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ABC GOOD MORNING
AMERICA - JOAN LUNDEN

THE WHITE HOUSE
Office of the Press Secretary

Internal Transcript

September 23, 1993

REMARKS BY THE FIRST LADY
AT HEALTH CARE BRIEFING WITH JOAN LUNDEN,
GOOD MORNING AMERICA, ABC

Q I think that perhaps the Republicans really share the same goal at this point, it's safe to say, which is, you know, health care for everyone, but will they ever agree on how to pay for it?

MRS. CLINTON: I think so. I really do. I think that's what the next months will be about. We're really not that far away, because the Senate Republican plan has so many areas of agreement with the President, including asking that individuals have insurance. And so they have an approach that is, in effect, an individual mandate, if you will, where individuals, like in some States, have to auto insurance, they'd have to have health insurance.

We think a better way to build on the employer-employee system and have both the employers and individuals contributing. But as long as we all recognize that there does have to be some requirement for everyone to be treated, we're going to be able to work that out.

Q And what about the people who are outside that employee-employer relationship that are self-employed? I mean, what is going to cost them as an individual or as a family?

MRS. CLINTON: It's not going to cost much at all, because for the first time they will not only given 100 percent tax deductibility, they will also be put into large pools of other people who will be purchasing insurance, so they will get the same discounts and breaks that the big employers do now.

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And then finally, they will, depending upon their income level, have some kind of subsidy or a cap under which they have to pay. So, I'm thinking that for most self-employed people, who cannot now even afford family insurance, this is going to be going to be a very big help.

Q When you talk about the large pool, these are the health alliances that we're hearing about. Exactly what are they, and how they work?

MRS. CLINTON: What they are is a collection agency, in effect, where the money that an employer and an employee would pay for premiums, instead of going directly to an insurance company as they do now, would go into this large pool.

And then people who wanted to provide health insurance, like your local group of doctors or a health maintenance organization or a network of health care providers, they would come to this large health alliance and say, "We have a qualified health plan, and we want to be able to involve people who are part of the alliance."

And then you and I would sit down, as federal employees do now, and look at the range of choices available. And I might decide, well, I like this particular program because the doctor that I like best is going to be in that one. And so that probably would work. And then the money would flow from the alliance to the people who provide providing services.

Q Okay. A couple of questions that come out of that. First of all, will all doctors have to become part of a group, or will they still be able to provide services individually?

MRS. CLINTON: They can do either, because in every alliance area, we will guarantee that there will be an opportunity for doctors who wish to continue practicing alone to be part of a network in what's called fee for service -- which means that you pick up the Yellow Pages and call Dr. Jones or Dr. Smith, and you can show up at their office. So that is going to continue to be a feature of medical services around the country. At that same, time doctors will be able to join more than one. Perhaps a doctor wants to

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join a network and be part of a fee for service. That's going to be permitted.

Q Because that was my second question then, because when you're talking about health care, people have relationships, and they find comfort and security in going to the same doctor over a period of years to deal with some ailment. What if you had several different doctors and they were part of different plans, what's going to happen to you?

MRS. CLINTON: Well, if they were all part of different plans, then you would have to make some choices. But what I think is more likely to happen is since we are not going to let any plan or any alliance discriminate against doctors, most doctors will be hard at work and want a plan in their area, but it will be the doctor's choice.

What is happening now is that insurance companies are deciding who doctors practice with, who gets to go to them, or employers are deciding that. We want doctors to decide how to organize themselves and we want citizens, consumers, to decide which doctors they will choose. We think this is going to increase choice instead of what's happening now, where decisions are being made by other people.

Q How will these alliances be mapped out? I mean, will be drawn or will they kind of form themselves?

MRS. CLINTON: Well, each state will decide that. And I think it will probably be on the basis of population in most states, because Florida, for example, which is pioneering this, has set up 11 different regions to be the basis for their buying alliances. A large state will have, I'm sure, many alliances, depending upon their population. And a small state might only have one or two. But it will be decided at the state level.

Q I saw that States are already balking in some cases in this morning's paper. Do you expect some cooperation out of everyone?

MRS. CLINTON: I do. But I think it is absolutely fair to say that there are some States that are far ahead of the federal government. They are really leading the way.

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And when you look at States like Hawaii and Washington and California and Minnesota and Vermont and Georgia, they are breaking new ground. And many others are trying as well.

But there are a lot of States that haven't done anything about health care reform, think it's something they wish the federal government would just take over completely.

So we're going to try to strike the right balance, so that States that are ahead of the rest of us will not be held back, and States that need some encouragement and some support will do so within a national framework as to what every American is entitled to.

This -- I mean, it's very complex. And to try to administer all this is where we get the National Health Board.

Q And how will that work?

MRS. CLINTON: Well, the National Health Board is a feature that actually we have in common with a number of the proposals, including the Senate Republican proposal, in part because some of these decisions about health care should not be left to the political process.

You know, some of these are very hard decisions, about when a drug therapy, for example, moves from being experimental to clinically effective, and who makes those kinds of decisions. There has to be some national board that kind of coordinates that -- and that's what we see the National Board doing -- as well as concept targets for how much money we should spend in this country on health care and how do you keep track of how much money you spend?

Q There is concern, I'm sure you realize, that the National Health Board and alliances, that this is kind of recipe for a huge bureaucracy and it's going to cost a lot of money. How do you address those concerns?

MRS. CLINTON: Well, I start by saying right now we have the most expensive, bureaucratic system of health care in the world, in both the public programs and out in the private sector, with all these hundreds of insurance companies with all their different forms and all their

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different requirements.

We want to simplify the system. We want to get everybody into these large pools, so that instead of having to go person by person to insurance companies, instead of small businesses having to deal with insurance brokers and then having to get an another insurance company the next year because somebody got sick or their rates were raised to too much, the kind of bureaucracy that now just costs so much money, we want to streamline that.

And we're going to look very carefully to make sure that this alliance and the other things necessary to run an effective national system are not mini-bureaucracies and don't impose new burdens, but instead really do simplify the system.

Q The Republicans have said that the National Health Board is too large. Do you expect to have to compromise in order to get this (inaudible)?

MRS. CLINTON: Well, we're going to sit down and talk with them, because, as I said, they have a National Health Board in their plan as well. And one of the differences, for example, is they would have their National Health Board determine what the guaranteed insurance benefits are, because they'd like to take that out of the Congress and take that out of politics. I think that's a very important idea.

We decided that we had to start with a national guaranteed package of benefits that the entire country knew about, which means that it would be in the midst of the political decision-making to start with, and then it changes when you move to the National Board. I think there's a lot of room for sitting down and talking to decide the best way to do this.

Q A lot of numbers have been thrown around (inaudible) Congress (inaudible). I think that's so the Republicans (inaudible) at one time. Is that in the ballpark, do you think? Or --

MRS. CLINTON: Well, I think that we have to look at all the different pieces of it, because right now we're spending we're spending nearly \$900 billion on health care, and we don't even cover everybody. And Dr. Koop says, we spend probably \$200 billion on unnecessary costs within the health care system.

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So what we're looking at is, yes, everybody should contribute. We need to take a hard look at the rate increases in both the public and the private sector and begin to get those down to more efficient levels. But we're not talking about any kind of new broad-based tax. We're talking about taking money that we have, having everybody contribute, and making better use of it.

Q To try to make people understand a little bit more of how it's going to work, I've got a couple of different scenarios. We talked to a man earlier this week who's a father who felt that he was really trapped in the job that he was in because he wanted to hold on to that insurance that he had because he had an asthmatic daughter. Now, how would this program affect him?

MRS. CLINTON: He will never have to worry about that again. He can move jobs, he can move from State to State. His daughter's condition will be covered under the guaranteed insurance policy that every American is entitled to.

Q Small employers, you know, are very worried. What about the small employer who really cannot afford to stay in business and carry insurance on his little handful of employees?

MRS. CLINTON: There will be very few of that I think, Joan, because what many small businesses are worried about is how will they ever afford insurance as they know it today. And the reason that many small businesses don't insure is because they would have to pay huge increases in administrative costs compared to big businesses. Those small businesses that do insure have seen their rates go up sometimes 15, 20, 25 percent from year to year.

What we propose instead is that small businesses that truly aren't small and truly are marginal, in the sense that employ low-wage people and don't make much money, will be subsidized. They will be given a discount. They will be given an absolute cap, so that they will never have to worry about spending more than a certain amount on health insurance.

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And the reason this will work is because for the first time every small business will have the same bargaining power as the big businesses do now. And if we look at pooling all of our small businesses together, if the individual also contributes, if small businesses are given a discount, if their costs are capped, there will be very few, with our kind of phasing in of those responsibilities, that will truly not be able to afford it.

And, in fact, the numbers we have look at, show that in many small businesses, what an owner may be paying now to insure just his own family could, under the discounts and the subsidies, cover all of his employees, and he'd only be paying part of that because the employees would be paying the rest of it.

So we want small businesses to look at this seriously but not to react kind of in fear because they don't trust the existing insurance market. We intend to change that to change that.

Q Interestingly, you just used the word "cap." It made me think about something. Last night, I don't think I heard in his speech last night anything about malpractice. In trying to keep down all these costs, which, you know, really is a problem in the beginning, why everything has gotten so expensive, what about capping the policy on, say, malpractice suits?

MRS. CLINTON: That's what we're going to do. The President, in his speech, said that everybody has to be responsible, and that includes lawyers who abuse the malpractice system.

Q All right. That you (inaudible) control over?

MRS. CLINTON: Yes. And we're going to require that lawyers get an independent doctor or board to certify that a lawsuit is worthy to go to court. We're going to require that health plans have alternative dispute resolutions, to try to eliminate the kind of time and cost that is part of the malpractice system. And we're going to cap the amount of money lawyers can earn from malpractice cases.

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We don't want to hurt victims, because legitimate victims deserve to have their needs met. But we also want to stop the kind of defensive medicine and fear that too often requires physicians, in their own minds, from running tests and doing things they are only doing because they fear someday they might sit in some court. That is not a good way to run our medical system.

Q Speaking of another element, the population of seniors, and they're also concerned. Are we going to find the freedom of choice for them, too, to go to a nursing home if they want or to stay home and get in-home care? (Inaudible) the in-home care (inaudible)?

MRS. CLINTON: Again, the two things we heard most from seniors were: We need some help on prescription drugs. And we need to start having a system in this country that lets older people spend their last days and weeks at home or in some other kind of community setting. We are going to do both of those things.

It's very important, having just gone through this in my own life, to know what happens when your parents get to a certain stage. And they don't need to be in the hospital, but oftentimes that's the only place where your care will be paid for under Medicare. We want to start spending some of those dollars providing home and community-based long-term care. We want to start providing, in the nursing homes, more reimbursement for taking care of people who don't need hospital care but do need some kind of continuing care and their families cannot do it for them. We want to give seniors options, which they don't have now.

Q And there's that one other element that's really been left out in the cold, and those people with existing illnesses, diabetes, AIDS, a history of cancer that have been unable to get insurance or certainly not been able to get insurance at any kind of a reasonable cost. Let's (inaudible) how this is going to affect them.

MRS. CLINTON: Those are the most heartbreaking stories to me. I mean, I have sat with literally hundreds of people now. I've looked at their medical bills. I have looked at their insurance premiums. I've looked at their cancellation notices. It is so unfair. I mean, insurance

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should be the thing that is there for you when you need it. And if you've ever been sick, you shouldn't be eliminated from coverage.

And as the President said in his speech: We will make it illegal to cancel anybody's insurance because they've ever been sick or have a preexisting condition. And we will, through the guaranteed benefits package, make it possible for families to afford the kind of care that people need with chronic conditions.

You mentioned diabetes. One of the saddest things to me is that many people who are diabetics who are not insured and don't qualify for government medical assistance postpone the regular checkups, postpone going in for their blood sugar readings because they don't want to pay for that. That is so foolish for all for us, because eventually they may end up in the hospital in much more serious problem.

We want to stress preventive care and primary care, and we want everybody who is already suffering from some kind of chronic disease to know that they will be taken care of.

Q As we talk about this, you realize how complex it is, because there's no quick fix to it. And tell me about the process that you went through in trying to get a handle on all the different facets. And was there some point where there's a turning point where the big picture started becoming clear?

MRS. CLINTON: Well, I did immerse myself in it mostly by talking to a lot of people and reading everything that I could read. It gradually became clearer and clearer. What I realized, first of all, is that we have already the most complicated system in the world. If you try to explain to somebody how it works, you become totally mind-boggled. I mean, it is hard to imagine a more complicated system than the one we have right now in this country.

And once I realized that there was so much we could do to make it more available to people and to pay for it fairly and to guarantee health security to everybody and to guarantee choice and guarantee quality, and began to listen to people like Dr. Koop and others who have been studying this, my hopes just began to rise inside me, because we don't

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need to have the problems that we have. We can do better.

And I guess there might have been some turning point, maybe this spring or summer, particularly connected with my own experience with my dad, because I spent a lot of time in the hospital there at home and talked to a lot of doctors and a lot of nurses. They're the ones who are on the front line. They're the ones who gave me the real ideas about this system could work better for everybody.

And I came out of that experience more than ever committed to the fact that we have the best health care system in the world, the most dedicated professionals, but it is a crazy system that imposed all kinds of burdens on them, made it confusing for those of us who are patients or family members, and that we could do better.

Q There are so many different ways though that we can attack it. I mean, you can try to, yo know, decide which way is the best. Did Bill Clinton agree with what you came up with, or did you have some spirited discussions? (Laughter)

MRS. CLINTON: No, because he really had a clear idea, coming out of his time as governor, what was wrong with the system. And he was the one who asked the hard questions.

We had meetings in the spring or summer, and we'd say, "Well, what about this?"

And he'd say, well, he finally has (inaudible) ten things, and we might have thought of seven, but not of the other three. So he has really shaped this from the very beginning. He has made us look at everything. He has made us look at it upside-down and backwards and inside out and come back to him time and time again with, you know, very tough, hard questions that he would ask and that we would then really try to answer.

It has been a wonderful experience. I have, you know, worked with my husband off and on since we were in law school together. And I'm always excited to do it, because he carries such a great combination of heart and head that I would learn something.

Q It is a complex issue though. And to get --

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(inaudible) believe you asked for legislation within the year. Where do you see the big turnover, and where do you see the negotiation?

MRS. CLINTON: Well, there are so many areas of agreement now. I think everybody agrees we need to reform the insurance markets. Everybody agrees we need to eliminate preexisting conditions. I think everybody agrees we need to get to universal coverage.

I was so thrilled to see that standing ovation in the Congress of the United States for the principle of health security. I just nearly cried, because that has to happen if we're going to have a fair and efficient and quality system.

And I think everybody is in agreement on a lot of the things that we could do in terms of moving a piece of the system forward. There are disagreements left, but I would expect them. The people who have worked hard on this, on both the Republican and the Democratic sides of both houses, have really struggled with these hard issues. They are coming at all of them, I think, in a spirit of open-mindedness and good faith.

And we're going to start the hard work next week, going to the committees and analyzing all the different approaches and trying to hammer out the differences. But what is thrilling to me is that we're going to be leading so much already in what role the U.S. -- in help steering this through. Very hard to do.

I'm going to be testifying before committees, but then I will be available to visit with members of Congress, to visit with many of the groups that are endorsing the President's approach.

You know, we're having an incredible outpouring of support from business and labor, from hospital and medical groups, from the nurses' associations, from all different walks of life, consumers groups, the groups that represent senior citizens.

They are all coming together, and they are saying, "You know, we may want to tinker with a detail, or we may wish to do something a little bit differently than what the

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President has proposed. But in general we support this." And that is what I think is going to make it (inaudible).

Q And your role in this health care reform is really unprecedented, even as one of the architects (inaudible) I think significant piece of legislation since, what, the New Deal, I would say. And how comfortable have you been? I mean, this is -- there is a lot riding on this.

MRS. CLINTON: Well, I've been nervous for a time, because it is something so exciting for our country to do, and there is -- there's a lot riding on it. Every time I sit here and talk with you, I have almost a movie running in my head of all these people that I've met all over the country and people who have had stories to tell, that were so moving to me. They had much courage in facing their health problems. And that's what has gotten me up there today.

And, you know, there will be setbacks, there will be problems. Just like the President talked about, we're on a journey as a nation, together, and it's not going to be a quick and easy trip, but we're going to get there. And what I am so confident of is that now, for the first time, the people of this country understand what is at stake, they are willing to make the changes, they know that the present health care system is no longer a choice, that our choices are in how we're going to change and do it right. And that's what I want to (inaudible).

Q As a woman, I hear you talking with many, many women out there, many from single households, where they are making a lot of the decisions, the health decisions in their homes, with young children. What would you say to them?

MRS. CLINTON: I'd ask them to help support a plan that will give them and their family health security. And I'm particularly hopeful that because women understand the importance of primary and preventive health care -- our President said, you know, an ounce of prevention is worth a pound of cure. It's what our mothers all told us. If they would take the lead in really making it clear that we have to have good preventive health care, particularly for children.

And for the first time, this insurance program the President is proposing will cover well child care. I never

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could understand how you could take your child to the doctor to get that checkup and your insurance wouldn't cover it, but if you didn't and the child got sick, then your insurance would cover it. That didn't make any sense to me. The same with immunizations. The same with the kind of diagnostic tests that women particularly have needed, like Pap smears and mammograms. We want to cover those, and they will be covered.

And I think women know that in many ways, unfortunately, their health care as women I think has been short-changed. We haven't done the research and the treatment we needed on diseases like breast cancer. And that, as mothers, their caring for their own children has been short-changed.

You know, I cannot tell you what it's like to talk to a mother who has had to go on public assistance because she was either uninsured or her insurance dropped her or her husband because their child was sick. And the only place they could get the kind of care the chronically ill child needed was by going on public assistance, and no longer being employed to make a contribution. That's the kind of sacrifice that no family should have to make. And if we pass this, no family ever will have to again.

Q You know that there are a lot of cynics out there, a lot of people though who just don't have a lot of faith in the bureaucracy of Washington. And they say --

MRS. CLINTON: I don't either. (Laughter)

Q And now they say women -- now they're asking us to put the most basic thing on health into the hands of Washington. What do you say to those -- I'll call them cynics?

MRS. CLINTON: That's not what we're asking. What we're asking is to band together with your friends and neighbors, to pool your money, so you get a good deal, and you get guaranteed health security that can never be taken away. And the decision remains at the State and local level, where the doctors and hospitals you already know will be deciding how best to deliver health care to you.

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And guess what? We're going to relieve them of a lot of that bureaucracy that has been coming out of Washington. We're not going to have them spending over 25 hours a week, as the doctors at Children's Hospital in Washington and other places have spent, filling out unnecessary forms or having to walk away from the bedside of a sick child and go to a meeting about some other insurance form that has to be filled out.

So, in fact, we're trying to eliminate not only government bureaucracy but insurance company bureaucracy so that doctors and nurses can get back to doing what they were trained to do, taking care of us.

Q And we wish you the best of health.

MRS. CLINTON: Thank you.

Q Thank you very much.

(The interview was concluded.)

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