

in year two, the next year, they'll be able to make the same choice they made last year all over again and choose a different plan or fee-for-service medicine or a group of physicians who are providing health care.

So this will fundamentally change the whole incentives of the system. They simply will not be able to use the fact that they have a pre-existing relationship with an employer to undermine the delivery of quality of care between the doctor and the patient, because the patient will be making a decision and every year can make another decision. And that will have a profound impact on it. And they will not be able to eliminate primary and preventive services from their package. That has to be involved. So that's going to change it. Then we will make—when we make some of the changes in the antitrust laws, which will make it even easier for physicians to get together and deliver health care directly. So these HMO's are going to be under a whole different kind of competition. It won't be competition from somebody else providing less service at lower costs, it will be competition from somebody else providing more services at higher quality with more choices for the same costs or sometimes less.

So I think this will really change things and put you and your patients much more in the driver's seat than you are now. That's perhaps the most critical element of my plan that has not been really noted. We are not restricting choice, we're expanding it. And we're putting the decision—we're moving the decision from the employer to the employee about who makes the choice, which means you're moving it to the patient. And that should be, I think, something that will make a profound difference, par-

ticularly after you all get through talking to all of them.

Q. Mr. President, everyone in this room and all the people we represent would like to thank you for taking the time from your busy schedule to meet with us today. We want you to know that we're with you in this fight and we'll join with you in working with Congress in a joint effort to guarantee all Americans private health insurance that can never be taken away.

The President. Thank you. And let me just say in closing, if I could ask you one thing, it would be to impress upon the Congress the importance of acting and acting this year. This is a very complex issue. No one has all the answers. We'll be improving on what we do from now until kingdom come. But you know, more uniquely than most people do, what the consequences of not doing anything are, and that's more restricted managed care, more people without any insurance at all, more of the headaches that you have already complained about today. So you are in a unique position to embrace the fundamental principles here, work with me on the details, and impress upon your very large congressional delegation that the time to act is now, not next year, not 5 years from now but now.

Thank you very much.

NOTE: The President spoke at 11:47 a.m. from Room 459 of the Old Executive Office Building to the association meeting in Anaheim, CA. In his remarks, he referred to Dr. David Holley, president of the association. A participant referred to the Medical Injury Compensation Reform Act (MICRA), a California State law.

Remarks to Health Care Providers

March 23, 1994

Thank you very much. It's a great honor for the Vice President and Mrs. Gore and for Hillary and me to have all of you here today. I want to especially thank Dr. Haggerty for his moving account, and Marva Wade for having the courage not only to tell us the story of her work but the story of her family, and Sister Bernice Coreil for her stout-hearted defense of

our continuing efforts. I was sitting there thinking when she was speaking, I wonder how many nuns have ever given a speech and quoted Machiavelli? Well, I suppose he was a Catholic. *[Laughter]* And he certainly was right about a lot of things.

I want to say to all of you how important it is for us to have you here to validate our

common efforts because of your work, your life, and your experience. We've been seeking out a lot of that lately. Hillary and I went to Florida the first of the week and met with thousands of senior citizens, some of whom had been frightened by claims that we were trying to do something to Medicare instead of to protect Medicare and to extend its benefits to prescription medicine and to long-term care options in the home and in the community.

I met yesterday with a very, very moving group of a couple of hundred small business people, and 12 or 13 of them talked. About half of them, by the way, in endorsing our program, acknowledged that they would pay more if our plan passed, but for the first time they'd be able to insure all their employees instead of just a few of them and insure them with good benefits. And for a change their competitors would be on an even field with them because they would have to do the same thing, and they'd all make out all right.

This morning I met by teleconference with the California Medical Association, the biggest affiliate of the AMA in the country, and they were extremely supportive of this plan and what we are trying to do. And of course, now I'm meeting with you. And along the way, I have had encounters with people that we didn't plan that have made the same points all of you have made.

I was in Florida, and as I often do when I'm traveling, I agree to meet with children who are part of the Make-A-Wish network around the country, desperately ill children. And I met a family with two boys with a rare form of cancer which they believe must be genetically related because both their sons have it. And they have a daughter who is the youngest child and who has not yet been diagnosed, and we all hope she won't be. But this family was living in mortal terror because they had a lifetime limit on their insurance policy, and they thought, well, maybe one of their sons would become an adult. They're both surviving and maintaining it, but if they have good success with the treatment and both the boys are able to live and go on and do well, they'll certainly outrun their lifetime limits while the younger son is still at home and needing care.

I was in Columbus, Ohio, the other day campaigning for our crime bill, and I stopped in a delicatessen where the owner of the delicatessen, who wound up being one of our small

business people here yesterday by the way, came to me and said, "I am in the worst of all worlds. I have 20 employees that are full-time, 20 that are part-time. I had cancer 5 years ago. I'm about to be declared cancer free. Because of my preexisting conditions, our deductibles went up, our copay went up, our premium went up. But I still cover my 20 employees. I'm proud of that because it's the right thing to do, but I'm at a competitive disadvantage to everybody who doesn't, and I feel guilty that I don't cover my part-time employees."

So I hear these stories always. And those of you who are on the frontlines of medical care must wonder from time to time when you hear people make these speeches or you see these television ads, what planet they came from—[laughter]—because it's so inconsistent with the personal experience you've had.

Hillary and I have gone to extraordinary lengths to try to get people to look at this anew. We even made our own Harry and Louise ad for the national press the other day. Someone said after it was over, "Have you no shame left?" And I said, "Not very much after the last year." [Laughter]

The purpose of all of this to me is to give the American people who are looking at this from their own perspective, as every person should, a sense of how the real world operates, how incredibly complex and counterproductive the present financing system is, how it encourages people like you to spend more time on paperwork instead of patient care, and how it leaves millions of our fellow citizens rife with insecurity that they either are going to lose their health insurance or have it priced out of their reach, or that the policy they have doesn't cover something they need.

What we are genuinely trying to do, in good faith and with the consultation of thousands of people like you all across the country, is to fix what's wrong with this system and keep what's right. We believe we have to have guaranteed insurance for all Americans. Otherwise we'll never have security for all Americans; we'll never be able to have a rational system; we'll never stop all the cost-shifting; but most important of all, we'll never do the right thing.

And we think that guaranteed insurance should cover comprehensive benefits that include primary and preventive care, that include prescription medicine, that builds in mental health coverage. And we think over the long

run these things will give us a more cost-efficient system and a much healthier and happier and more secure country and a more productive American work force.

We believe in order to have the kind of system we need, we have to find a way to capitalize on the managed competition and those competitive forces that we've seen taking root in health care over the last couple of years, but to do it in a way that preserves rather than undermines people's choices of providers and therefore the quality of our health care system.

Fewer and fewer Americans have choice in their health care system today. I was glad to hear somebody mention that earlier. I hear all these things, saying, well, if you vote for the President's plan, you will lose your choices. The truth is that more than half of the employers who are carrying insurance for their employees today provide less than two or more choices. In other words, fewer than half of them say to their employees, here's two choices, here's three, here's more choices, you make a decision. Under our plan, people would be able to choose not just once but every year a fee-for-service approach, a network plan, or a network plan that has a point-of-service option so they could always decide that they wanted to go outside the plan and get other health care. And if they chose that option, the employer would still be obliged to pay his or her portion of the cost of care.

In other words, we'll have more competition, we'll have more managed care, but we'll have more choice. And the choice will be made by the patients, the people who are going to get the care, based on an informed set of information. And they'll be able to make the choice anew every year. I think that is very, very important.

The next thing we want to do is to have real insurance reform. That means that we're going to have to have an end to the preexisting condition problems that you all know very well. People cannot be denied coverage or have their rates raised just because someone in their family has been sick. We should have an end to the lifetime limits policy. And we should not charge older people more than younger people for their health insurance.

Let me say there are sound economic reasons quite apart from health care to do this. The average American 18-year-old's going to change work eight times in a lifetime. We are now

regularly seeing people in their sixties lose their old job and have to find a new job. We are up here this year, this administration is, trying to redesign the entire unemployment system of the country to make it a continuous reemployment system. What good is that if for reasons having nothing to do with your family's health condition or your own age, you lose your job, and then you can't get another one with health insurance because your child's been sick or because you happen to be over 60 years old? This is a very serious issue.

We also have to find ways for small business people and self-employed people to buy the kind of good insurance that people like me who work for the Government have or people who work for big companies have, at the same competitive prices. So you want a break for small business and the self-employed to get what the rest of us take for granted.

And we have to have broadbased community rating. I will say this, you cannot expect the insurance industry under the present circumstance to provide these services, because a lot of the smaller companies will absolutely go broke. They cannot afford community rating. They cannot disregard these things because we're all insured in tiny little groups where a lot of those folks have to make money, a lot of money on a few people. The only way we can do this in a way that is fair and humane and practical is to have each other insured in ways that permit the insurance folks to make money the way grocery stores do, a little bit of money on a lot of people where you spread the risk. And that is what we are trying to do. It is what we must do.

And we have to change the system. It is no good just railing against something that will not work economically. We can change it and make it work economically. I simply refuse to believe, by the way, that we are the only advanced country in the world that can't figure out how to do this. It's like being told—every time I see one of these ads saying, "We can't do this; we can't do this; we don't need to do this," I feel like someone telling me right now, not as President but as an American citizen, that there is some inherent defect in my country and we're all just consumed with the dummies and we can't figure out how to do this. That's not true. If we have the will to do it, we can do it. And people who really care about the quality of care, like you, know we can do it. We can

do it, and we can still preserve Medicare. We can preserve the things that work, and we can do it.

I think we ought to do it at work. I think that people ought to be insured at work who are working. Eighty percent of the uninsured people in America today have someone in their family with a job. So the simplest, clearest, least bureaucratically, least threatening way to do this is to extend the requirement that employers should pay for a portion of their employees' insurance; the employee should pay for a portion of that as well. Yes, we have a very vital small business job market. Interestingly enough, most of the job-creating small businesses in this country provide insurance for their employees right now.

Just this week, to give you another personal story, Hillary and I had a family staying with us here from our home State, where the man is in the car business, has been for 20 years. He said, "You know, I've always thought about what a competitive disadvantage I face because I've always covered all my employees in my automobile place and none of my competitors ever had. And I just moaned about it all the time. And then I realized, I'm in business after 20 years and doing better than I ever have, and three of my competitors have gone broke even though they didn't cover their employees and I did. And it's because I've still got the same people working for me that started with me 20 years ago, taking care of our customers, doing a good job, providing quality service and a good product."

There is a real lesson there. We cannot let people who always tell us about the problems beat this thing and make it worse. Yes, there are problems. You name me a problem that's not going to get worse if we do nothing. If we do nothing, next year we'll have more uninsured people than we had this year. If we do nothing, next year we'll have more cost-shifting than we do this year. If we do nothing, next year we'll have more families with Marva stories than we do this year. If we do nothing, you as doctors and nurses will face more restrictions on your practice than you have this year. Isn't that right? If we do nothing, the patients that you deal with will have fewer choices than they do this year. If we do nothing, all the competitive forces will allow some bigger businesses and government to get a better deal next year, but the consequence of that will be, there will be

more financial trouble for hospitals than there are this year.

Everything we're complaining about this year will get worse if the people who tell us that we can't do anything because there are problems with anything we want to do prevail. The only certainty is the problems will be aggravated if we put this off another year.

So if you believe in these principles, let me say this: We need to take it out to the American people and tell them what we're trying to do. Let me tell you—this is the most interesting thing I've read recently—that wouldn't be too hard. A couple of weeks ago, the Wall Street Journal, which is hardly the house organ of the Clinton administration, conducted a little forum, and they explained our health care program to some citizens of York, Pennsylvania, without telling them anything about our plan. It turned out that the great majority of the group thought everything about our plan was great. But they didn't like our plan very much because of what they had heard on the paid ads, and they'd heard organized groups were against it. Then when they told them what was in it, they thought it was peachy.

What does that mean? Well, it means that we need people like you to go out and talk about the basic principles. Of course there's a congressional process; of course there have to be amendments made; of course we have to work through this the way all laws are made. But it is very, very important that the Congress understands that you, as people who have put your lives, your heart and soul into health care, are for this, and that the people with whom you work, the people who are the patients of America, want it to be done.

Congress will go on recess soon, but democracy won't go on recess. It will pick up because the people will go out and talk to their Congressmen and Senators. So I implore you, as we look at this Easter recess, go tell your patients, your colleagues, your friends, your neighbors, and most important, your Senators and Representatives that the time to do this is now, that delaying it will make it just like a hangnail or an ingrown toenail; it's just going to get worse.

And one of the things—it's almost like sometimes when a country has to face these big problems—it's like when you're trying to raise your kids, sooner or later you have to get across to people that when you've got a big problem, you

might as well deal with it, because if you delay it, it will just get worse.

We have this momentous opportunity. Machiavelli was right, there is nothing so difficult as to change the established order of things. But remember this, if it hadn't happened over and over and over again since he wrote that, there would be no civilized society, and America would not be the oldest democracy on the face of the Earth. We can do this, and with your help, we will.

Thank you, and God bless you all.

NOTE: The President spoke at 3:14 p.m. on the South Lawn at the White House. In his remarks, he referred to Jesse C. Haggerty III, M.D., chairman and program director of a family medicine residency program, Topeka, KS; Marva Wade, R.N., president-elect, New York State Nurses Association, New York, NY; Sister Bernice Coreil, D.C., senior vice president, system integration, Daughters of Charity National Health System, St. Louis, MO.

Statement Announcing a Meeting With Native American Leaders

March 23, 1994

I look forward to this historic meeting and to affirming our commitment to strengthening the nation-to-nation relationship we have with tribal governments.

NOTE: This statement was included in a White House statement announcing a meeting with American Indian and Alaska Native tribal leaders at the White House on April 29.

Statement on the Air Collision at Pope Air Force Base

March 23, 1994

I am deeply saddened to learn of the tragic air collision at Pope Air Force Base in North Carolina and the resultant loss of life and injuries. Hillary and I join all Americans in expressing our condolences to the families and friends of those killed and wish a speedy recovery to

those injured. This tragedy is a reminder that all those who serve in the military at home and abroad put their lives at risk in the service of their Nation and deserve the thanks of all Americans for doing so.

Statement on Denying Executive Clemency to Jonathan Pollard

March 23, 1994

After personally reviewing the Jonathan Pollard matter, I have decided to deny his application for executive clemency. I make this decision taking into account the recommendation of the Attorney General and the unanimous views of the law enforcement and national security agencies. My decision is based upon the grave nature of his offense and the considerable damage that his actions caused our Nation.

Mr. Pollard's crime is one of the most serious crimes against our country, placing national se-

curity secrets of the United States in the hands of another country. I have considered Mr. Pollard's argument that he is deserving of a shorter prison sentence because he spied for a friendly nation. I nevertheless believe that the enormity of Mr. Pollard's crime, the harm his actions caused to our country, and the need to deter every person who might even consider such actions, warrant his continued incarceration.