

served on the House Permanent Select Committee on Intelligence and three of its key subcommittees. He knows that we—when we send our forces into harm's way, they need the best, most accurate intelligence to protect our soldiers and advance our interests.

At the same time, John knows that we must reform the way the Pentagon and the Army does business. Along with Senators Carl Levin and John McCain and Representative Ike Skelton, he played a leading role in passing the landmark Weapons System Acquisition Reform Act, which I signed into law 2 weeks ago. As Secretary, he will help lead our efforts to save taxpayers billions of dollars and equip our soldiers with the weapons they need on time and on budget.

Most importantly, John understands that the Army's greatest strength is its people. He served for many years on the board of visitors of the U.S. Military Academy at West Point. He's been honored by our soldiers and their families for his efforts to increase their readiness, health care, and quality of life. As Secretary, he will ensure that America keeps faith with our soldiers, increasing their pay, increasing childcare, and helping families deal with the stress and strain of war.

Finally, John shares my belief that a sustainable national security strategy must include a bipartisan consensus at home. He hasn't agreed with every decision my administration has made, but he brings patriotism and a pragmatism that has won him respect on both sides of the aisle.

I should note that this patriotism runs in the McHugh family. During World War II, John's father served with distinction on a B-17 bomber, his mother cared for wounded GIs through the Nurses Corps.

I know giving up his seat in Congress after nine terms will require a sacrifice both for John and his constituents, but I also know that he is more than ready to carry on his family's tradition of service and to write the next great chapter of his own service to his country. And I know that the Army and America will be stronger for it.

With that, I'd like to invite John to say a few words.

NOTE: The President spoke at 11:56 a.m. in the Diplomatic Reception Room at the White House. The transcript released by the Office of the Press Secretary also included the remarks of Rep. McHugh.

Remarks Prior to a Meeting With Senate Democrats To Discuss Health Care Reform and an Exchange With Reporters

June 2, 2009

The President. I want to—thanks—I want to say thank you to all of my former colleagues for taking the time to visit here today at the White House. I want to particularly thank Senators Baucus, Senator Dodd, all the Senators who have been fighting tirelessly on behalf of health care reform, for many years in some cases.

I want to mention, by the way, that I spoke to Senator Kennedy earlier this morning. He is gung-ho, ready to go. He had a whole range of ideas in terms of about how he'd like to see this move, and he's grateful that Chris has been taking on a lot of the work in the health committee, but he is very enthusiastic about our progress.

This issue, health care reform, is not a luxury. It's not something that I want to do because of

campaign promises or politics. This is a necessity. This is something that has to be done. We cannot avoid bringing about change in our health care system. Soaring health care costs are unsustainable for families, they are unsustainable for businesses, and they are unsustainable for governments, both at the Federal, State, and local levels.

All across the system, what you are seeing are skyrocketing premiums; you are seeing people who are getting caught up in loopholes and end up not having coverage that they thought they had. We have a system here in the United States which is spending more money per capita than just about any other industrialized or

advanced nation, and yet we're actually seeing worse health care outcomes in many cases.

And to give you a sense of what we're looking at down the road if we don't initiate serious reform, one-fifth of our economy is projected to be tied up in our health care system in 10 years—one-fifth. Millions more Americans are expected to go without health insurance if we don't initiate reform right now, and outside of what they're receiving for health care, workers are projected to see their take-home pay actually decrease if we don't get a handle on this.

So we can't afford to put this off, and the dedicated public servants who are gathered here today understand that, and they are ready to get going. And this window between now and the August recess, I think, is going to be the make-or-break period. This is the time where we've got to get this done.

I want to just make mention of something that I've talked to many of you privately about. I want to say this publicly. As we move forward on health care reform, it is not sufficient for us simply to add more people to Medicare or Medicaid, to increase the rolls, to increase coverage in the absence of cost controls and reform. And let me repeat this principle: If we don't get control over costs, then it is going to be very difficult for us to expand coverage. These two things have to go hand in hand. Another way of putting it is, we can't simply put more people into a broken system that doesn't work.

So we've got to reform the underlying system. And this means promoting best practices not just the most expensive practices. And one of the things I'm going to be discussing with the Health and the Finance Committees is

how can we change incentive structures so that, for example, places like Mayo Clinic in Minnesota are able to provide some of the best health care services in the country at half or sometimes even less of the costs than some other areas where the quality is not as good. What we should be—and by the way, that's not just unique to Mayo; the Cleveland Clinic in Ohio, same thing, top-notch quality, lower costs.

What we've got to figure out is how do we create the incentives in terms of how we reimburse, how we deal with getting doctors to work together more effectively, how we're working on prevention and wellness so that we're driving down costs across the board.

Now, I appreciate the efforts that are being made by these Senators. I look forward to discussing with them their ideas. This is going to be a heavy lift, I think everybody understands that, but I'm also confident that people want to get this done this year. And under the leadership of Max and Chris and all the other participants here, I'm confident that we're going to get it done.

So thank you very much, everybody. And now we're going to get to work.

The President's Upcoming Visit to Egypt

Q. Mr. President, how's that Cairo speech?

The President. We'll find out in Cairo.
[Laughter]

NOTE: The President spoke at 2:31 p.m. in the State Dining Room at the White House. A portion of these remarks could not be verified because the audio was incomplete.

Remarks on Signing the Ronald Reagan Centennial Commission Act June 2, 2009

The President. Well, thank you all for coming to the White House today as we commemorate the life and work of a President in the president—in the presence of those who loved him and knew him and respected him deeply as both a leader and as a man.

And in particular, I want to thank our special guest here today, Nancy Reagan, our for-

mer First Lady, who redefined that role in her time at the White House, and who has, in the many years since, taken on a new role as an advocate on behalf of treatments that hold the promise of improving and saving lives. And I should just add, she has been extraordinarily gracious to both me and Michelle during our transition here, and I'm thankful for that.