



**A Healthy Nation
Remarks by Governor Bill Clinton
Merck Pharmaceuticals
Rahway, NJ
September 24, 1992**

Thank you very, very much. Dr. Vagelos ladies and gentlemen. I am elated to be here at the headquarters of this magnificent company and such good company.

I want to thank all those who are here with me. I want to thank Governor Florio for being here and for the work he has done in health care.

And to remind those of you who received him in the beginning that state governments are not like the federal government. We don't get to print money and we have to balance our books.

And I thank him for his innovations in health care and other areas. I want to say a word of thanks to Senator Harris Wofford, who has been an inspiration to me, and to Senator Jay Rockefeller, who used to serve with me as a governor. You need to know something else about these two people. Jay Rockefeller whispered to me when Harris Wofford got up to speak that America knows Harris Wofford now as the United States senator who put health care on the nation's agenda, but many years ago, Jay said Harris Wofford personally convinced me to join the Peace Corps and give something to the world.

Harris Wofford has spent a lifetime trying to solve the problems of this country and the human problems of human beings all over the world and I think the work that he and Jay Rockefeller have done in health care is immensely commendable.

Let me say one other thing to you. I want to say a little more about Merck. But one of the things that impressed me about Merck that may not be so well known is that a magazine for working women declared that Merck was one of the top 10 family friendly companies in the United States.

And in that connection, I think I should announce that thanks to Senator Wofford and Senator Rockefeller and Senator Bradley and Senator Lautenberg and

64 others, this morning the United States Senate overrode President Bush's veto of the Family Leave Act.

Merck has been for six years now declared by Fortune Magazine the most admired company in the United States of America.

I know something about admired companies. My wife was on the board of the Walmart Corporation, Arkansas' fastest growing company for many years. I have been interested in quality management, running a big operation, which is what a government is. My state was the first state in the country to institute total quality management for the entire state government. I know it's easy to talk about things and more difficult to get results.

In 1987, as you heard Dr. Vagelos say, this company decided to give the drug to Africa to combat river blindness. In 1989, in the face of prescription drugs going at three times the national average in price, this company, without announcement, decided it would keep its drug prices in line with inflation and it has done so since then.

One of the real problems with the people who control the White House today is that they have such a lousy record and no vision. The only way they think they can stay in power is to stomp out free speech, end honest debate and divert the attention of the American people.

And I must say, if they're that desperate to stay in, it may be the only way they can do it.

I want to say that I decided to come here to Merck today not because the management of this company or its employees will agree with everything I have to say about health care, but because this company represents what we can do as Americans if we set our minds to it. And I think we have to see this problem in the context of the overall American economic scene.

This has to be part of our efforts to restore growth, improve education and manage change in a tough global economy. It's part of a plan to create a high wage, high growth, high opportunity society in American, to educate and train our people, to develop new energy policies, new environmental policies, to promote both personal responsibility and family security. And in that context, we have to do what we all agree we should do--promote control of costs, access to health care and maintain quality.

I have offered this country a plan that maintains the promise of America's health care system, ground breaking research and development, excellence in providers, that deals with the problems that are well known, but bears some repeating here.

Since 1980, the cost increase in American health care has outstripped the rate of any other country in any previous decade in America, going from aggregate expenditures of \$250 billion in 1980 to in excess of \$800 billion this year. Family and individual spending on health care has tripled in the last decade. Out of pocket spending--listen to this--out of pocket spending by senior citizens as a percentage of their income will be greater this year than it was in the year before Medicare was adopted. Elderly people are spending a bigger percentage of their income on health care today than they were before Medicare came in.

Companies are forced to move jobs overseas because of health care costs and people can't change jobs because they or someone in their family have pre-existing conditions which would preclude them from getting health insurance if they change. There are people in this audience today who either are covered by that or have someone in their family affected by that condition.

We have been losing-- listen to this--in the last four years, we have been losing on average almost 100,000 people a month from any health care coverage at all--over a million a year. A recent analysis estimated that 200,000 jobs have been lost in the last four years because of rising health care costs alone in the private sector.

We are spending 30 percent more of our income than any nation on Earth on health care and in our hospitals today, clerical employment is growing at four times the rate of health care giver employment.

All of this leads to heart breaking stories, some of which have been mentioned, but let me just tell you that from the beginning to the end of this presidential campaign process I have seen these people. I met a young man in New Hampshire whose child had open heart surgery and he couldn't get anybody to hire him after his family business went under because they couldn't afford to take his child in the health insurance system.

-- I met a young couple in Columbus, Ohio who had three children and the youngest of their children was born with cerebral palsy. They were insured at the young woman's place of employment, a community non-profit organization with only 20 employees. When the child was born, the company was left with the choice of either firing her or having premiums go up an average of \$200 a month per employee.

I met a woman with seven children--a divorcee--who is supporting her children with a \$50,000 income. Her youngest child developed a serious health problem with monumental costs, and the only way she could get any help at all--the only way she could get any help at all--was to leave her job to qualify for Medicaid, by becoming a welfare recipient, instead of an American productive worker with a \$50,000 income.

I met a young couple in Detroit a couple of days ago when I went to Michigan for the debate that didn't happen.

In the midst of all the rhetoric that occupies the front lines of the newspapers, most of which has very little to do with how we'll live on the day after the election this young couple stood up and the woman was in tears because she had gotten AIDS and her baby had AIDS and these young people thought that no one really cared about them or whether the child, particularly, would have a chance to live.

Our infant mortality and low birth weight rates are too high. Our life expectancy, given our national wealth is too low. We are not getting the system that we are paying for and nobody is paying as much as we are for health care. That's why I have pledged that within the first 100 days of a Clinton administration I would submit a comprehensive health care plan for real change that deals with costs and coverage and access, with quality and the maintenance of consumer choice. One that would have less micro-management by the federal government, but more effective control of costs; one that would encourage us to use market incentives to manage to get costs down.

Everybody wants change now--working families and businesses, states and cities, doctors and nurses. Eighty percent of all the strikes in America today are not over wages. They are over health care benefits. We cannot afford to let any more time go by before we address this problem.

Last week the American College of Physicians--a group of 77,000 doctors--joined the American Nurses Association, a business group called the National Leadership Coalition on Health Care and the American Association of Family Physicians in endorsing health care plans remarkably similar to the one that I have recommended.

As has already been said, states all across America are trying to address these issues. Oregon, Minnesota, Vermont-- the state with the only doctor in the governor's office in the country--has a comprehensive health care plan under consideration. California--there are a couple of places which give us models in America that prove we can cover everybody and control costs. The state of Hawaii has a plan under which 98 percent of the people who live in Hawaii are covered by their employers and health care premiums there are much lower than the national average. And before you jump to the conclusion of saying, well, we all know they're more healthy out there, let me remind you that 20 percent of the people who are in the Hawaiian health care system are native islanders who come to the Hawaiian Islands for health care and they live in poverty.

Rochester, New York--because of the remarkable leadership of the business community and cooperation with health care providers, have developed a plan

which provides virtually universal coverage for people who live in the city of Rochester and health insurance premiums in that city are now only two-thirds the national average, covering everybody and stopping the cost shifting that is wrecking this country.

For the last five years in Germany, health care costs have gone up slightly less than the rate of inflation, while they have gone up in this country at over twice the rate of inflation and government health costs have gone up at about two and a half times the rate of inflation. That may be one reason why the average German factory worker makes 20 percent more than the average American for working a shorter work week, gets four weeks paid vacation, family leave and has comprehensive health care. We must do something about this problem if we want to preserve opportunity for all Americans.

The fundamental difference between my plan and the Bush plan has already been laid out. The Bush plan would put another \$100 billion in tax credits through the same system between now and 1997, pouring good money after bad with no plan for cost control. It would not mandate any kind of universal coverage. It would not deal with the very real problems of access that many of our people have in inner cities and rural areas. It would cut continually Medicare benefits which would continue the cost shifting that providers do now when they get underpaid for Medicare or Medicaid or when they have to deal with uncompensated care. They just shift the costs on to the employees of Merck and other companies that have health insurance and that further adds to the administrative burden and drives prices up. This plan is too little too late and everybody who has examined it knows it.

I do not want to further contribute to the rhetorical hot air today. I want to try to tell you exactly what I think we ought to do. Usually when this issue is discussed by my opponent, he says that I offer you a national system that will bankrupt small business and have all the compassion of the KGB and the confidence of the House Post Office.

Now, those are very good lines, but I remind you that they are being uttered by a person who has enjoyed the benefits of socialized medicine for the last 12 years.

What we need to do is to cut through all the bull and ask ourselves how are we going to address these problems--costs, coverage, access. How can we get costs in line with inflation and the whole American health care system, following the lead of Merck? We have to require change from all the major players in this system--change from the providers, from the insurers, from the drug companies, from the government and from consumers.

There ought to be the following points in national reform. First of all, we have to change the system by which people are insured in this country. We must require insurance companies to go back to broad based community ratings

and we must require people not to be denied access to health coverage because of pre-existing conditions.

Secondly, there must be national spending targets for aggregate health care expenditures every year and a required comprehensive schedule of benefits offered at a minimum by employers. These two things should be done not by government but by a board composed of consumers and providers--people who know what they're talking about.

If you did these two things, you could then drastically simplify the administrative costs of the American health care system. Only the United States has 15 separate health insurance companies writing thousands of different policies, all of which have to be kept up with by bookkeepers in doctors' offices and hospitals throughout America and on top of that, they have to keep up with a blizzard of rules for Medicare and Medicaid and for different categories of people under those programs constantly changing, irregularly enforced and hard to understand.

That is why health care administrative employment is going up four times the rate of direct care giver. Eight-four cents on a health insurance dollar in America goes to health care. In Europe, it's 95 cents. The difference is over \$60 billion a year in administrative simplification alone that could be achieved if we had common agreement on comprehensive benefits and insurance reforms. We can do that and that is where we ought to start.

Next, we should require employers to cover their employees and the government to cover all the non-employed in a program which requires people to pay in accordance with their ability to pay and not more. We can do that and still be fair to small employers if we do three things.

First of all, phase in the requirement for small business to cover their employees over a period of years as savings are achieved so that the unit cost of covering the employees is less. Secondly, provide opportunities for small business people to go into large pools so that they can achieve the same costs per employee that large companies like Merck can achieve.

And third, in the early years of transition, provide tax credits for those employees and businesses so we can make sure that no one loses their work by covering their workers.

Now, if we do this, let me point out something. Every time I say something like this, people say, well, there you go again. You're going to really hurt small businesses. Most small businesses in this country insure their employees. They are being hurt by the system we have. They are going broke under the system we have. We have to think about them, too.

And I want to point out--and I'll come back to this later--the major savings which will be achieved over the next decade with a comprehensive national health system like this will not be in tax dollars. They will be in private dollars. If we can cover everybody and bring costs within inflation, we will save hundreds of billions of dollars per year by the end of the decade to the private sector--money which can then be reinvested in growth and productivity and wages and benefits and making America a stronger country. It is very important.

The fourth thing we have to do is to give people real incentives to be in managed care networks so that the costs can be held down by the forces of the marketplace and by companies that are well managed, as this one is.

The fifth thing we have to do is to recognize that even if you cover everybody, not everyone will have access in the world we're living in today.

Some money has to be set aside, just as Hawaii now does, to establish primary and preventive health care clinics in our inner city areas and in our rural areas, either in health clinics--public health clinics--in schools or in places of work, so that people can actually reach the health care that we say they're entitled to.

Next, we have to emphasize health education and prevention in school and the work place. We don't do nearly enough of it. In areas like AIDS, it's a matter of life and death. In areas like maintaining a healthy physique to minimize heart disease and stroke, it can be a matter of life and death and it's always a matter of productivity and costs to the American health care system.

The American consumers are going to have to do more in terms of education and prevention, and we have to do more in the schools and in the workplace to provide support for those efforts.

Over time we should phase in long-term care through the Medicare program so that people can purchase less expensive but more comprehensive options. Most people with disabilities and most elderly people today are under a system that requires them to spend themselves into poverty and then to go into a nursing home in order to get any help at all from their government.

We should be moving towards a period of greater independence. With the fastest growing group of Americans being people over 80, with more and more people with disabilities realizing the fullness of their God-given potential, we have no choice other than to build in a comprehensive long-term care network that emphasizes in-home services, personal care services, mobility to senior citizen centers or to other adult day care centers, access to the workplace. We have all kinds of things that we'll have to do. People should be required to

pay for these things, again based on their ability to pay, but we cannot afford, in the direction we're going, given the population we have, to continue to have a long-term care system that says spend yourself into poverty, then we'll put you into a nursing home. We have to do more and different things.

And finally, I think we have to do more with research and development. We have to continue to invest in health care research. The pharmaceutical companies do a lot of it. There are a lot of incentives to do it. But there are all kinds of other health research that needs to be done. That's why I was so disturbed when the health research bill was vetoed a few weeks ago by Mr. Bush because of the fetal tissue issue.

And let me just say that bill had \$300 million for breast cancer research. It would have done more for research on ovarian cancer. It would have done more for research into osteoporosis among women. It would have set up a women's health research center in our national government. And I have a friend in Carolina who has a child who means more to him than anybody in the world, who has terrible diabetic problems. The kid is very athletic. He does fine, but ever now and then he goes into insulin shock. And he knows, my friend, a conservative business person, that fetal tissue research can do more to help solve the problems of his child's diabetes than any other known avenue of medical research. We should take the politics out of this and go back to a real commitment to research and development in our country.

So that's my plan. Personal choice, private care, private insurance, private management, but a national system to put a lid on costs, to require insurance reforms, to facilitate partnerships between business, government and health care providers. These are the things that we have to do. And I think they are terribly important.

Again I will say we have to have a national budget ceiling. That would be the most controversial thing across the country, I guess, but we have to have that and we have to have a national comprehensive package mandated. We cannot go on with 1,500 separate companies writing thousands of policies, and the blizzard of variations caused by the national government itself. We are spending nearly \$200 billion a year in paperwork and bureaucracy alone and it is too much.

We have got to stop spending billions of dollars having insurance companies trying to minimize risk instead of insure health care, deciding who to cover and who to overcharge. We have got to change that. We need a single set of billing codes, a single national claims form, computerized claims. Eventually everybody will be able to carry a smart card which will save tens of billions of dollars in the billing alone. These things must be done.

Secondly, with a national health budget, we will be able to keep costs within inflation.

There is no starker example of these problems than what a lot of people face now in the curious mix of cost and coverage as it relates to prescription drugs. Over the last 12 years prescription drugs, unlike the practice of the last few years at Merck, have increased at three times the rate of inflation. And according to the Department of Health and Human Services, many European countries, because of their policies, are paying half what Americans pay for the same prescription drugs that are often actually made here in America.

Three out of four older Americans say their highest out-of-pocket medical expense is four prescription drugs. More than 18 million say they have trouble paying for their prescriptions, and 8 million Americans over the age of 45 say they have to cut back on essentials like food and fuel in order to pay for medicine.

When I was in New Hampshire I actually saw this in a senior citizens living center where a couple named Mary Annie and Edward Davis actually broke down and cried talking to me because they had not one scrap of food in their refrigerator upstairs, in the place they were living, because they had to spend their money every week to keep one of them alive on medicine. Why? Governor Florio mentioned it. They were eligible for Medicare, which doesn't cover medicine, and they weren't poor enough for Medicaid. But their medical requirements were not taken into account in determining whether they were poor or not.

Only a national system can solve mindless problems like this, and we need to have one. But we also must address the fact that not every company in this country has been as responsible as this one is in the runaway costs, not of new experimental drugs--I think the market should pay what is appropriate to cover all research and development costs of bringing those drugs to market, and they are enormous--but for regular drugs.

That's why I have endorsed my Senator David Pryor's proposal to end special breaks for companies that do not keep the costs of traditional already-established drugs within inflation. We spend \$50 billion a year in this country on prescription drugs. We must, we must get the cost of those that are already in the market in line with inflation.

But we have to do more. We have to decide what we're going to spend on health care and then spend it in a sensible way.

Now, every time I say this, those people who attack me say there they go again, they want to ration health care. I don't want to ration health care. That's why I want a sensible system. We are rationing health care today. If you don't believe it, look at the infant mortality rate. Look at the low birth weight rate. Look at the people who don't have long-term care who need it.

Look at the people who don't get medicine who need it. We are rationing health care today, but we are doing it in sneaky, bureaucratic, confusing, absolutely indefensible ways, and we ought to change it.

I want to keep consumers with a variety of choices, including access to local health care networks put together by insurers, hospitals, clinics and doctors--managed care networks that will receive the money they need to meet a consumer's full health care needs over a lifetime. By limiting a network's total spending, without interfering at all with its practices, the state by state budgets that I recommend will create real incentives for hospitals, clinics, doctors and consumers to reduce bureaucracy, eliminate unnecessary duplicative technology and practices, and cut waste on their own.

This is very, very important. We've got to quit having the federal government try to micro-manage health care and instead set up incentives for the private sector to manage the costs down within limits, beyond which we absolutely must not go in spending. These things will really help, especially when we provide the same incentives for small businesses to band together in large pools, so we do not discriminate against small business. Eighty-five percent of the jobs in America in the last 12 years have been created in units of under 50. We have got to promote that.

But I remind you, over two-thirds of the small businesses in this country do today cover their employees, and they are getting murdered. The fair thing to do is to require everybody to have coverage, but to make that coverage affordable, manageable, predictable. That will lead to increased sanity, security and productivity in the workplace and, as I said, over the next decade, will free up literally hundreds of billions of dollars for reinvestment in the private sector.

Imagine what that can mean. Imagine what that can mean. We should start with covering the people that have to be covered--the uninsured, beginning with pregnant women and their little children, and helping small businesses to move into coverage. But by the end of this decade, we will have a health care system that is the envy of the world, not only for the best doctors, the best pharmaceuticals, the best health care that the best of us can afford, the wealthy of us can afford, those of us that have the best policies now. We will have a system that also has American entrepreneurial ingenuity holding costs within inflation and providing basic, good, quality, affordable health care to all of our people. I think that's what we should have and I think that's what most Americans want.

This is a private system. It is not pay or play. It does not require new taxes. It will preserve what is best about the present health care system, but it will also incorporate what we have learned about what is wrong.

My fellow Americans, we are the only advanced nation in the world that does not provide basic health care to all its citizens. We spend 30 percent more of our income than any other country in the world on health care at a time when we desperately need to spend more on new plants, new equipment, new businesses, reinvesting in the education and training of our citizens, and rebuilding our cities and our depressed rural areas.

We cannot go on like this. This needs to be beyond partisan political debate, beyond the shallow and simplified rhetoric of hurtling arrows at one's opponent. This is a matter that is critical for the future of this country's survival.

And I ask you, I ask you, in the next 40 days, whatever your party or your position, whether you agree with the specifics that I have recommended or not, do not let this 40 days go by without making a decision that you, as an American voter, will insist and demand that this problem be solved, not in another ten years but next year. That is as major, major, major factor in what ought to determine the outcome of this election for president of the United States.

Thank you very much and God bless you all.

BILL CLINTON ON AIDS

Fighting the AIDS epidemic will be a top priority of a Clinton Administration. If we fail to commit our hearts and resources now to fighting AIDS, we will pay a far greater price in the future, both in deaths and in dollars. We need a President who will focus national attention on AIDS, to encourage compassion and understanding, to promote education and to speak out against intolerance.

We can't afford another four years without a plan to declare war on AIDS. We can't afford to have yet another President who remains silent about AIDS or who puts the issue on the back burner. You may not agree with everything in Bill Clinton's plan. But you have a right to know what he'll do and where he stands.

THE CLINTON PLAN TO FIGHT AIDS

- Increase funding for desperately needed new initiatives in research, prevention and treatment.
- Appoint an AIDS policy director to head a "Manhattan Project" that coordinates federal AIDS policies, cuts through bureaucratic red tape and implements recommendations made by the National Commission on AIDS.
- Speed up the drug approval process and commit increased government resources to research and development of AIDS-related treatments and vaccines, and ensure that women and people of color are included in research and drug trials.
- Fully fund the Ryan White CARE Act. Work closely with individuals and communities that are affected by HIV to create a partnership between the federal government and those with knowledge and experience in fighting HIV.
- Promote a national AIDS education and prevention initiative that disseminates frank and accurate information to reduce the spread of the disease, and educates our children about the nature and threat of AIDS.
- Provide quality health coverage to all Americans with HIV as part of a broader national health care program; work vigorously to improve access to promising experimental therapies for people with life-threatening illnesses; and improve preventive and long-term care.
- Combat AIDS-related discrimination and oppose needless mandatory HIV testing in federal organizations such as the Peace Corps, Job Corps and the Foreign Service; stop the cynical politicization of immigration policies by directing the Justice Department to follow the Department of Health and Human Services' recommendation that HIV be removed from the immigration restrictions list; promote legislation based upon sound scientific and public health principles — not on panic, politics or prejudice.

THE CLINTON PLAN

Prevention and Education

- Launch a strong and effective AIDS education campaign.
- Re-evaluate the AIDS prevention budget at the U.S. Centers for Disease Control to ensure that education is a top priority.
- Ensure that increased funding for prevention and services goes directly to community-based organizations that are on the front-line of the battle against the HIV virus.
- Promote AIDS education in American schools.
- Provide drug treatment on demand to stop the spread of HIV by intravenous drug users.
- Increase funding for behavior and social science research so that we can better understand the behaviors that put people at risk for HIV.
- Support local efforts to make condoms available in our schools.

Treatment and Care

- Provide health care for all Americans, including those with HIV, through coverage they obtain either on the job or through government-mandated programs, which will include:
 - Comprehensive inpatient and outpatient services, including frequent diagnostic monitoring, early intervention therapies, and psychological care.
 - Prescription drugs and improved access to experimental therapies. Because treatments are not accessible unless they are affordable, a Clinton Administration will support legislation that denies tax breaks to companies that raise the cost of drugs faster than Americans' ability to pay for them.
 - Adequate options for long-term home- and community-based care that minimize unnecessary and wasteful hospitalizations.
 - Voluntary, confidential, or anonymous testing and counseling for AIDS and HIV for every American who wants it.
- Encourage the Centers for Disease Control to periodically review their definition of AIDS to ensure that symptoms and infections that occur among women, people of color and drug users are included in the federal definition, and promptly made eligible for all federal benefit programs for people with AIDS.
- Develop programs with the Department of Health and Human Services to ensure that America's health care professionals are kept fully and regularly informed about diagnosing and treating HIV. Have the National Institutes of Health (NIH) develop a formalized mechanism to make sure that state-of-the-art information is broadly and rapidly disseminated to health professionals and people with HIV disease.

Research and drug development

- Work vigorously to develop a vaccine against AIDS and to find therapies that will destroy HIV, repair the immune system and prevent and treat AIDS-related infections.
- Increase funding for both AIDS-specific and general biomedical research.
- Expand clinical and community-based trials for treatments and vaccines, and raise the level of

participation of under-represented populations.

- Reorganize the NIH infrastructure to streamline AIDS research efforts and improve planning, efficiency and communication.
- Promote a more rapid review by the NIH of research grant applications and a speedier distribution of funding for approved studies.
- Facilitate greater access to drugs and work to speed up the drug approval process. Ensure that the FDA has the resources to assist in the efficient design of AIDS-related drug trials and to review their results rapidly. The FDA will also make possible greater access to promising experimental therapies without compromising patient safety.

Discrimination

- Fight all AIDS-related discrimination as well as discrimination based on race, gender and sexual orientation.
- Fully implement the Americans with Disabilities Act and resist any efforts to weaken its provisions. The Department of Justice and the U.S. Commission on Civil Rights must make it a high priority to monitor the occurrence of AIDS-related discrimination and the enforcement of the ADA with respect to HIV-related complaints.
- Forbid health insurance companies from denying coverage to HIV-positive applicants. Prohibit all health plans from adopting discriminatory caps or exclusions that provide lower coverage for AIDS than for any other life-threatening illnesses. No American will be denied health coverage because he or she loses a job or has a pre-existing condition.
- Oppose mandatory testing in federal organizations such as the Peace Corps, Job Corps and the Foreign Service.
- Lift the current ban on travel and immigration to the U.S. by foreign nationals with HIV.

THE CLINTON RECORD IN ARKANSAS

- As chairman of the National Governors' Association, formed the first working group of governors to develop an AIDS policy. Clinton was a moving force in the creation of an AIDS action plan adopted by the Governors' Association, which called for education and prevention efforts at the local, state and federal levels.
- The Arkansas Board of Education adopted a resolution calling for the "development of AIDS education skills...to be integrated into the Health Education Course Content Guide."
- In 1989 and 1990, Governor Clinton supported teacher training for AIDS education and a detailed study of the availability of HIV education at the local level.
- Since 1990, AIDS education has been required in all Arkansas schools, and there has been a 40% increase in HIV counseling and voluntary testing in Arkansas.
- The AIDS Advisory Committee was established in 1987. This committee makes recommendations on HIV policy and program services. HIV services in the state currently include anonymous testing at two centers and confidential testing and counseling at public health clinics located in all 75 Arkansas counties.

BILL CLINTON ON ISSUES OF CONCERN TO VETERANS

For decades Americans struggled and sacrificed to defend freedom and democracy — to win the Cold War. Our nation owes a great debt of gratitude to the soldiers, sailors, Marines, airmen and airwomen whose talent and dedication led to our victory.

Bill Clinton has consistently supported veterans. He deeply appreciates the sacrifices of those who were called to serve our country and fight for the ideals for which it stands. Our veterans deserve only the best.

As President, Bill Clinton will work to improve the provision of health services at VA hospitals and preserve them strictly for veterans. He has also proposed a detailed plan to utilize the talents and energies of those who have served in the military to meet many of our pressing needs at home in the fields of medicine, education, law enforcement and industrial technology.

THE CLINTON PLAN

Now that the Cold War is won, we need to make the transition from defense to a commercial economy. We must ensure that men and women in the armed services and the defense industry have an opportunity to shift their talents to the civilian sector. Those who served our nation in uniform cannot be dumped on the job market.

Health care

- Appoint a Secretary of Veterans Affairs who understands the real problems facing veterans and can go directly to the President to cut through bureaucracy and improve services for our veterans.
- Ensure the VA receives the funding it needs to provide excellent, timely care to veterans and oppose opening VA hospitals up to non-veterans.
- Cut bureaucracy at the VA to decrease waiting periods for outpatient services and to ensure that benefits arrive on time.
- Ensure advance notification of any changes in benefits packages and programs for disabled veterans.
- Fund programs to deal with the common mental health problems of veterans, such as Post-Traumatic Stress Syndrome.

Employment in a post-Cold War economy

- Gradually scale down our military forces by shifting military personnel from active duty to the National Guard and reserves and gradually limit recruitment and reenlistment efforts.
- Provide early retirement incentives, with a pro-rated pension for military personnel with 15 to 20 years of service to encourage voluntary military down-sizing.
- Work with states to provide alternative certification programs for military personnel who retire to take jobs in critical professions like education, health care or law enforcement, and increase their military credit

I'll never forget how moved I was as I watched them march down the street to our cheers, and saw the Vietnam veterans finally being given the honor they deserved all along. The divisions we have lived with for the last two decades seemed to fade away amid the common outburst of triumph and gratitude.

by one year for each year of such employment.

- Train military personnel for critical civilian professions by allowing them to take a one-year educational leave of absence with pay before officially beginning their retirement.

Taking care of our soldiers

- Expand Veterans Centers to help veterans, their spouses, children and other family members learn to deal with the scars of war.
- Assist homeless veterans by converting closed military bases to homeless shelters, with priority for veterans. These centers should provide medical care, job training, and job counseling.
- Make resolution of the POW/MIA issue a national priority by insisting on a full accounting of all POWs and MIAs before normalizing relations with Vietnam; working with the Russian government to reveal any information it has on Americans held; and declassifying pertinent government documents.
- Reevaluate the discharge process, particularly as it affects Vietnam veterans and the enforcement of the statute of limitations.

THE CLINTON RECORD IN ARKANSAS

Veterans affairs

- Arkansas has ranked first nationwide three years in a row in per capita veteran reimbursement by the U.S. Department of Agriculture.
- Strongly supported the budgets and initiatives of the Arkansas Department of Veterans Affairs and Arkansas Veterans Home.
- Appointed directors who ensured the agency is represented by strong veterans advocates; these directors are valuable advisors on Governor Clinton's staff.
- The Governor's Task Force on Veterans' Affairs ensures that all veterans have a voice in issues that concern them.
- Governor Clinton has shown unwavering support of the County Veterans Service Officer program, the backbone of a statewide veterans' assistance program.
- Supported a crucial project which added intermediate care nursing capability through an initial \$300,000 appropriation, renewed in subsequent biennia.
- Signed executive orders in 1983, 1989 and 1990 to ensure that there is a veterans preference in state hiring.

Honoring veterans

- Was the first donor to three non-profit corporations established to expand the three national cemeteries in Arkansas, two of which were in imminent danger of closing.
- Strongly supported a bill to provide a \$25,000 state appropriation to each fund drive and signed legislation into law.

Arkansas National Guard and Reserve

- Authorized and supported the Arkansas National Guard's deployment to overseas locations for training purposes.
- Directed the formation of family support groups in every location from which the 7,000 Arkansas Reserve and National Guard men and women were deployed for active duty in Desert Storm.
- Oversaw "Operation Welcome Home", which was the third largest troop appreciation parade in the nation. Veterans of every conflict participated in the parade.
- Formed the Arkansas POW/MIA Verification Task Force to investigate the presently unknown fates of 26 Arkansans. Governor Clinton appointed members to the force based on their record of involvement with veterans.

BILL CLINTON ON AFFORDABLE, QUALITY HEALTH CARE

The American health care system costs too much and does not work. Instead of putting people first, Washington favors the insurance companies, the drug manufacturers, and the health care bureaucracies. Working Americans pay the price. In 1980 we spent \$250 billion on health care. This year we'll spend more than \$800 billion.

Today almost 60 million Americans have inadequate health insurance— or none at all. Every year working men and women are forced to pay more while their employers cover less. Small businesses are caught between going broke and doing right by their employees. But insurance companies routinely deny coverage to consumers with "pre-existing conditions," and drug companies raise prices three times faster than inflation. We pay too much and don't get enough.

We can't afford four more years of a President who doesn't have a plan to guarantee quality, affordable health care for every American. In the first year of a Clinton Administration, we will send a plan to Congress — and fight to pass it. No American family should have to go from the doctor's office to the poorhouse. We will put our people first.

THE CLINTON PLAN FOR QUALITY, AFFORDABLE HEALTH CARE

Cap national spending to control health care costs

Take on the insurance industry

Stop drug price gouging

Establish a core benefits package

Develop health networks

Guarantee universal coverage

THE CLINTON PLAN

Health care should be a right, not a privilege. And it can be: America has the potential to provide the world's best, most advanced and cost-effective health care. What we need are leaders willing to take on the insurance companies, the drug companies, and the health care bureaucracies and bring health care costs down.

Cap national spending to control health care costs

- Create a health standards board made up of consumers, providers, business, labor and government. The health standards board will establish an annual health budget for the nation to limit both public and private expenditures.
- Crack down on billing fraud and eliminate incentives that invite abuse.

Take on the insurance industry

- Shut down the "paper hospital" and replace expensive and complex financial forms and accounting procedures with a simplified, streamlined billing system with one claim form. Under the current system, 1,500 companies waste millions of dollars processing 1,500 sets of forms.
- Work to provide everyone with "smart cards" coded with personal medical information.
- Ban underwriting practices that waste billions trying to discover which patients are bad risks; prohibit companies from denying coverage to individuals with pre-existing conditions.
- Protect small businesses through "community rating," which requires insurers to spread risks evenly among all companies.

Stop drug price gouging

- Eliminate tax breaks for drug companies that raise their prices faster than Americans' incomes rise to protect American consumers and bring down prescription drug prices.
- Discourage drug companies from spending more on marketing than on research and development — because saving lives must come before making money.

Establish a core benefits package

- Through the health standards board, guarantee a basic health benefits package that includes ambulatory physician care, inpatient hospital care, prescription drugs, and basic mental health services. The package will also include expanded preventive treatments such as pre-natal care, mammograms, and routine health screenings.
- Allow consumers to choose where they receive care to ensure a better fit between provider strengths and consumer needs.
- Expand Medicare for elderly and disabled Americans to include more long-term care; place special emphasis on home- and community-based care, and make funding flexible so that those who need care can decide what serves them best.

America is the only advanced nation in the world without a national health plan. During the first year of my administration, we'll send a national health plan to Congress. We will make sure that every American has access to quality, affordable health care.

Develop health networks

- Give consumers access to a variety of local health networks — made up of insurers, hospitals, clinics and doctors — to end the costly duplication of services and encourage the shared use of key technologies.
- Give consumers access to a variety of local health networks, made up of insurers, hospitals, clinics and doctors. The networks will receive a fixed amount of money for each consumer, giving them the necessary incentive to control costs.

Guarantee universal coverage

- Guarantee every American a core benefits package set by the health standards board either through their employer or by buying into a high-quality public program. No one will be cut off, cancelled, denied or forced to accept inferior care.
- Limit costs for small employers by allowing them to group together and form larger groups to purchase less costly health insurance, or to buy into the public program if it is the cheapest option.
- Phase in business responsibilities, covering employees through the public program until the transition is complete.
- Improve preventive and primary care through community-based health solutions. A successful health plan must provide all Americans with adequate access to health facilities. The Clinton plan will expand school-based clinics and community health centers in medically under-served areas.

THE CLINTON RECORD IN ARKANSAS

Giving Arkansas' children a healthier future

- Provided outspoken support for school-based health clinics. The state now funds 21 such clinics reaching thousands of Arkansas children who wouldn't otherwise have access to health care. Clinic services range from health screenings to immunizations to education.
- Increased Early Periodic Screenings, Diagnosis and Treatment (EPSDT) screenings by more than 2,000 percent.
- Helped reduce the Arkansas infant mortality rate by 43 percent. Arkansas' infant mortality rate dropped from 20 percent above the national average in 1978 to virtual parity in 1990.
- Introduced the Healthy Beginnings/Nurse Midwife Program to provide low-income women in East Arkansas with access to comprehensive maternity care.
- Established the "Good Beginnings" program, which took advantage of new federal regulations to provide basic health services to more low-income women and their children; Arkansas was the first state to launch such a program.
- Proposed and passed a "Health Care Access Law" designed, among other things, to provide universal health coverage for all Arkansas children under age 16, regardless of family income. The law emphasizes preventive and primary care.

Providing more choice for the elderly

- Established the ElderChoices program to allow the state Department of Human Services to give senior citizens alternatives to nursing home care — including personal and home health care, adult day-care services, and more — with funds formerly available only for nursing home care.
- Imposed strict regulations on nursing homes in his first term, before strict federal regulations were implemented, and has since strengthened these regulations.
- Initiated a broad range of cost-effective in-home health care and supportive services for people recovering from serious or chronic illnesses, or who require assistance with daily living activities, to avoid institutionalization.
- Increased funding for in-home services from \$2.4 million in fiscal year 1981 to a budgeted \$38 million for 1992-93.

Responding to the AIDS crisis

- As chairman of the National Governors' Association, Governor Clinton formed the first working group of governors to develop an AIDS policy. Clinton was a moving force in the creation of an AIDS action plan adopted by the Governors' Association, which called for education and prevention efforts at the local, state and federal levels.
- Established the AIDS Advisory Committee for Arkansas, which makes recommendations on HIV policy and program services.
- Developed confidential AIDS testing in all 75 Arkansas counties.

Improving the health of all Americans

- Strengthened the Arkansas State Employees Health Insurance Program. Between 1982 and 1991, Arkansas' contribution increased by 335 percent while the state employees' premium for family coverage grew by only 89 percent. Because the program is self-insured, it does not pay premium taxes or produce a profit. Currently, for every \$1 collected, 97 cents are paid in claims and only 3 cents in administrative fees. The \$200 yearly deductible, 80/20 co-payment scheme and \$5,000 Stop-Loss provision provide some of the best coverage in the nation to current and retired public employees.
- Proposed and passed a "bare bones" health insurance coverage program, which will allow employers who have not provided employee health insurance for the previous 12 months to offer a package without some services usually thought to increase costs for employers and employees.
- Developed key programs to improve rural health: the Rural Physician Recruitment and Retention Program encourages physicians to locate and practice family medicine in small Arkansas communities; Rural Medical Practice Student Loans and Scholarships provide support for medical students agreeing to practice in rural communities.
- Enacted a 1989 law requiring the Director of the Department of Health to establish and administer quality standards for X-ray facilities conducting mammography.
- Appointed Dr. Joycelyn Elders State Health Department Director. She has received the National Governors' Association Distinguished Service Award, the National Endowment of the Arts' Mary Futrell Award for Creative Leadership in Women's Rights, and the American Medical Association's Dr. Nathan Davis Award.

Clinton • Gore on Issues of Concern to Veterans

For decades Americans struggled and sacrificed to defend freedom and democracy — and to win the Cold War. Our nation owes a great debt of gratitude to the soldiers, sailors, Marines, airmen and airwomen whose talent and dedication led to our victory.

Bill Clinton and Al Gore have consistently supported veterans. They deeply appreciate the sacrifices of those who were called to serve our country and fight for the ideals for which it stands. Our veterans deserve the best we have.

A Clinton/Gore Administration will work to improve health services at VA hospitals and preserve them strictly for veterans. We must ensure that men and women in the armed services and defense industries have opportunities to shift their talents to the civilian sector. Bill Clinton and Al Gore have offered a detailed plan to utilize the talents and energies of those who have served in the military to meet many of our pressing needs at home in the fields of medicine, education, law enforcement and industrial technology.

The Clinton/Gore Plan

Now that the Cold War is over, we need to ensure that men and women in the armed services and the defense industry have an opportunity to shift their talents to the civilian sector. Those who served our nation in uniform cannot be dumped on the job market.

Health care

- Appoint a Secretary of Veterans Affairs who understands the real problems facing veterans and can go directly to the President to cut through bureaucracy and improve services for our veterans.
- Ensure the VA receives the funding it needs to provide excellent, timely care to veterans and oppose opening VA hospitals up to non-veterans.
- Cut bureaucracy at the VA to decrease waiting periods for outpatient services and to ensure that benefits arrive on time.
- Ensure advance notification of any changes in benefits packages and programs for disabled veterans.
- Fund programs to deal with the common mental health problems of veterans, such as Post-Traumatic Stress Disorder.

Employment in a post-Cold War economy

- Gradually scale down our military forces by shifting military personnel from active duty to the National Guard and reserves and gradually limit recruitment and reenlistment efforts.
- Provide early retirement incentives, with a pro-rated pension for military personnel with 15 to 20 years of service to encourage voluntary downsizing.

It's impossible to forget how moving it was to watch the men and women of the armed services march down the streets to our cheers, and see the Vietnam veterans finally being given the honor they deserved all along. The divisions we have lived with for the last two decades seemed to fade away amid the common outburst of triumph and gratitude.

- Work with states to provide alternative certification programs for military personnel who retire to take jobs in critical professions like education, health care or law enforcement, and increase their military credit by one year for each year of such employment.
- Train military personnel for critical civilian professions by allowing them to take a one-year educational leave of absence with pay before officially beginning their retirement.

Taking care of our soldiers

- Expand Veterans Centers to help veterans, their spouses, children and other family members learn to deal with the scars of war.
- Assist homeless veterans by converting closed military bases to homeless shelters, with priority for veterans. These centers should provide medical care, job training, and job counseling.
- Make resolution of the POW/MIA issue a national priority by insisting on a full accounting of all POWs and MIAs before normalizing relations with Vietnam; working with the Russian government to reveal any information it has on Americans held; and declassifying pertinent government documents.
- Reevaluate the discharge process, particularly as it affects Vietnam veterans and the enforcement of the statute of limitations.

THE RECORD

Veterans affairs

- Under Bill Clinton, Arkansas has ranked first nationwide three years in a row in per capita veteran reimbursement by the U.S. Department of Veterans Affairs.
- Strongly supported the budgets and initiatives of the Arkansas Department of Veterans Affairs and Arkansas Veterans Home.
- Appointed directors who ensured the agency is represented by strong veterans advocates; these directors are valuable advisors on Governor Clinton's staff.
- The Governor's Task Force on Veterans' Affairs ensures that all veterans have a voice in issues that concern them.
- Governor Clinton has shown unwavering support of the County Veterans Service Officer program, the backbone of a statewide veterans' assistance program.
- Signed executive orders in 1983, 1989 and 1990 to ensure that there is a veterans preference in state hiring.
- Senator Gore has opposed President Bush's efforts to open VA hospitals to non-civilians. He recently wrote a letter to President Bush criticizing his inadequate funding for veterans health.
- Opposed attempts to reduce the travel allowance for veterans needing VA medical care.
- Supported legislation to improve veterans' health care with two cost-of-living increases in service-connected disabilities and compensation
- Supported the Agent Orange Act of 1991.

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- Supported full funding for the Homeless Veterans Reintegration Program, which is tremendously successful at locating and helping homeless veterans by teaching them important job skills.

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- Strongly supported a bill to provide a \$25,000 state appropriation to each fund drive and signed legislation into law.

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- Oversaw "Operation Welcome Home", which was the third largest troop appreciation parade in the nation. Veterans of every conflict participated in the parade.
- Formed the Arkansas POW/MIA Verification Task Force to investigate the presently unknown fates of 26 Arkansans. Governor Clinton appointed members to the force based on their record of involvement with veterans.

CLINTON • GORE ON AIDS

Fighting the AIDS epidemic will be a top priority of a Clinton/Gore Administration. If we fail to commit our hearts and resources now to fighting AIDS, we will pay a far greater price in the future, both in deaths and in dollars. We need leaders who will focus national attention on AIDS, to encourage compassion and understanding, to promote education and to speak out against intolerance.

We can't afford another four years without a plan to declare war on AIDS. We can't afford to have yet another President who remains silent about AIDS or who puts the issue on the back burner.

THE CLINTON/GORE PLAN

- Increase funding for desperately needed new initiatives in research, prevention and treatment.
- Appoint an AIDS policy director to coordinate federal AIDS policies, cut through bureaucratic red tape and implement recommendations made by the National Commission on AIDS.
- Speed up the drug approval process and commit increased resources to research and development of AIDS-related treatments and vaccines, and ensure that women and people of color are included in research and drug trials.
- Fully fund the Ryan White CARE Act. Work closely with individuals and communities that are affected by HIV to create a partnership between the federal government and those with knowledge and experience in fighting HIV.
- Promote a national AIDS education and prevention initiative that disseminates frank and accurate information to reduce the spread of the disease, and educates our children about the nature and threat of AIDS.
- Provide quality health coverage to all Americans with HIV as part of a broader national health care program; work vigorously to improve access to promising experimental therapies for people with life-threatening illnesses; and improve preventive and long-term care.
- Combat AIDS-related discrimination and oppose needless mandatory HIV testing in federal organizations such as the Peace Corps, Job Corps and the Foreign Service; stop the cynical politicization of immigration policies by directing the Justice Department to follow the Department of Health and Human Services' recommendation that HIV be removed from the immigration restrictions list; promote legislation based on sound scientific and public health principles, not on panic, politics and prejudice.

THE CLINTON/GORE PLAN

Prevention and education

- Launch a strong and effective AIDS education campaign.
- Reevaluate the AIDS prevention budget at the U.S. Centers for Disease Control to ensure that education is a top priority.
- Ensure that increased funding for prevention and services goes directly to community based organizations that are on the frontline of the battle against the HIV virus.
- Promote AIDS education in American schools.
- Provide drug treatment on demand to stop the spread of HIV by intravenous drug users.
- Increase funding for behavior and social science research so that we can better understand the behaviors that put people at risk for HIV.
- Support local efforts to make condoms available in schools.

Treatment and care

- Provide health care for all Americans, including those with HIV, through coverage they obtain either on the job or through government-mandated programs, which will include:
 - Comprehensive inpatient and outpatient services, including frequent diagnostic monitoring, early intervention therapies, and psychological care.
 - Prescription drugs and improved access to experimental therapies. Because treatments are not accessible unless they are affordable, a Clinton/Gore Administration will support legislation that denies tax breaks to companies that raise the cost of drugs faster than Americans' ability to pay for them.
 - Adequate options for long-term home- and community-based care that minimize unnecessary and wasteful hospitalizations.
 - Voluntary, confidential, or anonymous testing and counseling for AIDS and HIV for every American who wants it.
- Encourage the Centers for Disease Control to review periodically their definition of AIDS to ensure that symptoms and infections that occur among women, people of color and drug users are included in the federal definition, and promptly made eligible for all federal benefit programs for people with AIDS.
- Develop programs with the Department of Health and Human Services to ensure that America's health care professionals are kept fully and regularly informed about diagnosing and treating HIV. Have the National Institutes of Health (NIH) develop a formalized mechanism to make sure that state-of-the-art information is broadly and rapidly disseminated to health professionals and people with HIV disease.

Research and drug development

- Work vigorously to develop a vaccine against AIDS and to find therapies that will destroy HIV, repair the immune system and prevent and treat AIDS-related infections.
- Increase funding for both AIDS-specific and general biomedical research.
- Expand clinical and community based trials for treatments and vaccines, and raise the level of

participation of under-represented populations.

- Reorganize the NIH infrastructure to streamline AIDS research efforts and improve planning, efficiency and communication.
- Promote a more rapid review by the NIH of research grant applications and a speedier distribution of funding for approved studies.
- Facilitate greater access to drugs and work to speed up the drug approval process. Ensure that the FDA has the resources to assist in the efficient design of AIDS-related drug trials and to review their results rapidly. The FDA will also make possible greater access to promising experimental therapies without compromising patient safety.

Discrimination

- Fight all AIDS-related discrimination and discrimination based on race, gender and sexual orientation.
- Fully implement the Americans with Disabilities Act and resist any efforts to weaken its provisions. The Department of Justice and the U.S. Commission on Civil Rights must make it a high priority to monitor the occurrence of AIDS-related discrimination and the enforcement of the ADA with respect to HIV-related complaints.
- Forbid health insurance companies from denying coverage to HIV-positive applicants. Prohibit all health plans from adopting discriminatory caps or exclusions that provide lower coverage for AIDS than for any other life-threatening illnesses. No American will be denied health coverage because he or she loses a job or has a pre-existing condition.
- Oppose mandatory testing in federal organizations like the Peace Corps and Foreign Service.
- Lift the current ban on travel and immigration to the U.S. by foreign nationals with HIV.

THE RECORD

- As chairman of the National Governors' Association, Governor Clinton formed the first working group of governors to develop an AIDS policy. Clinton was a moving force in the creation of an AIDS action plan adopted by the Governors' Association which called for education and prevention efforts at the local, state and federal levels.
- Governor Clinton supported teacher training for AIDS education and a detailed study of the availability of HIV education at the local level.
- Since 1990, AIDS education has been required in all Arkansas schools, and there has been a 40% increase in HIV counseling and voluntary testing in Arkansas.
- The Arkansas AIDS Advisory Committee was established in 1987. This committee makes recommendations on HIV policy and program services. HIV services in the state currently include anonymous testing at two centers and confidential testing and counseling at public health clinics in all 75 Arkansas counties.
- Senator Al Gore voted to ban discrimination against people with AIDS or HIV.
- Voted for legislation to remove HIV from the immigration restrictions list.
- Supported funding for the Ryan White AIDS Act.
- Voted to provide emergency relief to metropolitan areas hardest hit by AIDS, to health care facilities serving many low-income individuals and families with HIV and to states to assist in improving the quality of treatment and support services for people with HIV.

A PLAN FOR AMERICA'S FUTURE

To:

- Get our economy moving again
- Restore our economic leadership
- Create high skill, high wage jobs
- Fight for the forgotten middle class
- Radically change government
- Inspire responsibility
- Build a greater sense of community
- Reclaim the future for our children
- Restore the American Dream

Bill 
Clinton
FOR PRESIDENT

A PLAN FOR AMERICA'S FUTURE

The American Dream is in trouble. Around the country, families are hurting. And while ordinary people everywhere are working harder and making less, our leaders in Washington are looking out for themselves and for their friends, but not for the country and the people who make it great.

The forgotten middle class is discovering that the reward for a decade of sacrifice and hard work is more sacrifice and hard times: They've paid higher taxes on lower incomes and gotten less in return, while the rich got tax cuts, poverty increased, and the President and Congress got pay raises and health insurance.

We have to move away from George Bush's and Ronald Reagan's failed experiment in trickle-down economics and political neglect. It didn't produce growth or upward mobility. It didn't prepare average Americans to better compete in the new world economy. But we must also move beyond the old Democratic theory that says we can just tax and spend our way out of every problem we face.

For 11 years, we've had no national economic vision, leadership, or strategy. We need a new approach that will move this country in a radically new direction.

We need a new economic program that empowers people, rewards work, and organizes America to compete and win again. We need a national economic strategy to lift the country out of recession and restore hope and opportunity for the long term.

We can take direct steps right now to end this recession:

- We can help rebuild consumer confidence with an immediate infusion of much-needed cash, by cutting taxes for middle-class Americans and for families with children.
- We can create hundreds of thousands of jobs by accelerating current highway spending and opening up the housing market to more first-home buyers.
- We can relieve broad public anxiety with measures to protect for a time the health-care coverage and mortgage or rent payments of those who lose their jobs.
- We can expand credit by urging banks to continue serving sound businesses and to offer fair credit-card rates to good customers.
- And we can expand U.S. production by insisting that Japan and Germany do their part to maintain global economic growth, by

and in tripling the national debt while average people's taxes have kept on going up.

America needs a new President who will provide the leadership to get the country moving again, who will challenge the nation to compete in the world and win again, and who will help lift the poor out of poverty and restore real prosperity to average people — the vast majority of middle-class Americans who still live by American values, and whose hopes, hearts and hands still carry the American Dream.

ENDING THE BUSH RECESSION

Our first responsibility is to move quickly to end the current recession. We ought to take five steps right away to help working people and get the economy moving again. First, reduce the federal tax burden on the middle class whose taxes went up in the '80s while their wages went down. Second, expand the children's tax credit to give additional tax relief to families who need it. Third, provide an economic lifeline to hard-working people who lose their jobs. Fourth, help jumpstart the economy by several, specific presidential actions. Finally, use America's influence in the world to enlist economic support from other countries.

1. Tax Relief for the Forgotten Middle Class

The Bush recession is eating into the incomes of middle-class Americans across the country. We can't restore consumer confidence until we restore consumer cash. One quick and right way to do that is to reduce the tax bite on average families — and so reverse the policies of George Bush and Ronald Reagan, who raised taxes for most middle-class Americans and cut them sharply for the wealthy.

We should cut middle class taxes immediately by 10 percent, and pay for it with higher income taxes on those earning more than \$200,000. The deficit won't go up, and the richest Americans will pay their fair share (though still a smaller percentage of their incomes than they paid in '70s).

2. Expand the Children's Tax Credit

Families with children deserve additional tax relief. The value of the tax exemption for children has dropped dramatically since World War II, while the tax burden and the cost of raising a family went up. In 1948, a typical family of four paid just 0.3% of their income in federal income taxes. Today, a similar family pays 30 times as much.

We need to stop taxing away the money parents need to raise a family, and restore the value of the children's tax exemption. We should replace the current \$2,150 dependent's exemption with up to an \$800 per-child tax credit, which would be equivalent to exempting from tax as much as \$5,330 for a family in the 15 percent

years of money in the first year, the President could create 200,000 jobs.

- b. By raising the ceiling on mortgage loans eligible for Federal Housing Administration insurance to cover 95 percent of the median price of a home in every metropolitan area, the President could enable as many as a half-million young families to buy their first homes this winter and spring.
- c. By urging federal regulators to send a clear signal to banks not to call in good loans that are performing, and not to hesitate to make sound loans, the President could help keep thousands of small businesses open and expanding.
- d. By calling on banks to renegotiate loans downward and bring down the interest rates they charge on balances of good credit-card customers, in line with the falling interest they pay on a depositor's savings or checking account, the President could help relieve the consumer and business debt burden of millions of families.

These four measures, all within the President's discretion, would cut the recession short and reduce the pain and economic stress of millions of Americans.

5. Use U.S. Influence in the World to Boost the U.S. Economy

Throughout his term, George Bush has neglected to use America's influence with other advanced countries to insist that in the modern global economy, they too must do their part to keep world growth going. We need a President who will not only defend the country well, but who also recognizes that in the post-Cold War world, our national security is largely economic.

More of the costs of preserving the military security of Asia and Europe can be shifted immediately to Japan and Germany, releasing billions of dollars that can come home to America and spur U.S. production. Japan and Germany also should be told, in no uncertain terms, that it is time for them to help shoulder more responsibility for worldwide economic growth today by stimulating their economies in order to boost U.S. exports.

A LONG-TERM PLAN TO REGAIN OUR ECONOMIC LEADERSHIP

We face a fundamental economic challenge today — to create a high-wage, high-growth, high-opportunity national economy that will carry America into the 21st century, instead of a hard-work, low-wage economy that's going nowhere. We need a long-term national strategy to meet this challenge and win.

RADICALLY RAISING THE LEVEL OF PUBLIC EDUCATION

In the 1990s, education is economic development. If we're going to compete, we need to overhaul America's public education system from top to bottom, by providing:

- **Preschool for every child who needs it, and full funding for the successful Head Start program.**
- **A national examination system for all elementary and secondary schools, to push our students to meet world-class standards in math, science and other core subjects.**
- **Annual report cards for every state, school district and school, measuring their progress toward meeting these world-class standards.**
- **A nationwide apprenticeship program to enable the half of all high-school students who are not college bound to choose courses of study designed by their schools with local businesses, that will teach them advanced skills and guarantee them well-paying jobs when they graduate.**
- **A domestic GI bill that will pledge college assistance to any student who wants it — the middle class as well as the poor. Congress will create a national trust fund out of which anyone can borrow money for a college education, so long as they pay it back either as a small percentage of their future income over time, or with a few years of voluntary national service as teachers, police officers, or child care workers. This radical overhaul of the American educational system will be financed by dedicating a portion of the peace dividend to these investments and by redirecting the current student loan program. It is the best investment we can make in our common future, and it will pay for itself many times over.**

PROVIDING LIFELONG LEARNING AND TRAINING

In an era in which what you earn depends on what you can learn, education and training have to continue throughout everyone's lifetime. We owe every American the chance to get ahead:

- **For adults shortchanged by the educational system in the past, we will ensure that every state has a clear, achievable plan to provide adult literacy services to everyone who needs them, give everyone with a job a chance to earn a GED, and wherever possible, to do it where they work.**

Like every successful corporation, the federal government has to be completely restructured for greater productivity. It has to dedicate more resources to investing in the future and less to current consumption. It ought to grow no faster than the economy itself. It needs to decentralize and be more entrepreneurial. And it has to give workers more authority to make decisions and offer the public better products.

I want to radically change government and give American taxpayers more for their money, by offering people more choices, delivering new services in different ways, and eliminating unnecessary layers of management; by reexamining every dollar of the taxpayers' money we spend and every minute of time that the government puts in.

That's what we've tried to do in Arkansas. We've balanced the budget every year, improved services and provided more choices, and treated our citizens like our customers and our bosses — because they are.

Revolutionizing the federal government will require four basic reforms:

INVEST IN THE FUTURE, NOT THE PAST

If we're going to get more for our money, we need a federal budget that invests more in the future and spends less on the present and the past. We need a three-part budget — a past budget for interest payments and paying off S&L and bank failures; a present budget for spending on current consumption; and a future budget for investments that will make our people richer.

Today, only 9 percent of the budget is directed to investing in our future — education and training, child health, environmental technologies, basic research, and infrastructure. We need to double that share, and pay for it by converting resources no longer needed for defense to investments needed to rebuild our economic security.

LIMIT THE GROWTH OF FEDERAL SPENDING

To bring down the deficit and stop the government's stifling of economic growth, we have to control spending on current consumption programs. A Clinton Administration will limit the rate of increase in the consumption budget to the rate of increase in personal incomes, so the budget grows no faster than the economy — and no faster than the average American's ability to pay for it.

Making Congress live by this rule will cut the deficit dramatically in five years, and unleash hundreds of billions of dollars of capital for the private investment that drives prosperity.

already spending, if we demand insurance reform to end the administrative waste of the current system, control the unnecessary spread of excessive technology, stop drug prices from going up at three times the rate of inflation, reduce billing fraud that may account for up to \$75 billion a year, and force the people who send bills and the people who pay them to agree on how much health care should cost.

3. Improve Preventive Care: We'll provide primary and preventive care in inner city and rural areas where health care is not readily available today, and we'll increase children's access to health care by putting clinics in schools where it is needed.

4. Provide More Choices in Long-Term Care: We should provide health care to the elderly when they need it — before they spend themselves into poverty. Our senior citizens should make their own choices about how to spend their health care benefits. In Arkansas, we created a program that gives seniors the right to take money which used to be available for nursing home care and spend it on home health care, personal care, transportation to senior centers, hiring a nurse or attending an adult day care center. I want a federal health system that gives seniors all over the country the same choices.

This is our revolution for the federal establishment: We want a government keyed to investing in the nation's prosperity and future; a government willing to discipline its spending according to the people's ability to support it; a government that makes itself more productive every year, by searching out and creating new and innovative ways of providing public service; and a government that guarantees health care for every American.

3. A Revolution in the American Workplace

We desperately need an educated, well-trained work force and a productive and disciplined federal government that invests in the future. But American workers and Americans businesses are going to have to change, too.

In the last decade, the stock market tripled while average wages went down. It's time for a revolution in the American workplace that will radically raise the status of the American worker and tear down the Berlin Wall between labor and management.

Outdated economic arrangements are holding America back, and we need to create new, dynamic and flexible workplaces where workers at the front line are involved in the decisions that affect their productivity, and entire levels of middle management can be eliminated. While business and workers have to undertake most of these changes themselves, government can help, too.

4. Competing and Winning in the World Economy

Our plan for America focuses on making every American more productive and every U.S. company more competitive, and we owe every worker, entrepreneur and industry a solemn pledge that their hard work will not go down the drain. Therefore, our plan includes a national economic strategy for winning in the global marketplace, by opening up trade and breaking down foreign barriers.

The American people aren't protectionists. Protectionism is just a fancy word for giving up; we want to compete and win. That is why we need a new trade policy that says to Europe, Japan and our other trading partners: we favor an open trading system, but if you won't play by those rules, we'll play by yours. A Clinton Administration will insist on tough trade policies.

BRINGING PRODUCTS TO MARKET

I will help American business and American workers win the race for new technologies by beating foreign competitors subsidized by their governments.

Just as we have an agency to coordinate basic research into new military technologies, we should create a new federal agency to support and coordinate research in developing new, critical, civilian technologies and moving these ideas to the marketplace.

We will put in place a transitional plan for converting from a defense-technology economy to a civilian-technology economy, preserving the high-wage, high-value skills of many thousands of our best scientists, engineers and workers. And to help support this effort, for every dollar we reduce the defense budget for research and development, we will expand the civilian R&D budget.

OPENING UP WORLD MARKETS

A Clinton Administration will do its part to help ensure markets for U.S. products and services by opening up trade, because U.S. exports create jobs for Americans.

We must do everything possible to open up markets now closed to American products.

In a Clinton Administration, we will provide the leadership for Japan and the European countries to join us not only in multilateral trade negotiations, but also in coordinated efforts to stabilize and expand the economies of the new Eastern European free countries and the Latin American debtor nations.

We will provide the leadership for Japan and the European countries to join us in coordinating our macroeconomic policies for stable growth throughout the

Also, we must not forget about the real people whose lives will be turned upside down when defense is cut deeply. The government should look out for its defense workers and the communities they live in. We should insist on advance notification and help communities plan for a transition from a defense to a domestic economy. I have called for a new advanced research agency — a civilian DARPA — that could help capture for commercial work the brilliance of scientists and engineers who have accomplished wonders on the battlefield.

Likewise, those who have served the nation in uniform cannot be dumped on the job market. We've got to enlist them to help meet our many needs at home. By shifting people from active duty to the National Guard and reserves, offering early retirement options, limiting re-enlistment and slowing the pace of recruitment, we can build down our forces in a gradual way that doesn't abandon people of proven commitment and competence.

The defense policy I have outlined keeps America strong and still yields substantial savings. The American people have earned this peace dividend through forty years of unrelenting vigilance and sacrifice and an investment of trillions of dollars. And they are entitled to have the dividend reinvested in their future.

THE SOUL OF OUR NATION

We must do all these things, and something more. The economic challenges we confront today are not just a matter of statistics and numbers. Behind them are real human beings and real human suffering. I have seen the pain in the faces of unemployed workers in New Hampshire, policemen in New York and Texas, computer company executives in California, middle-class people everywhere. They're all showing the same pain and worry I hear in the voices of my own people in Arkansas, including men and women I grew up with who played by the rules and now see their dreams for the future slipping away.

That's why we're offering a radical new approach to economics. If we offer these hard-working families no hope for the future, no solutions to their problems, no relief for their pain, then fear and insecurity will grow, and the politics of hate and division will spread. If we do not act to bring this country together in common cause to build a better future, David Duke and his kind will be able to divide and destroy our nation. Our streets will get meaner, our families will be devastated, and our very social fabric — our goodness and tolerance and decency as a people — will be torn apart.

I believe with all my heart that the very future of our country is on the line. That is why these are not just economic proposals. They are the way to save the very soul of our nation.



BILL CLINTON'S AMERICAN HEALTH CARE PLAN

National Health Insurance Reform to Cut Costs and Cover Everybody

THE HEALTH CARE SQUEEZE ON THE FORGOTTEN MIDDLE CLASS

We are the only advanced nation in the world that doesn't provide health care to all its citizens and doesn't effectively control costs. America spends 30% more of its GNP than our major competitors, puts more pressure on business, and relegates more people to the ranks of the uninsured, who get care that is too late, too expensive, and paid for by the rest of us. Every day America spends twice as much on health -- \$2 billion -- as we did for a day of Desert Storm. Also, by many measures from infant mortality to heart disease to life expectancy, we aren't the healthiest country in the world.

For a decade, the Reagan and Bush administrations have ignored the needs of middle-class families and let health care costs soar out of control. In 1980, when Reagan-Bush first took office, national health care expenditures totaled \$249 billion or 9.1 percent of our economy. In 1991, they totaled \$738 billion or about 13 percent of the economy.

In 1980, 12.5 percent of Americans under 65 were not covered by health insurance. Today, over 16 percent are not covered and many more are only partially covered.

In 1980, total spending by federal and state governments on health care totaled \$105 billion. Today it totals almost \$300 billion.

Today, health care costs are the number one cause of personal bankruptcies, the number one cause of business bankruptcies and the number one cause of labor disputes in the nation. Health insurance costs add more than \$700 to the cost of every car produced in the United States and corporate health insurance spending is equal to more than 100 percent of all company after-tax profits.

Despite a relentless focus on controlling costs over the past decade, American health care costs are much higher and rising much faster than in other nations. If present trends continue,

we will be spending over 17% of GNP on health at the end of the decade, enough to consume the peace dividend and make it impossible to be fully competitive in the global economy.

Today, millions of people live with gnawing fears that their coverage will be canceled, their out-of-pocket costs will go through the roof, their employer will no longer be able to afford insurance, or they won't be able to change jobs without losing their health insurance because of a family member's illness.

Why, if we insure fewer people and provide less care, are we still spending more than any other nation in the world?

We have the world's most expensive and inefficient system of financing health care. We have a health care delivery system that has few incentives to keep costs in check and many to let them explode. The cost control system itself, with its regulatory requirements, has added tens of billions to the cost of health care. We have denied access to basic health care to millions, thus insuring that when they get care it is too late, too expensive, and the costs are passed on to the rest of us. We have higher rates of teen pregnancy, drug abuse, AIDS, and violence than other countries.

THE CLINTON HEALTH CARE PLAN: A NEW COVENANT FOR CHANGE

It doesn't have to be that way. We need a new approach that will control costs, improve quality, maintain choice, and cover everybody. We don't need to lead with a tax increase that asks hard-working people who already pay too much for health care to pay even more, until every effort has been made to squeeze excess cost out of the system.

Instead, we need a plan to reform the way government and business pay for health care in this country, a plan that provides real incentives to lower costs and improve quality, increases access, and emphasizes a more educated, responsible citizenry.

Under the Clinton plan for national health insurance reform, all Americans will have affordable health care. Employers and employees will either purchase private insurance or opt to buy into a public program. The poor and the unemployed will have access through the public program, and will be asked, to the extent possible, to share some of the costs.

All Americans will be covered with a core benefit package, and no person will be cut off, canceled, denied, or forced to accept low-quality care.

There should be a New Covenant for change in health care. Americans shouldn't have to live in fear of losing health insurance when changing jobs or not being able to get insurance because of "pre-existing" health conditions. We'll bring down costs for middle-class families, maintain a choice of providers, and assure comprehensive coverage. In return, Americans

should assume the responsibility to take advantage of preventive care, take better care of themselves, and use health care services appropriately.

STEP ONE: CONTROLLING COSTS AND IMPROVING QUALITY

We can cover every American with the money we're now spending on health care by taking bold, specific steps to cut costs. We'll spend an estimated \$817 billion on health care in 1992. The only way to secure national health insurance for all our people is to spell out a specific plan to bring costs down.

In the first year of a Clinton Administration, we'll take the following specific steps to cut health care costs:

1. INSURANCE REFORM

Under the current system, over 1500 different companies compete in the insurance market with 1500 sets of payment rules and 1500 bureaucracies processing 1500 sets of forms, which leads to staggering administrative costs for both companies and health care providers. We need to streamline this needlessly complicated system.

Underwriting practices that balkanize Americans into smaller and smaller risk groups must be banned in favor of broad-based community rating. Access, continuity, and renewability of coverage under a community rating system will be guaranteed.

These changes will save billions of dollars and bring stability to the system.

2. GUARANTEED BENEFITS AND LIMITED COST INCREASES

The federal government will establish a board including health care consumers, providers, and payors, and define a core benefit package that all insurers will provide. The core benefit package will include ambulatory physician care, in-patient hospital care, prescription drugs, basic mental health, and important preventive care benefits, such as pre-natal care and annual mammograms. This will guarantee uniformity between the basic public and private programs which will further reduce administrative costs and inequality of care.

The board will also establish annual health budget targets nationally and state by state, to guide expenditures in the public and private sectors, to develop an all-payor reimbursement system, and develop incentives and guidelines for global budgetary and other quality-enhancing, cost-efficient reforms.

This approach will begin to involve all parties in working together to assure that the cost of health care can't go up any faster than the average American's income is going up.

3. REDUCE BUREAUCRACY AND CONTAIN THE PAPER EXPLOSION

When Ronald Reagan took office in 1980, he pledged to control health care costs. But rather than changing the system, he focused instead on intensely regulating and monitoring it, adding layers of bureaucracy onto an already overly complex system. These actions made the system even more costly.

In the '80s, the federal government multiplied documentation requirements, administrative procedures, prior authorization processes, billing rules, coding processes, requirements for funding eligibility and review organizations to guard against hospitals, nursing homes and other health care agencies providing unnecessary care, keeping patients hospitalized for too long, seeing patients too often, or charging too much.

Those requirements have led to the creation of whole staffs and departments in hospitals, doctors' offices and home health agencies dedicated to nothing but administrative form-filling. These functions are themselves creating huge costs which have overwhelmed any potential savings.

In addition to the health care workers hired only to meet paperwork requirements, bedside caregivers -- doctors, nurses, aides, therapists -- find that their time is increasingly split between hands-on care and filling out forms.

The American Medical Association estimates that the average doctor now spends 80 hours a month -- two full work weeks -- on paperwork. Nurses in hospitals often spend almost half their time processing information and filling out forms.

Two hospitals now exist within an institution's walls. There is the hospital we know, where nurses and doctors lower temperatures, fix bones, perform surgeries, and provide care. The second hospital creates paper which documents a patient's journey through the hospital. The "paper" hospital is growing much faster than the real hospital.

The billions fueling our health care bureaucracy would be better spent on providing better care for all Americans, implementing a long-overdue emphasis on women's health, and expanding medical research to prevent and cure Alzheimer's Disease, breast cancer, heart disease, AIDS, and other diseases.

The all-payor system will virtually eliminate unnecessary paperwork by eliminating 1500 separate sets of rules and forms. Under the Clinton plan, the costly billing, coding, and utilization review functions that currently govern most provider payment systems would be replaced by a simplified, streamlined billing system. American hospitals currently devote far

often use these diagnostic machines and high-tech surgical procedures unnecessarily -- thereby adding costs without improving health. At the other extreme, the Canadian system severely limits the distribution of high-tech equipment, resulting in unacceptable delays and standing in line for treatment.

Under the Clinton health care plan, the cost review board mentioned above will develop recommendations and incentives for more sensible capital budgets, including the shared use of technology where appropriate. We can save billions of dollars that now go to unnecessary tests and procedures.

7. DEVELOP A RATIONAL MEDICAL LIABILITY SYSTEM

Consumers and health care providers spend hundreds of millions of dollars paying higher insurance premiums to underwrite medical malpractice litigation. Even more troubling is how our current system has resulted in physicians and other health care personnel practicing "defensive medicine." This practice results in tests that are frequently unnecessary, but that are ordered to insure the provider against a malpractice suit.

Alternative dispute resolution mechanisms should be made available in every state, which can effectively and humanely address and resolve these legal challenges.

8. DISSEMINATE UPDATED MEDICAL PRACTICE GUIDELINES

Tens of millions of dollars are spent on inappropriate and/or unnecessary care. Providing updated medical practice guidelines to health care personnel to help them make the right decisions about treatment will save money and lives, and help eliminate improper care.

With practice guidelines, the quality of health care will improve, costs will decline, and better guidelines on what constitutes medical malpractice can be developed.

9. REORGANIZE THE HEALTH CARE WORKPLACE

Freed from burdensome administrative requirements and punitive quality control systems, the health care workplace will be ripe for more modern and efficient work organization.

Health care institutions will become much more efficient, because work will be reorganized around results, not reporting requirements. All parties will conform to a single, uniform information system, and tie in to a single computerized database, for the swift, efficient, and confidential exchange of patient information. Eventually, everyone will carry "smart cards" -- small microchips or magnetic strips coded with their personal medical information. Information accessed through the cards will generate huge savings through the elimination of

multiple, paper-based record-keeping systems, the reduction of unnecessary tests generated by lack of information, and quicker, more efficient transfer of patients and their records between different institutions and providers.

10. REINVENTING CARE DELIVERY: GROUP CARE HEALTH NETWORKS

In order for quality to improve and cost controls to take hold, we need to reorganize the way we provide health care in this country. Insurers, health care institutions, and individual health care providers currently operating in the system should be given strong incentives to collaborate to develop local group care models called Health Networks. These networks would not only be an important element of the private health care system, but would be able to serve those in the public program.

Each Health Network would operate under a global budget based on the population they insure and/or provide care for. Networks would negotiate fees with participating providers and institutions, and the providers and institutions that affiliate with a given network would collectively manage care delivery within the global budget.

Many private health insurance firms are already moving toward the group care concept with comprehensive health services provided under global, not fee-for-service, budgets. This kind of care is the guiding principle behind HMOs. The Health Network concept would encourage insurers and providers to develop different approaches to managing care within global budgets, emphasize the importance of primary and preventive care, and remove financial incentives for unnecessary tests and procedures. All health care consumers could choose the type of network that best suits them, and gain access to the most cost-effective providers in the most appropriate settings.

STEP TWO: GUARANTEE UNIVERSAL COVERAGE

A Clinton Administration will treat affordable, quality health care as a right, not a privilege. Universal access and cost control go hand in hand. Employers and employees will either purchase private insurance or opt to buy into a high-quality public program. The disabled and the elderly will have access to comprehensive long-term care from Medicare, including inexpensive in-home services designed to foster independence. Finally, the poor and unemployed will have access to the public program. All will be asked to share some of the costs, except for preventive and some basic primary services and with protections for those who cannot afford it. Co-payments must not be burdensome but should be sufficient to discourage overutilization and to encourage shared responsibility.

No person will be cut off, canceled, denied, or forced to accept low quality care.

1. WORKPLACE COVERAGE

Coverage through the workplace will build on the public/private partnership that is uniquely American. Government will make health care more affordable, and business will then be able to make health care available to more workers.

The average cost to business of health coverage jumped from \$2,600 per employee to over \$3,100 in 1990 alone. Under the existing system, the average annual premium will continue to rise, and the percentage of our workforce without any coverage will continue to increase. The measures outlined in this proposal will enable employers to have healthier, more productive workers at lower cost.

Universal coverage will end the practice of cost shifting from those who don't pay, which adds an estimated 10% to the bills of those who do, and will lead to more preventive and primary care instead of delayed emergency care, thus increasing the health of America and lowering the costs.

2. PROTECTION FOR SMALL BUSINESS

A Clinton Administration will take steps to protect small businesses from rising health care costs in a number of ways. First, the insurance premiums paid by all employers will be based on a community-based rating system rather than an experience-based rating system, and small employers will be able to buy into Health Networks that serve large numbers of people. Small businesses will not be penalized because their employee base is smaller. Just as our economic well-being counts on both small businesses and large firms to flourish in the community, insurance premiums will be based on the health needs of the community, not on the health of particular employees at one firm or another.

Other assistance to small business will include: 1) the opportunity to buy into the public program if it is less expensive; 2) eliminating barriers to small businesses that want to band together to form larger groups to purchase health insurance for more moderate prices; and 3) phasing in small employers' and new businesses' responsibility as costs can be reduced, during which time their employees will be covered by the public program with the co-pay requirements mentioned above.

STEP THREE: IMPROVE PREVENTIVE AND PRIMARY CARE

We need to expand access to the primary and preventive care that helps people stay healthy and keeps costs down. We waste money and weaken health when insurance doesn't cover regular check-ups, screenings, mammograms, immunizations, and pre-natal care.

We should provide an adequate number of primary and preventive care clinics in inner city and rural areas where health care is not readily available today. We should also increase access for children to primary health care by providing school-based clinics where needed, as a supplement to universal coverage.

The medical education system needs to do more to prepare providers to practice preventive and primary care. We need to carry out the recommendations of the National Governors Association to provide incentives for students and mid-career health professionals to serve in primary care professions in rural and underserved areas; expand the National Health Service Corps; and increase support for graduate training for mid-level health professionals, such as certified nurse-midwives and nurse practitioners.

Arkansas has been a leader in preventive care. The state's Health Director, Dr. Joycelyn Elders, is nationally renowned. The state has established school clinics that emphasize preventive and primary care, attack teen pregnancy, and provide more and better pre-natal and early childhood care.

STEP FOUR: EXPAND LONG-TERM CARE

We should provide long-term care to Americans of all ages when they need it. No American should have to become impoverished to qualify for long-term health care. And no family should ever have to choose between long-term care for the grandparents and education for the kids.

We can provide more services to the elderly and the disabled by expanding Medicare to include a wide range of services to be paid for through affordable and equitable cost-sharing mechanisms and to be delivered by contracting out with case managers responsible for allocating needed services in appropriate settings.

The long-term care benefits would be phased in, starting with the area most neglected - care in the home and community. These protections for families will be increased as we generate greater and greater savings.

The primary long-term caregivers in the United States are family members -- and predominantly women. These people don't want a replacement for their care, but they need a helping hand. In a Clinton Administration, we'll provide adequate respite care services to give short-term relief for those family members who carry this extraordinary burden.

The current system of public financing for long-term care is heavily biased in favor of institutional care, even though nursing home care is often the last resort for grandparents and their families, and targeted home care can be cheaper and more comfortable. This is especially important given the fact that the elderly are the fastest-growing group in our population, and that

more and more disabled Americans are able to live in less restrictive settings and make full contributions to society.

We need to end the current disincentives to community-based care. In a Clinton Administration, senior citizens will get to choose the kind of care that works best for them. In Arkansas, we've launched a popular pilot program called ElderChoices, which gives the elderly the right to take money previously available only for nursing home care, and spend it instead on home health care, personal care, transportation to senior centers, hiring a nurse, or attending an adult day care center.

A Clinton Administration will create a voluntary National Service Corps of young Americans who can borrow money for college and pay it back by serving their communities in any number of ways, among the most important of which will be filling the need for workers to provide long-term care.

STEP FIVE: INTENSIFY HEALTH EDUCATION

Many billions of health care dollars could be saved if the American people would change their behavior -- and without changes in behavior, even the ability of the health care system proposed here to make us healthier will not bring our health costs down to the level of our competitors.

We have unacceptably high rates of infant mortality, teen pregnancy and low-birthweight babies, drug and alcohol abuse, AIDS, and violence. Too many of us still exercise too little, and too many still smoke. We continue to damage ourselves without thought to the personal consequences and the costs to our nation in paying for problems that other nations avoid altogether through different personal behavior and use of preventive and primary care options now available.

Therefore it is essential that we strengthen our health education efforts in homes, schools, workplaces, and senior centers. The national government should support these efforts with incentives either in funds, or in manpower through the National Service Corps.

* * *

Clearly, this program fully implemented will save far more than it costs to extend comprehensive coverage to all Americans, provide for long-term care, fund more inner-city, rural, and school-based clinics, and intensify our educational efforts.

Still, there will be new costs to those businesses which have not provided coverage in the past, and government costs may exceed government savings in the first two to three years. But if the cost control and restructuring recommendations are vigorously pursued, net new spending requirements, if any, should be modest.

By containing costs and eliminating waste, and by providing a vision of change and a commitment to leadership, we can protect our families' pocketbooks while guaranteeing affordable, comprehensive, high-quality health and long-term care for all. This guarantee will be a hallmark of the Clinton Administration.

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**Statement of Governor Bill Clinton on
The VA Medical System**

Recently, the Bush Administration has proposed allowing the treatment of non-veterans in VA hospitals in rural areas.

While this may sound like a humane way to solve the problem of access to affordable health care in rural areas, I oppose this proposal because I think we need to focus the resources of the VA medical system of those Americans who have earned and deserve the best health care our nation can provide-- our veterans.

During the Bush and Reagan administrations, the VA medical system has been under-funded, to the point where a four to six month wait for outpatient services is not unusual. Allowing non-veterans into the system will overtax an already strained and underfunded program, decreasing the amount of resources and attention available to the vets for whom the system is designed to serve.

I care deeply about rural health care-- it is a critical issue back home in Arkansas. But the solution is not to extend the VA system to non-veterans. What we need is a national health care system which provides universal access to affordable care, and which guarantees that rural and poor areas have the same quality health care facilities as do other regions of our great nation.

If I am elected, I will insure that:

-- The VA receives the funding it needs to provide excellent, timely care to our nation's veterans;

-- I will appoint a real veterans' advocate to serve as Secretary of Veteran's Affairs;

-- We will have real housing solutions to decrease the number of veterans who are homeless;

-- We will cut bureaucracy at the VA to decrease waiting periods for health care and insure that benefits arrive on time.

Our veterans deserve the best. I believe that nothing short of excellence is acceptable. And in a Clinton administration, we will deliver.



Bill Clinton on AIDS

Fighting the AIDS epidemic will be a top priority of my administration. We cannot afford to have yet another President who is silent about AIDS or who puts the issue on the back burner. If we fail to commit our hearts and resources now to fighting AIDS, we will pay a far greater price in the future, both in deaths and in dollars. I will actively use the Presidency to focus national attention on AIDS, to encourage compassion and understanding, to promote education, and to speak out against intolerance. A Clinton administration will:

- * Increase funding for desperately needed new initiatives in research, prevention and treatment.
- * Appoint an AIDS czar and a high-level AIDS task force in the White House to coordinate a federal "Manhattan Project" to expand and improve our efforts to fight AIDS and HIV. This task force will rapidly review and implement the recommendations of the National Commission on AIDS.
- * Work closely with individuals and communities that are affected by HIV to create a partnership between the federal government and those with knowledge and experience in fighting HIV.
- * Promote legislation based upon sound scientific and public health principles -- not on panic, politics or prejudice.
- * Fully fund the Ryan White CARE Act, enabling America's hardest-hit cities to provide desperately needed care and services to a rapidly growing patient population.

Prevention and Education

AIDS can easily be prevented. Yet, unless we take forceful action, hundreds of thousands of Americans will needlessly become infected with HIV. For this reason, I am committed to a comprehensive and coordinated AIDS prevention initiative.

The key to the fight against AIDS is education. My administration will launch a strong and effective national AIDS education campaign. I will reevaluate the AIDS prevention budget of the U.S. Centers for Disease Control to ensure that spending on education is a top priority, and to ensure that increased funding for prevention and services goes directly to community-based organizations that are on the frontline of the battle against HIV. I will also work to promote appropriate AIDS education in American schools.

Research and Drug Development

According to the National Commission on AIDS, AIDS will outstrip all other diseases in terms of years of life and productivity lost by next year. In the years that follow, the number of AIDS deaths will continue to multiply unless we make rapid scientific progress to develop a vaccine against AIDS and to find therapies that will destroy HIV, repair the immune system and prevent and treat AIDS-related infections. AIDS-related biomedical research will not only help people with HIV, but will also directly benefit people with a broad range of other medical conditions. As President, I will:

- * Increase funding both for AIDS-specific and general biomedical research.

I will not tolerate a business-as-usual attitude towards AIDS research. We must expand clinical trials for treatments and vaccines, support new community-based trials, and raise the level of participation of under-represented populations. The N.I.H. infrastructure must also be reorganized to streamline its AIDS research efforts, and to increase planning, efficiency, and communication. I will work to promote a more rapid review by the N.I.H. of research grant applications and a speedier distribution of funding for approved studies.

- * Facilitate greater access to drugs and work to speed up the drug approval process. I will make sure that the F.D.A. has the resources to assist in the efficient design of AIDS-related drug trials and to review their results rapidly. The F.D.A. will also make possible greater access to promising experimental therapies without compromising patient safety.

Discrimination

AIDS-related discrimination is cruel and immoral. Such discrimination increases the spread of AIDS by driving people away from prevention efforts, counseling and voluntary testing, and treatment. I pledge to fight all irrational AIDS-related discrimination as well as discrimination on the basis of race, gender, and sexual orientation that is directed towards those groups most closely associated with AIDS. A Clinton administration will:

- * Fully implement the Americans with Disabilities Act and resist any efforts to weaken its provisions. The Department of Justice and the U.S. Commission on Civil Rights must make it a high priority to monitor the occurrence of AIDS-related discrimination and the enforcement of the ADA with respect to HIV-related complaints.
- * Forbid health insurance companies to deny coverage to people because they are HIV-positive. No health plan will be allowed to adopt discriminatory caps or exclusions that provide lower coverage for AIDS than for other life-threatening illness.
- * Oppose mandatory testing in federal organizations such as the Peace Corps, Job Corps, and the Foreign Service.
- * Lift the current ban on travel and immigration to the U.S. by foreign nationals with HIV.

BILL CLINTON ON THE ROLE OF WOMEN IN A CLINTON ADMINISTRATION

Governor Bill Clinton, in twelve years as leader of his state, has built a unique record of equal opportunity for women. The Governor's professional staff is 53 percent female. He has appointed more women to state courts, boards and commissions than all other Arkansas Governors combined. Both women and the state of Arkansas have benefitted from the full participation of women in government.

Bill Clinton believes the federal government needs the talent and creativity of American Women and, as President, has pledged to continue his record, appointing women to an unprecedented number and type of jobs in his administration.

BILL CLINTON ON BETTER HEALTH CARE

Governor Bill Clinton led the way to better health care in Arkansas. Under his leadership, Arkansas has:

- o Used state and federal funds to provide comprehensive health Services, including reproductive health services, through school-based clinics.
- o Established the first state "Good Beginnings" program to ensure basic health services to low-income pregnant women and their young children. As a leader of the Southern Governors' Association, Bill Clinton helped secure congressional passage of the Pregnant Women's and Infants Act, increasing Medicaid eligibility for pregnant women.
- o Created the REACH (Reaching Every Adolescent Concerning Health) Program, a nationally recognized effort providing access to health screening, immunization and substance abuse education through school-based clinics.

President Bill Clinton Will:

- o Lead the nation to a new national health insurance plan that will control costs, improve quality and cover all Americans. The Clinton health care program will require insurers to offer a core package of benefits, including pregnancy related services, abortions, and essential preventive programs such as pre-natal and well baby care and mammograms.
- o Support passage of the Women's Health Research Act and similar legislative measures designed to address deficiencies in the treatment of women's health in the areas of research, prevention and services.

THE CLINTON HEALTH PLAN

The Clinton plan will control costs and provide affordable, quality care for all Americans. It will preserve the private sector, maintaining consumer choice in coverage, private doctors and hospitals that provide the highest quality care in the world. It is comprehensive, offering the discipline of a budget linked to the innovation and flexibility of a truly competitive market.

◆ For cost control: A national health budget with market-based reform.

- A national health budget to limit public and private costs to give the discipline needed to control costs.
- State-level negotiations to set consistent rates among insurers within the budget.
- Allows market-based reform by letting health networks and other innovative care arrangements opt out of regulations so long as their costs rise no faster than those of regulated insurers.
- Malpractice reform to end the costly practice of "defensive medicine" where doctors must order unnecessary tests to protect themselves in case of litigation.
- Steps to improve efficiency and cut paperwork, such as standardized claims forms, electronic processing, and "smart cards" for personal medical data.

◆ For universal access.

- Core benefits package for all Americans set by a National Health Board.
- Universal coverage will be phased in as savings are achieved.
- Companies will be required to insure their employees, with federal assistance in early years and mechanisms to limit costs for small businesses.

◆ For taking on insurance companies.

- End job lock and ban insurance company exclusion of "pre-existing conditions" from coverage.
- No worker will be unable to change jobs because his or her child has diabetes or another illness that now jeopardizes continuing insurance coverage.
- Insurance companies must charge "community rates" instead of different rates for those who are healthy and those who are ill.

◆ For taking on drug companies.

- To protect consumers and bring down drug prices, eliminate tax breaks for drug companies that raise their prices faster than Americans' incomes.
- Discourage companies from spending more on marketing than on R&D.

THE CLINTON HEALTH RECORD IN ARKANSAS

* Governor Clinton was a Vice-Chair of the Health Care Reform Task Force of the National Governors' Association in 1990-91. Earlier, as Chairman of the National Governors' Association, he formed the first working group of governors to develop a policy position on AIDS, calling for AIDS education and prevention efforts at the state and federal levels.

* Because the Arkansas State Employees Insurance Program is self-insured, the plan does not have to pay premium taxes or produce a profit. Currently, for every \$1.00 collected, 97 cents is paid in claims and only 3 cents is paid out in administrative fees.

* Cost-containment programs, including pre-hospitalization review and Major Case Management, have been effective. According to the 1990 Foster Higgins Health Care Benefits Survey, medical indemnity plan costs generally rose 21.6% from a \$2,600 per employee average in 1989 to \$3,161 in 1990. By comparison, the average per employee cost for Arkansas' self-insured plan is \$2,057.

* The Rural Physician Recruitment and Retention Program encourages physicians to locate and practice family medicine in small Arkansas communities, and Rural Medical Practice Student Loans and Scholarships provide support for medical students agreeing to practice in rural communities.

* The AIDS Advisory Committee was established in 1987. This committee makes recommendations on HIV policy and program services. HIV services in the state currently include anonymous testing at two centers and confidential testing and counseling at public health clinics located in all 75 Arkansas counties.

* A strong State Employees Health Insurance Program to which the State of Arkansas' contribution has increased by 335.3% between July 1, 1982 and July 2, 1991 whereas the state employees' premium for family coverage increased only 89%.

* Established a radon program to assess the overall radon situation in Arkansas and identify at-risk areas. During the winter of 1991, 1,800 homes were tested for radon. Results indicate that Arkansas' home radon levels are among the lowest in the nation.

A strong tribute to Governor Clinton's tireless efforts to improve the health of Arkansas' people came recently from Dr. Joycelyn Elders, the state's Health Department Director, who has received the National Governor's Association Distinguished Service Award, the NEA's Mary Futrell Award for Creative Leadership in Women's Rights, and the AMA's Dr. Nathan Davis Award. In a New York Times interview, Dr. Elders noted, "He (Governor Clinton) has a real desire to invest in health issues. He has always backed me in tough situations like when he took on the Legislature and fought his guts out for my health department budget."

FACT SHEET ON HEALTH CARE

1. Bush is only playing politics with health care.

- ◆ 1/88: George Bush, campaigning, said, "We must mount a comprehensive effort to reduce the cost and improve the quality of, and access to, health care in America." [AP Wire, 9/20/88] Yet, he never delivered a plan to Congress.
- ◆ 1/89: No plan. Bush inaugural address does not mention health care.
- ◆ 1/90: Promises study. State of the Union devotes only 77 words to health care.
- ◆ 1/91: No plan. State of the Union devotes only 45 words to health care.
- ◆ 11/91: Harris Wofford of Pennsylvania comes from 47 points behind to win a Senate seat with a campaign for national health reform.
- ◆ 1/92: Bush promises a plan in his State of the Union address.
- ◆ 2/92: Outline of Bush "plan" released with few specifics.
- ◆ Today: Bush still has not submitted a plan to Congress.

2. During 12 years of Republican neglect:

- ◆ The average cost of individual health insurance rose from \$1000 to \$3000 a year. It is expected to reach \$5712 by the end of the decade. [Health Care Finance Review, Fall, 1991.]
- ◆ Since 1980, national annual spending on health care increased from \$250B to \$809B today [House Ways and Means Comm.].
- ◆ Health care costs became the number one cause of bankruptcy and labor disputes.
- ◆ Health care costs add \$1086 to every car made in America. [Wally Maher, Dir. of Fed. Relations, Chrysler Corp.]
- ◆ From 1980 to 1992, Medicare and Medicaid grew from 8% to 13.5% of the budget. In the next five years, they will consume 20% of the budget and result in more than half of its growth. [CBO, March, 1992.]

3. The Bush Plan.

- ◆ No comprehensive plan to control overall health costs.
- ◆ Based on vouchers and deductions, which cost \$36B/yr, gives more money to insurance companies and reaches only 9 million out of the 37 million uninsured. [Kenneth Thorpe, Dept. of Health Policy, UNC Chapel Hill; President's Comprehensive Health Reform Program, 2/6/92]
- ◆ Under the Bush plan, family health insurance would still average \$6500 this year and reach more than \$14,000 by 2000. [Families USA.]
- ◆ No plan for universal access.
- ◆ Only piecemeal efficiency measures that do little on their own -- standardized claim forms, increased HMO incentives for small business, "flexibility" for states to do the job, more consumer information.

"It isn't simply that [Bush's] credit vouchers aren't large enough or that they won't be getting out to people. Printing health care vouchers [and] credits, the way the Russian republics print paper rubles, without acting to contain costs, is simply fueling inflation." [Sen. Jay Rockefeller, 2/6/92]



GOVERNOR BILL CLINTON
Y-ME
NATIONAL BREAST CANCER ORGANIZATION
LA GRANGE, ILLINOIS
JULY 28, 1992

Thank you. Thank you very much. I want to thank all of you for being here today. I want to say how much I appreciate the warm welcome you gave, not only to me, but to Carol Mosley Brown, and I hope you elect her to the United States Senate.

I flew in here today from a long way away. I came all the way from northern California and I'm very sorry the plane was a little late, and we got here a little late, and I'm grateful that you all waited. We're going to have a--apparently you were supposed to be here before I was supposed to be here, so I feel bad about that, worse about that.

Let me talk just a minute about the subject that I came here to visit with you about. And then we're going to, kind of, open the floor to questions. I don't know exactly how that was worked out, but I try to do as many conversations with the American people as I can.

Hillary and I, and Al and Tipper Gore went all across a lot of America, including southern Illinois, on our bus tour recently. And we had massive crowds of people. But everywhere I went, I tried to spend as much time as I could answering questions and shaking hands with people in the crowd, and talking to people about their concerns.

But there is an issue that I want to emphasize here today. That's why I was so glad to be invited here to this hospital, and to be associated with this Y-Me group. And that's women's health. I have been very concerned about this issue for a long time.

For those of you who don't know it, there is a vast inequity in our country in the research that's been done, in the way it's been done on health issues. And women have had their particular concerns grossly underfunded. The research protocols, even on illnesses that affect both men and women, have been overly-tilted toward tests on men, and as a consequence, there are many areas in which women's health concerns have not been adequately addressed.

Breast cancer is perhaps the most obvious, the most painful, and

the most sweeping. Those of you watching the Democratic Convention heard me say that my own mother has had breast cancer, and is recovering from that and, I think, doing quite well.

But in addition to that, there are problems of ovarian cancer, problems of osteoporosis. A whole range of problems that this government has not adequately addressed.

Recently the United States Congress finally passed a bill to do that. A bill that was supported, among others, by such conservative Republicans as Strom Thurmond, and let me tell you, I just want to give you an idea of the broad range of support it had, and Ronald Reagan's director of health and human services, who was himself a doctor. And Mr. Bush vetoed it anyway, because of the fetal tissue research provisions. That bill contained three hundred million more dollars for breast cancer research alone. I would have signed it, and as President, I'll help Y-Me meet their goal.

I want to talk to you a little bit about this issue in a broader context, because people are always saying, "Well, how are you going to pay for these things?" We're spending thirty-five billion dollars on defense research and development. We know that's going to be reduced. As it is reduced, we should put all of that money, all of that money into research and development for building an economy and a society for the twenty-first century, and into medical research and development into new technologies. We can do that. We can do that.

Beyond that, I have to tell you that having worked as hard as I could for twelve years in one of America's poorest states to generate new jobs, educate children, solve health care problems, I have become absolutely convinced that this country can never be what it ought to be, unless we find a way to join the ranks of the other advanced nations of the world in controlling health care costs and providing a basic package of affordable health care to all Americans.

Every time I say that, people say, "Oh, that sounds good, but you can't do it without a massive tax increase." Your nation today is spending thirty percent more than any other nation on earth, as a percentage of our income on health care, and getting less for it. Because we spend too much money on things that are not related to direct health care.

Ask the people who run this hospital. Ask any doctor. The average doctor spends thirty percent of income or more on paper work. The average hospital is hiring clerical workers at four times the rate of nurses.

In the United States of America, the insurance companies of our country take more in administration and profit than in any other country in the world. If we just reach the average that the European nations have, we'd have another sixty billion dollars a year to put into basic health care for Americans. Sixty billion



**Governor Bill Clinton
American Legion Convention
Chicago, Illinois
August 25, 1992**

Thank you. Thank you Commander DiFrancesco.

Thank you Commander DiFrancesco, and thank you all Legionnaires who have been so gracious in welcoming me here and inviting President Bush and me to address this convention.

I want to salute all my friends in the Arkansas Department of the American Legion. And I promised Al Gore that I would also recognize the Legionnaires from the Volunteer State of Tennessee also.

I want at the outset to pay a personal tribute to two Legionnaires: First, my good friend Hershel Gober, a Vietnam Veteran, former Adjutant of the Arkansas Department of the American Legion, and current American Legion Department Service Officer for Arkansas, who is my National Campaign Manager for Veterans' Affairs.

I also want to recognize Al Lynch, whose heroism in Vietnam earned him the Congressional Medal of Honor and who has volunteered for another tough mission: serving as my veterans' coordinator for Illinois.

I know it's become fashionable for some politicians to claim that they won the Cold War. But I know who won the Cold War -- you did.

No American would be free today if it weren't for the heroic sacrifices of you and all the millions of men and women who have served America in times of trouble. I feel a special sense of gratitude. You not only gave me the freedom you won for all Americans on the field of battle. You gave me the opportunity to serve America myself in the arena of public service.

It is literally true that I might not be here today if it weren't for the American Legion. Without your dedication to the youth of America -- which gave me the opportunity to attend American Legion Boys' State and American Legion Boys' Nation. If that hadn't happened, I might not be standing before you as my party's nominee for President.

I still remember that July afternoon in 1963, in the Rose Garden of the White House as I was waiting eagerly, a young 16-year-old, to shake the President's hand.

I couldn't help thinking that only in America could someone like me be so fortunate as to meet the President of the United States.

I knew then that I wanted to answer President Kennedy when he said "Ask not what your country can do for you, ask what you could do for your country."

Just three months before a lot of America's innocence died, when President Kennedy was assassinated, those warm and hopeful summer days, the American Legion taught me lessons I have tried to live by all my life. Lessons about the greatness of America, and the responsibility to stand up for what you believe.

The strength of our people and the durability of our Bill of Rights. The nobility of public service. That summer I learned from the American Legion that being a citizen involves responsibilities as well as rights -- including the responsibility to love your country even enough to right its wrongs; the responsibility to get involved, to make a difference, to serve.

I am not the only American whose life has been made better by your continuing service here at home. From baseball to the Boy Scouts; from keeping veterans hospitals open to keeping kids off drugs; from addressing homelessness to preventing child abuse to instilling a deep sense of patriotism into still another generation of Americans, a grateful nation owes you a debt of gratitude.

Like any adult I have to take full responsibility for the mistakes I've made in my life. But the American Legion deserves a large measure of credit for whatever successes I have enjoyed.

The first group I introduced Al Gore to as my running mate was the Arkansas department of the American Legion.

Because of my respect for the American Legion, I am here to speak to you as a candidate for the presidency. But before I can speak in that role, I have to tell you something very personal -- not as a Governor -- but as a citizen.

You know that I never served in the military.

You know that I opposed the war in Vietnam.

But I want you to know this: I was never against the heroic men who served in that war. I honored your service then, and I honor it still.

Although I have discussed my conduct during the Vietnam War in great detail, I feel I owe you one final statement, to set the record straight.

In 1969, while studying at Oxford on a Rhodes scholarship, I received a draft notice, which arrived late. My draft board postponed the induction date to give me time to finish my first year of study. That summer, I agreed to join the ROTC program and attend law school at the University of Arkansas. But a few weeks later, I changed my mind and decided I should take my chances with the draft.

Not long after that, the lottery was initiated. My draft lottery number was 311. If it had been 3, or if my number had been called, I would have served, and gone to Vietnam if so ordered. But I won't lie to you: I was relieved when I saw my number was 311, not because I didn't want to serve my country, but because I

believed so strongly that our policy in Vietnam was wrong.

I still believe that. It weakened and divided America and made us reluctant to use our strength in other parts of the world. But I know many of you then and many of you today disagree with me. I respect that.

If you choose to vote against me because of what happened 23 years ago, that's your right as a American citizen, and I respect that. But it is my hope you will cast your vote while looking toward the future with hope, rather than remaining fixed to the problems of the past. For in this critical year, if all of us vote our hopes and not our fears; if we use this election to bring our country together instead of keeping it apart; if, in short, we all begin to behave like Americans again, then I know that the greatest country in human history we make itself greater still.

The other question that arises, of course, is perhaps inevitable, not just in this election, but in other elections to come, as the post-World War II generation comes to leadership. And it is: Can someone who has never served in the military serve as Commander in Chief?

Lincoln might have thought the question odd. He used to joke about his lack of military experience, saying the only blood he lost in defense of his country was to mosquitoes. As a Congressman, he had been a passionate critic of the Mexican War, and the sum total of his military experience consisted of a few weeks as a militiaman called to service during the Black Hawk War, in which he saw no action. And yet he had the judgment and the wisdom and the strength of conviction to lead America through its bloodiest and most painful conflict.

In our own century, the professorial Woodrow Wilson -- a Governor who was never in the service -- led America and its allies to "make the world safe for democracy" in the First World War, and another Governor Franklin Roosevelt proved himself one of history's greatest wartime commanders, though he had never served in the military.

In 1980, still another Governor, Ronald Reagan, was derided for having spent more time filming "Hellcats of the Navy" than actually serving in the armed forces during World War II. And yet he never wavered from the use of American might when he felt it was right.

In President Bush's administration, Secretary of Defense Dick Cheney, who had deferments during the Vietnam era, has served with genuine distinction, especially during the Gulf War.

Our history -- and common sense -- tell us that competent commanders draw their wisdom from the strength of our country -- and our countrymen and countrywomen.

What makes a President fit to command is, in my view, faith in God, belief in the greatness of our country and the goodness of our people, a commitment to making and keeping America the strongest country in the world -- militarily, economically and morally -- and an understanding of the essential character of the American people.

We Americans love peace. But we will not shrink from force of arms

if arms are required to keep the peace and defend our interests.

In the end, every decision must be guided by principle as well as experience. Just after his election, with the prospects of war appearing imminent, Lincoln told his neighbors in Springfield that defending the nation in a civil war was a task "more difficult than that which devolved upon General Washington. Unless the great God who assisted him shall be with and aid me," he said, "I must fail. But if the same omniscient mind, and Almighty arm that directed and protected him shall guide and support me, I shall not fail, I shall succeed."

No one knows better than those of you in this room the solemn responsibility of the decision to use force to protect our nation's security and interests. When the American people choose a president, they want someone who they can trust to act when those moments arise. Every president in the last half-century has had to confront the fateful decision to send Americans into combat. I do not relish this prospect, but neither do I shrink from it.

I know we must have the resolve constantly to deter, sometimes to fight, always to win. And as Commander-in-Chief, I will fight to ensure that our troops who must go to battle are the best trained, best equipped and best supported in the world. Good people ensure victory on the battlefield.

As we scale back the force structure, we must restructure those that remain to meet the new, less predictable threats in the post-Cold War Era. Our forces must be ready and sustainable. They must be more mobile, more precise, and more flexible. And they must have the technologically advanced weapons they need to get the job done.

I will never allow a hollow army. My five-year defense budget over the next five years totals \$1.36 trillion compared to the President's level of \$1.42 trillion -- a difference of only 5%.

There are differences between these proposals. This administration would keep more troops in Europe and spend more on SDI; I would shift the focus to real threats we are likely to face in the coming decade: aggressive tyrants like Saddam Hussein, new regional conflicts, terrorists, and the threat of nuclear proliferation. I would preserve a more limited SDI option and support more emphasis on some military weapons, including the V-22 and fast sealift ships.

I still believe we should strive for an American, not a Republican or a Democrat, but an American national security and defense policy. I supported President Bush's efforts in Desert Shield and Desert Storm. I support the tough line the Administration has taken with Saddam Hussein recently. I urged the policies the Administration has adopted in Bosnia and Somalia.

The American people do not believe either political party has a monopoly on love of country. Patriotism is not partisan.

Nor does patriotism require a blind devotion to the status quo. Indeed, the risk of staying put; the costs of standing pat; the dangers of the status quo are far greater: for economic decline, more defense cuts without a conversion plan to protect those who won the Cold War and promote growth, more skyrocketing

health care costs.

From now on a large part of our national security policy must be found in economic strength as well as military might. A country that is not strong at home cannot be strong abroad.

My economic plan will create millions of new jobs -- for displaced defense workers, for veterans, for all Americans -- by reinvesting in our nation's infrastructure, civilian R&D and development, for the highways jobs of the future, in retraining our workers and our servicemen and women, and in redeveloping our communities.

As an American, I honor the service of every man and every woman who has served our country in uniform. As President, I will honor your service and sacrifice with deeds, not words. You've earned nothing less.

I will honor it first by giving veterans the kind of health care system your country owes you. I will work to ensure the VA--the Veterans Administration-- gets the funding it needs to provide the excellent and timely care our veterans deserve -- all our veterans.

I will work to see that once again our Veterans' hospitals works for veterans. As long as I am President, we will not merge the veterans medical centers into the welfare system.

Instead, we will simplify and reform eligibility, and strengthen the VA's efforts to deal with the special problems veterans face -- like post-traumatic stress disorder, complications from Agent Orange, drug and alcohol abuse. And we will honor America's unbreakable moral obligation to care for our veterans who were disabled in the service of our country.

And I will honor your service by appointing not a Secretary for Veterans' Affairs, but a Secretary for Veterans' Affairs -- not someone appointed for political reasons, but a Secretary I will choose after consulting with the American Legion and other veterans' groups.

Someone who will have your respect and esteem -- and mine. Of course, sitting even closer to me than the Secretary of Veterans Affairs will be your fellow Legionnaire and my running mate, Al Gore, so you know your voice will be heard.

I will honor your service by cutting the VA bureaucracy to make sure you get the benefits you've earned without a lot of red tape and delay. It shouldn't take longer to get your VA benefits than it took to liberate Kuwait.

I will honor your service by carrying on your tireless struggle to account for everyone who has ever served this country.

Back home I formed the Arkansas POW/MIA Verification Task Force to determine the status of the 26 Arkansans whose fates are still unknown. I do not know if there are still American POWs being held. But I do know this: when I am your President the files will be thrown open, the roadblocks will be torn down, and the truth will come out.

America must never leave its warriors on the battlefield. If there are men being held captive still, I will not rest until they are returned. And if they are not, at least we will know the

truth, and the truth will set us free.

I will honor your service by moving swiftly to address the special needs of the veterans who have been left out and left behind. Too many homeless shelters are bursting with veterans -- including veterans of last year's victory in Desert Storm. Your Family Support program is an important and helpful step -- veterans helping veterans.

But all Americans should help their fellow Americans. The fact that the American Legion is doing so much should not be used as an excuse for the American government doing so little.

And I will honor your service by making sure the heroes who won the Cold War are not left out in the cold.

Our people in uniform are among the most highly skilled in the areas of expertise we need the most. As gradual, sensible defense cuts take effect, we must transfer their talents and hard work to the civilian sector, and ensure they receive the assistance to do so successfully.

For example, I support incentives for military personnel to earn military retirement by taking jobs as teachers and police, as Sen. Nunn has recommended.

I want to add 100,000 police officers to help reduce crime and drug abuse.

I want to retrain defense industry technicians for work in critical civilian fields such as bio-technology, renewable energy and environmental cleanup.

The Pentagon stands as America's best youth training program, and our most potent research center. It's time to put those assets to work at home in the battle to make America strong once again.

We ought to encourage as many as possible to serve as citizen soldiers in the National Guard and Reserves. Our talented men and women in uniform are the best equipped to help solve the problems of infrastructure, education and rural health -- offering the possibility to our military personnel to serve as role models here at home, to many young people who never have good role models here at home, but still, all the while still meeting their obligation to fulfill their primary military mission.

How do you know I will do these things? Just ask my good friends from the American Legion of Arkansas.

I am proud of what we've done to honor the service of veterans at home. I appointed the first Vietnam veteran as Director of the cabinet-level Department of Veterans Affairs. We have a County Veterans' Service Officer Program, which is the backbone of our statewide outreach system, which makes sure no veteran is left out or left behind.

I am proud of the fact that Arkansas ranks first in the per capita reimbursements we get for our veterans from the federal Department of Veterans' Affairs. And we were first last year too. And the year before that.

I signed executive orders ensuring veterans' preferences in hiring. And I helped find the money to upgrade and expand the intermediate nursing facilities of the Arkansas Veterans' Home; I balanced 11 budgets in a row, but never on the backs of the

veterans of my state.

In 1989, when the flag burning controversy arose, I joined with the American Legion in taking steps to react. I signed legislation making it a crime to burn or deface the flag. But I also wanted to stop flag burning before it starts. So together with the American Legion we established one of the finest flag education programs in the country. Volunteers from the American Legion launched an all-out assault in our grade schools, instilling in our young students the deep patriotism that gives you and I a lump in our throat and a stir in our hearts every time we see Old Glory go up the flagpole.

I am proud of my record of support for veterans. And I admire the American Legion's 74-year commitment to what's best about America.

For three-fourths of a century you've been advising Presidents -- from calling for the GI Bill in 1944 to opposing the IRS's shameful attempt to tax Cost of Living Adjustments to veterans' disability payments.

I will be a good President for America's veterans. After all, I've been taking advice from the American Legion for 29 years.

Some of you may know, my father served in World War II. But he didn't die in the war. He was killed in a car accident three months before I was born, on his way home to Arkansas to see my mother.

He was killed just as he was about to start living for all the things he had risked dying for. And, when, many years ago, my mother showed me his service citation from World War II, I felt as proud as I've ever been.

I doubt he ever dreamed that, some day, the son he never knew would be standing here today as a candidate for President of the United States.

This could only happen in America.

And in my case, it might never have happened without the encouragement and assistance of the American Legion.

I know you are unlikely to base this important vote on the fact that I was in American Legion Boys State 29 years ago, or that I have a good record on veterans issues as a Governor.

But I also hope you will not base your vote on the fact that I didn't serve in Vietnam 23 years ago.

This campaign must be decided on the future of our nation and on the issues -- on jobs and health care and education and safer streets; on making the government work for all Americans, not just the special interests and the privileged few; on building a strong America at home and abroad.

In 1960, John Kennedy told the Greater Houston Ministerial Association that they should not oppose him just because he was a Catholic. He said, "If I should lose this election on the real issues I shall be...satisfied that I tried my best and was fairly judged."

Much changes. But much remains the same. What Abraham Lincoln called the "mystic chords of memory" preserve from generation to generation our hopes and dreams for our country. We

have a chance, right here, right now -- the chance of a dozen lifetimes -- to fulfill those hopes, realize those dreams and create the finest America yet.

For the next 70 days I will try my best. And I have confidence that you and all Americans will judge me fairly -- on the real issues. Because that's the American way.

Thank you, God bless you, and God bless America.

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FOR IMMEDIATE RELEASE
September 24, 1992

Controlling Costs and Guaranteeing Care for All The Clinton/Gore Health Care Plan

Governor Bill Clinton today detailed his health care reform plan and laid out the fundamental differences between his comprehensive plan and George Bush's piecemeal approach to the health care crisis.

"We'll never revive our economy or cope with the deficit until we get health care costs under control," said Clinton.

The Clinton/Gore plan will tightly contain costs so that they rise no faster than wages, saving Americans \$700 billion by the end of the decade. The plan will also guarantee coverage for all Americans, and preserve the private health system's quality and choice. Highlights of the plan include --

Controlling costs:

- Fence in national health costs by setting a national health budget to limit what consumers pay for health coverage.
- Take on the insurance companies to restore competition, driving costs below the budget and protecting consumers. We will ban "pre-existing condition" exclusions, require policies to offer full benefits, and set up purchasing groups that give individuals and companies real buying power and make insurers compete for their business.
- Stop drug price gouging by ending special tax breaks for companies that raise drug prices faster than inflation.
- Take other steps to control costs: reform medical malpractice laws, reduce duplicative technology and streamline paperwork.

Covering all Americans:

- Require employers to insure their workers, either directly or through a purchasing group; phase in requirements, with small businesses coming last, and provide tax credits to protect businesses.

- more -

- Guarantee private coverage for nonworkers, starting with nonworking pregnant women and children.
- Dedicate federal savings from cost controls to paying for expansions in coverage.

Governor Clinton said that he would put his plan before Congress in the first hundred days of his administration.

"I have a plan for fundamental change and real reform," said Governor Clinton. "George Bush has a last minute political proposal."

"Mr. Bush has done next to nothing to solve the health care crisis," Clinton added. "I will make sure health care costs don't rise faster than your income. He won't. I will take on irresponsible drug companies and insurance companies. He won't."

George Bush's inaction has let health care costs climb to \$800 billion in 1992. They now add \$1,230 to the price of an American car. Over the next five years, they'll account for more than half the growth of the federal deficit.

The health care reform plan Clinton detailed today is central to Putting People First, Governor Clinton's national economic strategy for America.

SUMMARY OF THE CLINTON/GORE PLAN FOR AFFORDABLE, QUALITY HEALTH CARE

America has the finest health care in the world, but it costs too much and leaves millions without coverage.

The Clinton/Gore plan calls for fundamental change. It will make sure that no American is bankrupted by illness, ensure that all Americans have affordable, high quality health coverage, and create a health care system that is much simpler and more secure than the one today.

To make a health care system that works, the Clinton/Gore plan meets three goals:

1. **Cost control** so that health care costs do not increase faster than Americans' wages.
2. **Guaranteed universal coverage.** Every American will be guaranteed affordable, quality coverage.
3. **Preserves what's best in our system.** Quality private care and personal choice of the world's best doctors and hospitals.

COST CONTROL: RESTORING COMPETITION WITHIN A BUDGET

It's time to get health care costs under control. Because of Republican inaction, we will spend \$809 billion on health care this year, and we'll waste as much as \$200 billion of that on a bloated bureaucracy and unnecessary tests and services. Only the insurance companies benefit. They have written the rules to prevent real competition and rational planning, and they profit mainly by avoiding "risk" -- the people who need help most.

The Clinton/Gore plan will improve quality, expand choice, and control costs through a strategy of competition within a budget. This strategy is supported by leading consumer groups, including the American College of Physicians, the American Academy of Family Physicians, the American Nurses Association, and businesses from Bethlehem Steel to Xerox that belong to the National Leadership Coalition on Health Care.

The Clinton/Gore plan will further cut costs by eliminating drug price gouging, cutting bureaucracy and fraud, and reforming medical malpractice laws. We will also protect consumers by making sure insurers end their discriminatory practices and turn no one away. These are the specific steps:

- **Set a National Health Budget** -- an overall limit on costs.

It is time that we decide as a nation how much we want to spend on health care. The Clinton/Gore plan will establish a national health care board made up of consumers, providers, business, labor and government. Together, they will set national and state health care budgets to limit public and private health care costs.

- > The budget and managed care networks: Consumers will have access to a variety of local health networks -- organized systems of insurers, hospitals, clinics and doctors. These managed care networks will receive a fixed amount of money (a "capitation fee") for meeting a consumer's full health needs. States will set an upper limit on these "capitation fees" so as to meet the budget. By limiting their total spending without interfering with their practices, the budget creates incentives for hospitals, clinics and doctors to reduce bureaucracy, eliminate duplicative technology, and stop waste.
- > The budget and other insurers: For services covered by other (non-managed care) insurers, states will establish fee schedules applicable to all payers in order to meet the global budget targets.
- > The budget and Medicare: We will protect Medicare benefits for the elderly. Our fundamental reforms will reduce bureaucracy and unnecessary care, generating savings for Medicare and the private sector. Medicare payments to providers, like non-managed care insurance payments, will be subject to budgetary limits.

- **Set new rules for insurance companies -- to create competition.**

The Clinton/Gore plan will fundamentally change the rules for insurance companies. We will ban the anti-competitive practices that increase red tape and force up prices. We will restore consumer choice, end job lock, and give businesses greater bargaining power. These steps will restore real competition, drive costs below budget limits and ensure that health costs rise no faster than Americans' wages.

We will make insurance companies play by a new set of rules:

- > **Open enrollment.** We will ban "pre-existing condition" exclusions. Insurers will have to take all comers, freeing workers locked into their jobs because they fear losing their insurance.
- > **Equitable pricing.** Insurers will have to use "community rates," which stop insurers from charging consumers more based on such factors as size of employer, health condition or gender.
- > **Comprehensive benefits package.** We will require insurers to offer a comprehensive benefits package, as detailed by the National Health Care Board. This package will cover the preventive and primary care Americans need to stay healthy -- including pre-natal care, well-child care, mammograms and routine health screenings. It will also include full protection in case of illness -- including physician visits, hospital care, prescription drugs, and basic mental health care -- and allow consumers to choose where to receive care.
- > **Purchasing groups to drive competition.** We will establish publicly-sponsored purchasing groups that band together small businesses and individuals to buy private coverage. Health networks will have to compete -- at lower costs, with more choices and higher quality -- to win the business of the companies and individuals in these groups.

- **Eliminate drug price gouging.**

To protect American consumers and bring down prescription drug prices, the Clinton/Gore plan will eliminate special tax breaks for pharmaceutical companies that raise their drug prices faster than the rate of inflation. We must stop drug companies from charging more in the United States than they do in other advanced nations.

- **Reduce paperwork and fraud.**

To control costs and trim the "paper hospital," the Clinton/Gore plan will replace expensive and complex financial forms and accounting procedures. We will implement a single claims form, standardized billing codes, electronic processing, and other steps that will reduce the

paperwork now consuming as much as 80 hours a month of a physician's time. We will also crack down on billing fraud and remove incentives that invite abuse.

- **Reform medical malpractice law.**

We will reform medical malpractice laws to reduce the cost of "defensive medicine" -- doctors' practice of ordering unnecessary tests to protect themselves against malpractice lawsuits. We will make alternative dispute resolution mechanisms available in every state -- mechanisms that take disputes out of the court system and effectively and fairly address the concerns of patients and physicians. We will also encourage the development of medical practice guidelines to eliminate improper care and to help physicians defend against charges of negligence.

- **Reduce duplicative technology.**

To reduce the proliferation of duplicative technology, the National Health Board will develop recommendations and incentives for the shared use of new forms of technology.

UNIVERSAL COVERAGE: PRIVATELY PROVIDED, PUBLICLY GUARANTEED

The Clinton/Gore health reform plan will guarantee coverage for all Americans by building on our system of coverage through employment. All workers and their families will receive coverage through the workplace. Government will guarantee coverage for nonworkers.

- **Guaranteed coverage for working families.**

- > **Affordable coverage.** The Clinton/Gore plan to control costs will make sure health benefits are affordable for employers and employees.
- > **Employer responsibilities.** 85% of workers and their families get coverage through jobs. We will make sure that all do. We will require companies to insure their employees, and provide tax credits to offset costs for companies that need help.
- > **Employer options.** Employers will purchase benefits directly from insurers or through the publicly sponsored purchasing groups.
- > **Protection for business.** The Clinton/Gore plan will provide assistance to make sure that small businesses and their workers are not jeopardized by the new responsibilities. We will take a number of steps in addition to the small group market reforms already described:
 - Provide assistance through tax credits to protect businesses.
 - Phase in employer requirements with the smallest businesses coming in last. We will not throw businesses into today's broken health insurance system.
 - Require employees to pay a share of the costs of new health benefits.
 - Raise the health insurance tax deduction for the self-employed from 25% to 100%.

- **Guaranteed coverage for nonworkers.**

The Clinton/Gore plan guarantees nonworkers and their families private coverage through the publicly sponsored purchasing groups. They will pay a sliding scale premium based on income. We will fold Medicaid into this program for private coverage.

- **Savings dedicated to expanding coverage.**

We will dedicate federal savings from cost controls to expanding coverage to all. Once universal coverage is achieved, savings will be used to reduce the deficit.

OTHER STEPS FOR NATIONAL HEALTH REFORM

- **Expand Health Education and Demand Personal Responsibility**

The Clinton/Gore plan gives Americans the ability to help themselves. We will make an intensive health education effort in the workplace and in schools to educate Americans about behavior that causes ill health and high costs. We will make sure adequate information for finding high quality, cost-effective coverage is available. The right to affordable health care must be accompanied by the responsibility to maintain our own health and to use the system wisely.

- **Expand School-based, Rural and Urban Health Clinics**

Simply providing health insurance coverage is not enough. Too many Americans in underserved rural and urban communities, and too many school children across the country, lack access to the health care they need, even when they have excellent insurance coverage.

The Clinton/Gore plan will expand the number of community health clinics in rural and inner-city areas. In Arkansas, school-based clinics have been highly effective in reaching children and families on issues like teen pregnancy and early childhood care. We want to see these clinics expanded across the country.

We will expand the National Health Service Corps which pays for the education of health care professionals in return for service in underserved communities. And we will carry out the recommendations of the National Governors' Association to provide incentives for students and mid-career health professionals to serve in primary care professions in underserved areas.

- **Emphasize Preventive and Primary Care**

Failure to obtain preventive and primary care -- such as prenatal care, immunizations, check-ups, and routine screenings -- is costing billions of dollars in avoidable health care. The Clinton/Gore plan will guarantee preventive coverage for all Americans. We will also reform our medical education system to prepare more physicians to practice preventive and primary care. We will expand support for graduate training for mid-level health professionals, such as certified nurse-midwives and nurse practitioners.

- **Expand long-term care**

No Americans should have to impoverish themselves to qualify for long-term health care, and no family should have to choose between long-term care for grandparents and education for children.

We can provide more services to the elderly and disabled by expanding Medicare. We will phase in long-term care benefits, starting with diversified coverage of home-based and community-based care. In Arkansas, we've launched a popular pilot program called ElderChoices, which gives the elderly the right to take money previously available only for nursing home care and spend it instead on home health care, personal care, transportation to senior centers, nurses' services, or attendance at an adult day care center.

THE BUSH RECORD: A HEALTH CARE NIGHTMARE

DOING NOTHING WHILE COSTS EXPLODE AND MILLIONS LOSE INSURANCE

- Since 1980, health care costs have tripled, going from \$2500 to \$7500 for an American family. [Health Care Finance Authority, Office of the Actuary]
- Annual national health care spending increased from \$249 billion in 1980 to more than \$800 billion today. [HCFA, Office of the Actuary]
- In 1990, 35 million Americans were uninsured. Each month under George Bush, 100,000 people have lost their insurance — mostly workers who lose their jobs or benefits. [Current Population Reports, Bureau of the Census]

WATCHING WHILE COSTS HIT BUSINESSES, WORKERS, AND THE ECONOMY

- For the first time in American history, health care costs now exceed business after-tax profits. [Health Care Finance Review, Winter 1991]
- 1 million jobs have been lost since 1980 due to rising health care spending for business -- 200,000 under Bush alone. [Kenneth E. Thorpe, UNC Working Paper, 8/31/92]
- Health benefits consume 8% of payroll today. By the end of the decade, they will cost as much as 20% if nothing is done. [Karen Davis, Commonwealth Fund]
- Health care costs are hurting American competitiveness. They add \$1,230 to the price of cars built in America [Chrysler Corp.]
- Bush's own advisory commission found that workers lost 58% of potential wage increases because employers had to spend it on health care costs. [Social Security Advisory Commission, Dec. 1991]
- Medicare and Medicaid have grown from 8% of the federal budget in 1980 to close to 14% today. Over the next five years, they will account for more than half the growth of the federal deficit. [CBO]

PROTECTING THE INSURANCE AND DRUG COMPANIES

- Insurance companies have given over \$2 million to the Bush/Quayle re-election effort. [National Library on Money and Politics]
- Drug and health product interests have given another \$1 million. [Center for Responsible Politics, National Library on Money and Politics]
- When Bush convened his 'Health Care Summit' on health care costs, Bush effectively barred groups of consumers and businesses who pay the bills. 40 representatives of health insurers and providers were invited. [Medicine and Health, 11/4/92]

THE BUSH PIECEMEAL POLITICAL HEALTH CARE NO-PLAN

NOTHING BUT POLITICS

- "Mr. Bush expressed no sense of urgency about the health care crisis until last November when the voters of Pennsylvania spoke out loud and clear for a national health plan and elected Harris Wofford to the Senate." [NYT, 8/2/92]
- George Bush has not introduced in Congress the key to his health plan -- his \$36 billion a year health care tax credit and deduction scheme.

RAISE COSTS AND COST JOBS

- Bush would increase national health expenditures by 2 percent over current levels -- \$18 billion next year alone. It would increase federal tax expenditures by 39% or \$36 billion a year. [R.D. Reischauer, CBO Director, Senate Finance Committee hearing, 5/6/92]
- "Bush's health proposals will drive up private sector costs at a loss of 1.5 million jobs in the next five years. [Kenneth E. Thorpe, UNC Working Paper, 8/31/92]

SEND MORE MONEY TO INSURANCE, DRUG COMPANIES

- "The large inducements for insurers... would increase the already horrendous administrative costs of the current system." [Henry Aaron, Brookings Institute, House Energy and Commerce testimony, 7/29/92]
- "[Bush's reforms] leave in place some of the worst anticompetitive features of the present failed market. [Alain Enthoven, New England Journal of Medicine, 9/10/92]
- Bush won't control drug prices -- increasing at three times the inflation rate. [Families USA]

LEAVE MILLIONS UNINSURED

- No more than 7 million of the 37 million uninsured would be able to purchase health insurance under the Bush proposal. [Employee Benefits Research Institute]

CREATE 'HEALTH STAMPS' -- WELFARE FOR HEALTH CARE

- Bush would provide a full tax credit or voucher only for those earning less than \$10,000. The value falls to just \$125 for an individual earning just \$15,000.
- Bush's proposal allows middle class families to deduct only \$563 out of an average cost of \$6,500 -- about 1 month worth of coverage. [DPC, 2/28/92; Families USA]

BUSH PROPOSALS WOULD GUT MEDICARE AND COST JOBS

- In his 1992 Mid-session Review, Bush proposed raising Medicare taxes and cutting Medicare benefits by a combined total of \$127 billion over the next five years, increasing the average elderly American's medical bill by \$2000. [OMB]
- The Medicare cuts required by Bush's proposals would increase private sector health costs - and cost 2.2 million jobs. [Kenneth E. Thorpe, UNC Working Paper, 8/31/92]