

Week Ending Friday, January 28, 2000

The President's Radio Address

January 22, 2000

Good morning. In just a few days, I will report to the American people and the Congress on the State of the Union, and I'll propose new ways to meet the many challenges of this exciting new century. One of the most important challenges we have is strengthening and modernizing Medicare. Today I want to give you a progress report on our efforts to do just that, through our ongoing fight against fraud, waste, and abuse in the Medicare system.

For more than 30 years now, Medicare has helped us fulfill one of our most fundamental obligations, to protect the health of older Americans. But when I became President, Medicare was projected to go bankrupt by 1999. Since I took office, we have made tough choices to strengthen Medicare. We've extended the life of the Trust Fund until at least 2015, with better management not only of Medicare but of the economy and by waging a sustained campaign against Medicare fraud.

Medicare fraud and waste are more than an abuse of the system; they're an abuse of the taxpayer. By overbilling, charging for phony procedures, and selling substandard supplies, Medicare cheats cost taxpayers hundreds of millions a year. That's why we've assigned more Federal prosecutors and FBI agents than ever to fight this kind of fraud, and why we've invested in new tools to investigate and prosecute these crimes. All told, our efforts have prevented the wasteful spending of an estimated \$50 billion, and aggressive enforcement has recovered nearly \$1.6 billion for the Medicare Trust Fund.

Today I'm releasing two reports that show just how effective this fight against fraud has been. Americans can be proud. The first report shows that in 1999 we recovered nearly half a billion dollars in fines and settlements and returned three-quarters of that to the

Medicare Trust Fund. The second report, on Medicare integrity, shows our success in catching fraudulent claims and preventing \$5.3 billion worth of inappropriate payments in the last year alone. So when it comes to prosecuting fraud and abuse, we're doing more than filing cases; we're also winning convictions.

In the last year, convictions in health care fraud cases shot up by a fifth, for an increase of more than 410 percent since I became President. Just this week the Department of Justice won another important victory for Medicare beneficiaries. A health care company had been bilking Medicare by sending patients for needless tests and procedures. The more tests providers ordered, the more kickbacks they got in return—lavish dinners, yacht trips. Federal prosecutors took the company to court and won the largest such settlement in history, recovering nearly half a billion dollars.

The more cases we win, the more criminals we convict, the clearer the message becomes: Medicare fraud is a serious crime with serious consequences.

Though our efforts are stronger than ever, Medicare contractors still pay false claims totaling in the billions. That is simply unacceptable. So today I'm announcing a new initiative to crack down on fraud and abuse in Medicare. My balanced budget for 2001 will create a team of Medicare fraud fighters—one in the office of every Medicare contractor in America—and take other new steps to ensure that our response to fraud is coordinated and quick. The budget also funds new technologies to track false claims.

I urge Congress to make these investments and to give Medicare the authority to bid competitively for contractors who administer the program, as well as for services provided directly to beneficiaries.

Medicare is vital to the health of our Nation. It's too important ever to be compromised. If we take these steps to reform

and strengthen Medicare, and if we modernize it with a voluntary prescription drug benefit, then we will adapt a program that has worked in the past to the needs of the future.

Thanks for listening.

NOTE: The address was recorded at 12:26 p.m. on January 21 at the California Institute of Technology in Pasadena, CA, for broadcast at 10:06 a.m. on January 22. The transcript was made available by the Office of the Press Secretary on January 21 but was embargoed for release until the broadcast.

Remarks at a Democratic National Committee Luncheon in Los Angeles, California

January 22, 2000

Thank you very much. I am, first of all, delighted to be here. I want to thank Irwin and Lynne for putting this luncheon together on short notice, and I thank all of you for coming. I thank Gray and Sharon Davis for being here to share this moment with us and for their longtime friendship not only to the Deutchs but to Hillary and me.

The first person who told me that Gray Davis was the most underrated politician in America was my wife. *[Laughter]* She's got a pretty good feel for those things. And I congratulate you on your success, and even more on the substance of what you have fought for and achieved. It's one thing to win elections and be popular; it's another thing to do the right things. You're doing the right things now. I admire you, and I thank you for it. It's very important.

I thank Joel Hyatt for becoming one of our co-finance chairs. A lot of you don't know him as well as I do because he hasn't been in California very long. But he founded a remarkable company called Hyatt Legal Services, which swept the Northeast, and provided affordable legal services for real people, many of whom could never afford to come to an event like this, and made him a famous character because he was on television all the time. And he was also prominent in Ohio, democratic politics, where his father-in-law, Howard Metzenbaum, was our United States Senator. And he is a wonderful

guy. So he's out here now, and I want you to take care of him. Make him look good by helping him raise money for the Democratic Party.

I want to thank Jane Harman for being willing to serve in Congress again and for being there before. Our economic plan in 1993, which passed by a single vote in both Houses—or, as the Vice President says, “Whenever I vote, we win”—*[laughter]*—but it passed by a single vote in both Houses, really sparked this astonishing economic recovery we've had. And so there's a real sense in which Jane Harman can say, “If it hadn't been for me it wouldn't have happened.” *[Laughter]* And I think she is one of the ablest people that I have served with, with the Congress, and one who most embodies the philosophy that I have tried to get our party and our country to embrace. So thank you, Jane Harman, for being willing to do this.

And of course, I want to thank the Women's Leadership Forum for this and for all the countless events we've had around the country, mobilizing a whole group of people, many of whom never have been involved in national political affairs before. So thank you, and thank all of you for coming.

Now, I want to just make a couple of points about what has previously been said by Janice and Mayor Rendell, who we're very lucky to have, because he was a fabulous mayor of Philadelphia and always made sure the Clinton-Gore ticket carried Pennsylvania, which is a not inconsiderably important thing in the business we're in. *[Laughter]*

Number one, I am very grateful for the chance that Hillary and I and the Vice President and Mrs. Gore have had to serve these last 7 years. I celebrated my seventh anniversary as President the day before yesterday, and I'm very grateful for that and for the progress that our country has made. I am grateful that it's about more than economics. Our country is beginning to come together more. We have the lowest female unemployment rate in 40 years; the lowest minority unemployment rate ever recorded; the lowest single-parent household poverty rate in 46 years; the lowest overall poverty rate in more than 20 years; the highest homeownership in history; cleaner air, cleaner water,