did so because I understand he knows health issues; he knows welfare issues; he knows a good system when he sees one and a system that needs to be reformed when he sees one. And I'm glad Tommy came to Washington. He's doing a heck of a job on behalf of the American people, and I want to thank you, Tommy.

I want to thank Richard Budd and all the folks here at High Point University for giving me a chance to come and discuss some important issues that face our Nation. It's a beautiful campus. The gymnasium could use a little air-conditioning. [*Laughter*] We'll try to keep the hot air down to a minimum. [*Laughter*] But we're thrilled to be here on this fine campus.

I also want to thank Jeff Miller of the High Point Regional Health System for—[*applause*]. We just had a fantastic and very interesting discussion about problems that affect patients, patients in North Carolina, health care patients in Nevada, problems that affect our docs. And I want to talk about some of that in a minute. But we just had a great discussion. I want to thank all the doctors and my fellow Americans who were there to share with me their stories, some of which I will share with you in a minute.

I appreciate Don Palmisano, who is the head of the—president-elect of the American Medical Association out of New Orleans, Louisiana, who flew in for this event. I want to thank you for being here, Don, and I want to thank you for your support on the initiative which I'm fixing to talk about.

I also want to thank the mayors of some of the communities here. We've got the mayor of High Point, the mayor of Greensboro, and the mayor of Thomasville. I appreciate all three mayors coming. I want to thank my friend Elizabeth Dole for coming over today to say hello. I appreciate you being here, Elizabeth.

I want to thank members of the North Carolina health and medical community, all you who worry about your fellow Americans and who work hard to provide good, quality health care. Thank you for coming here today.

Every time I come to a community, I like to herald some of the heroes of the community. And today, when I landed in Air Force One, there to greet me was a citizen named Jane Lambert. She's a—she's been volunteering here in this community for 50 years. She has been working hard to make people's lives better. It didn't require a Government

law saying, "Jane, you will help people in need." It required a good heart.

Jane has worked with Girl Scouts. She's worked through her church to bring meals to people who need food. She is the kind of person I call a soldier in the army of compassion. The truth of the matter is, the reason I like to introduce the Jane Lamberts of the world is because the great strength of America lies in the hearts and souls of our fellow citizens who love—[*applause*]. So I want to thank Jane. I think Jane is here. Where are you, Jane? Thank you for coming. Thank you for your work. Thank you for setting such a fine example, 50 years of service.

You know, I believe out of the evil done to America is going to come some good. And part of the good is for people to understand that serving something greater than yourself in life is a part of being a complete American. And Jane shows us what that means.

The security of our country is on the minds of a lot of our citizens. I want to talk a little bit about the security of America. It first starts with the homeland security. You hear a lot of talk about the President working with the Congress to set up the Department of Homeland Security, and we are. We're working hard on that. I just want to make sure that Congress understands that when we do create this Department, I've got to have the ability to manage the Department in a way to make the homeland more secure. I readily concede I didn't run for office saying, "Vote for me. I promise to make Government bigger." So I'm not interested in something big; I'm interested in something that works.

The number one priority of our Government is to protect the American people. We live in a new era. We're under the threat of coldblooded killers who hate America and hate our freedom. So our top priority, in all levels of government, has got to be to protect America. That's what we've got to do. I see some of our first-responders here, our police and EMS and firefighters. I want to thank you for the work you do.

We've got work to do in Washington. You just need to know that we've got a lot of good people, people who work for all levels of government, working overtime, working hard, to chase down any kind of lead that we get, any kind of hint. And we're following up on it. Protecting our homeland is our most important priority. But the best way to protect the homeland is to hunt the killers down one by one and bring them to justice, and that's what this Government is going to do.

And I know this great State houses a lot of our military. And on behalf of a grateful nation, I say thanks to those who wear our uniform and to those who support those who wear our uniform.

And you need to know we're making pretty good progress. It's a different kind of war. It's hard to measure the results of this war based upon the old way of thinking. It used to be you could see tanks moving across a plain, and if the tanks made it to destination A, it was successful. This isn't the kind of war we're under. We're facing international criminals who hide in caves, send youngsters to their death, and think they can escape the long arm of justice of America. But they're not going to. No matter how long it takes—no matter how long it takes—this country will prevail.

And the reason why is, we love freedom. We love the values our country stands for. Anybody who wants to take our freedoms away is going to find a determined and tough and patient nation.

Secondly, a lot of people in this country are worried about the economy. They're worried about their job. I want you to know that I believe the economy is fundamentally strong. Our economy is growing. Inflation is low. We've got lower taxes, which help people keep their own money. And when you have your own money, it means you've got more money to spend. And when you spend that money for a good and service, it means somebody is going to provide a good or service for you. And as they provide a good or service, it means somebody is more likely to be able to find work.

We've got—the fundamentals for economic growth are strong. Employment is stabilizing. It looks like I'm going to have a bill on my desk very soon which will bring reforms to our corporate sector, which will mean that there will be accountability for chief executive officers and accountability for those who count the numbers, to make sure that our investors and employees across

America feel confident in what they're being told from corporate America.

It's a good piece of legislation. I look forward to signing it. In the meantime, you need to know that this administration will investigate, will haul in, and will prosecute any CEO which breaks the law.

The foundation for growth is there. But one of the things I think we understand is that without health security, there's no economic security. If we're not confident about our health care system, we won't be confident about the future of the country.

And we've got a problem. Right now, rising health care costs are undermining the availability of health care, of medical care, not only here in North Carolina but throughout our country. And the rising costs are forcing too many people to go without, and that's not right. That is a problem, and we need to address it soon rather than late.

As Tommy just told us, the report he put out from the Department of Health and Human Services shows that our badly broken medical liability system is responsible for higher costs for patients, for lower quality of care, and for decreased access. And I worry about it. I worry about it in big-town America, and I worry about it for small-town America.

I don't appreciate the fact that we see a health care system that is broken and riddled with bad—bad law, and we're not moving. And so one of the reasons I've come to North Carolina today is to lay down what I think we need to get done and call upon the Congress to act as quickly as possible to help us solve these problems. We're working hard to give more and more Americans access to quality care, and here are some of the initiatives.

America's seniors need an improved Medicare system which includes prescription drug benefits and a system which trusts our seniors to make the right decision for themselves. Medicare has worked in the past. Today, it is outmoded; it is antiquated. It is a great idea that needs to be modernized, and we're making progress. The House passed a bill. The Senate is squabbling about one right now. I think they can get something done. I hope I can report to the American people that we've finally begun to modernize Medicare to include prescription drug benefits for all seniors.

Secondly, we need to allow small-business owners to pool insurance risk across jurisdictional boundaries. A restaurant in Raleigh, North Carolina, ought to be allowed to pool the risk with a restaurant in Crawford, Texas, so that the small-business owner and his or her employees can have affordable health care insurance.

We need personal health accounts to let workers pay smaller monthly premiums and save money for their medical costs. In other words, we've got to trust patients; we've got to trust the American people with their own money, to make their own decisions that best suit them for medical care.

And too many Americans are uninsured; I understand that. And that's why I called upon Congress to enact tax credits to enable the uninsured to buy the health care coverage they need and, at the same time, to expand what we call community health centers to provide quality care for low-income Americans. You see, we've got to make sure, for the efficiency of the system, that those poor folks who do not have health care get health care, but not in the emergency rooms all across America. The most efficient way to provide health care is in community health centers.

We're also, as you well know, getting a lot of health coverage to low-income Americans through Medicaid and uninsured children through Children's Health Insurance Programs.

And we're working hard to make sure health care is available, quality health care is accessible. Yet, any progress being made is being undermined, dramatically undermined by rising health care costs. And one of the main reasons that costs are rising is a broken liability system. And that's what I want to talk about today, what we ought to do about it.

First, too many lawsuits filed against American doctors are being filed that have no merit. Too many lawsuits filed against our doctors have no merit. But since it costs so much for doctors to defend themselves, they often settle cases, even though they have not committed a medical error. And the unpredictability of our liability system means that

even frivolous cases, even what we call junk lawsuits, carry the risk of enormous verdicts. In either case, health care costs rise for all of us, and you just need to know that.

Another cost driver is that the fear of even baseless lawsuits causes good doctors to order excessive tests and procedures and treatments. It's called defensive medicine. If you think you're going to get sued, you do everything you possibly can to prevent the trial lawyer from coming after you. Unfortunately, that costs patients a lot of money. Health care costs are up because docs are worried about getting sued and, therefore, oftentimes prescribe unnecessary and costly treatments.

Even when legitimate cases go to trial, the current system often doesn't serve the patient. Legal procedures are slow. It takes a long time. They can be very wasteful. And sometimes the lawyers take up to 40 percent of the verdict—40 percent. And while patients injured by a doctor's malpractice deserve fair compensation, there are too many cases of grossly excessive jury awards. And you know what I'm talking about. You hear them all the time these days, massive numbers laid out there. The thing that Americans have got to understand is, every one of us pay for those awards. Those excessive jury awards cost us all money, and it's part of why rising—why there's rising costs in the health care system.

Some insurers are now dropping medical liability coverage for doctors. Because of the system, insurers no longer insure docs. And they're hiking premiums as well. In your State of North Carolina, as well as eight other States, at least two companies raised liability insurance premiums more than 30 percent this year. You pay; you pay either as a patient, or you pay as a taxpayer. Higher and higher—because the reason you pay as a taxpayer is because your Government is paying a lot of health care bills.

Higher and higher insurance premiums make it nearly impossible for a lot of doctors to practice medicine, and if docs don't practice medicine, it's hard to have good health care. Without insurance, they cannot afford to treat patients. Without insurance, the trust between doctor and their patients becomes a broken trust.

Today, I mentioned, I had a discussion with some of the medical care providers and patients. There was a doctor here from Nevada. I don't know if you've been reading about what's taking place in Nevada, but they've got a real problem. As a matter of fact, an entire trauma center shut down because of medical malpractice. The fellow's name is Dr. Shelby Wilbourn, OB/GYN in Las Vegas. He had never been sued. He had never had a claim filed against him. Yet this year's insurance premium went from $33,000 to $108,000. The system needs to be fixed.

This poor fellow who had borrowed money to get out of medical school faced a choice. Does he want to run up a bunch of debt because somebody has threatened a lawsuit on him, or does he want to continue to practice his love, which is helping people, healing people? And so this month, he's closing his practice in Nevada, and he's moving to Maine, because the costs of doing business are about a quarter of what they were in Nevada. The trial lawyers, suit after suit after suit, have driven this good man out of Nevada. But more significantly, there are hundreds of patients who will miss his care.

Jill and Chet Barnes are with us. Jill is a student teacher, and her husband is a fireman. Actually, the fireman is not here; Jill is here. They live near Las Vegas, where her doctor left his practice in the State of Nevada because of high malpractice insurance rates. She's 8 weeks pregnant. She talks about the inability to find a doc. That's got to be really frightening for a young mom, not to be able to find a doctor with whom she can consult. She said that she found one doctor, but there's a limit to the number of deliveries this doctor can agree to take because of skyrocketing medical malpractice premiums. She now is driving to Arizona for an hour and a half—she's a teacher, and she's driving to Arizona to get her prenatal care. And she's worried. The medical system is hurting because of a lot of lawsuits driving up the cost of business. It's also making it hard for a lot of Americans to find quality care.

Laurie Peel had trouble finding a doc when she moved to Raleigh, because a lot of the practices were full. Then she ran into Dr. Schmitt. He's a nice fellow, OB/GYN. He agreed to take her on as a patient. They

got a wonderful relationship. He helped her a lot. He decided recently to go to Virginia, because of the high liability premiums here in North Carolina. He said, "It's no longer fun to practice medicine here." Not just here, it's no longer fun to practice medicine when there's a constant threat of a lawsuit hanging over your head. Laurie has to find a new doctor she can trust. Laurie's looking for a doc right now—yet another compelling, real-life story about what's taking place all across the country.

Fear of lawsuits is awful—also stifling innovation and the improvement of health care, which means sometimes patients aren't getting the best care possible. Here's why: If a hospital and a doctor share information about how they can serve their patients better, under the current systems, lawyers can use those discussions and that information to file lawsuits. If you sit down to decide how best to improve the practice, that becomes a piece of evidence in a lawsuit. And therefore, a lot of good folks, like the good folks at High Point Regional Health System, think long and hard about making changes.

I met with Paula Szypko today. She's a fine doctor. They've been warned, anytime they write anything down about improving the health care in this town, it can be given to lawyers who are fishing for lawsuits. And that's not right; it's just not right. The system is broken. It puts a burden on taxpayers, and we need to do something about it.

People say, "Well, is it a Federal responsibility? Should the Federal Government act on this problem?" And the answer is yes, and I tell you one clear reason why, besides my deep concern for our fellow citizens and whether or not they can find health care. The Federal Government uses taxpayers' money to fund health care programs, Medicare, Medicaid, children's health care, veterans' health care, military health care. And any time a frivolous lawsuit drives up the cost of health care, it affects the taxpayers. It is a Federal issue.

It is estimated that frivolous lawsuits drive up the cost of Government health programs by over $25 billion every year. It's a national problem that requires a national solution. And it is my honor to come here today to describe what I think that solution is. The Federal Government ought to set a minimum Federal standard to reform the medical liability system. That's what we ought to do.

We must, of course, protect any injured patient's right to a fair trial and fair compensation, including full compensation for economic damages. Anybody who goes into court and wins their case ought to get full economic damages. At the same time, we must prevent excessive awards that drive up costs, encourage frivolous lawsuits, and promote drawn-out legal proceedings. And that is why we need a reasonable Federal limit on noneconomic damages awarded in medical liability lawsuits, and the reasonable limit, in my judgment, ought to be $250,000.

And we need a cap or a reasonable limit on what they call punitive damages. Doctors ought not—ought to be judged based upon clear misconduct. And our Federal Government ought to put a cap on punitive damages as well.

And finally, it's important to understand that in many cases, the current system forces doctors to pay damages for harm they do not cause. And therefore, we need what was called joint and several liability reform in Washington, DC, as well.

And finally, this law ought to include the ability for doctors to evaluate and hospitals to evaluate their practices so they can improve care without having the discussions discoverable for lawsuits. I mean, what we've got to focus on in America—what we've got to focus on is what's best for the patients. And what's best for patients is affordable health care.

We can get this job done. In California, when they had a problem with their medical malpractice insurance premiums, they put a law in place, and it worked. This is a reasonable law. This says that what we want is quality health care, not rich trial lawyers. What we want is people to feel comfortable with their system. People who are injured ought to be able to take their case to court, no question about it. But we've got to understand that frivolous lawsuits clog our courts and deny people with legitimate claims.

Doctors who practice bad medicine ought to be held accountable, no question about it. It's important for the system that they be

held accountable. But what we need is a system that doesn't drive people out of medicine and doesn't hurt patients. And the Federal Government needs to act, and the Congress needs to get a bill to me before they go home next—this late fall, a bill that will protect the American patients from medical malpractice.

I believe that when we pass this law, the system will be much better, and people will feel more secure. And that's what I'm interested in. I want the homeland to be secure. I want our fellow citizens to feel economically secure. I want the health care systems to continue to be the best in the world.

You know, I like to remind my fellow citizens of this: When the enemy hit us, they thought they were—they must have thought they were hitting a weak nation. Speaking about lawsuits, they probably thought all we would do was file a lawsuit. [*Laughter*] They didn't understand America, did they? They didn't understand, when it comes to defending freedom, we're plenty tough. But what they didn't also understand is that out of this evil done to our country we believe can come some good.

See, one of the interesting things that's happening in this country is that people understand that to be a patriotic citizen no longer means putting your hand over your heart—and by the way, saying, "one Nation, under God." [*Applause*] Thank you. But being a patriot means you're willing to help a neighbor in need, to serve something greater than yourself in life. That's what a patriot is.

You know, I was out at the airplane today, and I met the dad of a young boy and girl whose wife, Sandy, was on Flight 93. And Phil was there, and I appreciate him being there. And it just reminded me, seeing Phil Bradshaw, that the country understands that when you serve something greater than yourself in life, it's a part of being a great citizen. Obviously, these citizens made the ultimate sacrifice of personal responsibility, taking an airplane into the ground to save somebody's life. But I believe that out of the evil done to America is going to come some incredible good, as people realize that serving something greater than yourself in life is a noble calling, an important part of being an American.

So today, as I want to thank you again for coming, I hope that if you see somebody in need, you'll help them. If you find a child that can't read, help them read. If you know a shut-in who needs somebody to love them, tell him you love him. If you're a mom or a dad, love your children with all your heart and all your soul. It's a—this country has got problems, but we're going to solve them, because we're the greatest country on the face of the Earth.

Thanks for coming. God bless.

NOTE: The President spoke at 3 p.m. in the James H. and Jesse E. Millis Athletic/Convocation Center. In his remarks, he referred to Richard Budd, board of trustees chairman, High Point University; Jeff Miller, president, High Point Regional Health Systems; Mayor Arnold J. Koonce, Jr., of High Point; Mayor Keith A. Holliday of Greensboro, NC; Mayor Hubert M. Leonard of Thomasville, NC; senatorial candidate Elizabeth Dole; John W. Schmitt, M.D., faculty member, Department of Obstetrics and Gynecology, University of Virginia; and Phil Bradshaw, whose wife, Sandy, was a flight attendant on United Airlines Flight 93 that crashed in Shanksville, PA, on September 11, 2001.

Statement on House of Representatives Action on the Proposed "Sarbanes-Oxley Act of 2002"

July 25, 2002

I commend the House of Representatives for its overwhelming bipartisan passage of reforms to hold corporate America accountable. This legislation will protect investors, crack down on fraud and wrongdoing, and provide tough oversight of the accounting industry. Leaders in Congress heeded the call to put the interests of investors and employees first. I look forward to prompt action by the Senate so that I can sign this important legislation into law.

NOTE: The statement referred to H.R. 3763, the proposed "Sarbanes-Oxley Act of 2002."