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Republican- Kentucky

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MODERATOR/

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TRANSCRIPT

SCHIEFFER: And good morning again. We start in the studio with the Republican leader Mitch McConnell. Senator, welcome back to "Face the Nation."

MCCONNELL: Good morning, Bob.

SCHIEFFER: Let's just start right in on this -- this whole business of health care. It was hard to argue with what the president said yesterday when he said nobody -- government, people, the health care industry -- is satisfied with the health care we have now because we spend 50 percent per person more than any other country in the world on health care. And yet it is what it is.

He said also, yesterday, though, that he has found a way to basically pay for all this without increasing the deficit. He says he can do that by identifying what he called another \$313 billion in savings that will come about by eliminating more unnecessary spending and by increasing efficiency.

Let's just listen to a little bit of what he said, here.

(BEGIN VIDEO CLIP)

PRESIDENT BARACK OBAMA: If more Americans are insured, we can cut payments that help hospitals treat patients without health insurance. If the drug makers pay their fair share, we can cut government spending on prescription drugs. And if doctors have incentives to provide the best care instead of more care, we can help Americans avoid the unnecessary hospital stays, treatments and tests that drive up costs.

(END VIDEO CLIP)

SCHIEFFER: So, is he being straight with us?

MCCONNELL: Well, let's start at the beginning. They teach every first-semester medical student, "Do no harm." And what the president did not talk about yesterday is his ambitious plan to have a government insurance plan, in effect, that essentially crowds out of the private market all the competition that we have among insurance companies today to have a national rationing board which would determine what kind of treatments would be available for American citizens.

Those, typically, in single-payer countries like Canada and Britain involve delays in treatment, denial of care, that kind of thing. All of that really ought to be put aside if we want to get a truly bipartisan proposal.

The Medicare cuts that the president was talking about yesterday were not in the context of making the current program more sustainable, Bob. We have an unsustainable Medicare and Medicaid now.

The president is talking about looking at those cuts in the context of expanding coverage far beyond what we have.

This is 16 percent of the economy, as we all know. It's an enormously important subject. We can make incredible improvements in American health care, but I don't think having more government; in effect putting Washington between you and your doctor, is the way to go.

What we ought to be dealing with are things like litigation reform, things like wellness programs. That's one thing I think we can all agree on.

The CEO of Safeway is a very impressive man that we've all heard from who's been able to bring the health care costs of his company dramatically down by emphasizing things like obesity control, eliminating smoking, to the maximum extent possible, high cholesterol, high blood pressure, more exercise. There are a number of things that we can do to improve our health care system.

SCHIEFFER: Let me just start with a couple of things that you've said here. The president's people will tell you that he is not proposing any kind of a rationing board.

They would also say to you that, when he's proposing a public insurance option, that is just to give people another option if they don't want to go -- that, if they want to keep their private insurance, that's OK, and that it's not going to crowd any of that out, so...

MCCONNELL: I know they say that, Bob, but in fact, if the government is in the insurance business, there won't be any other insurers. It's inevitable because the taxpayers will be backing up the program.

We've seen a, kind of, version of that over in the auto takeover. You've got Ford Motor Company, which makes Ford vehicles in my hometown -- it didn't take any government money -- now having to compete with a government-controlled General Motors acceptance corporation, trying to finance their cars in competition with the government financing company. And they're having a hard time doing it.

We know that, if the government gets in this business, pretty soon nobody else will be in the business.

SCHIEFFER: Is that a deal-breaker for you and for Republicans?

Because he seems to be insisting that this public option, which would be very much like Medicare for older people now; this would be something where the government, you could opt for that rather than private insurance.

SCHIEFFER: But is that a deal-breaker, as far as you're concerned?

MCCONNELL: I think that, for virtually every Republican, a government plan is a non-starter. There are a whole lot of other things we can agree to do on a bipartisan basis that will dramatically improve our system.

But we already have the best health care in the world. We know it costs a lot, but we have the best health care in the world. And I don't think many Americans want to start having to, you know, wait in line and start getting government permission for procedures. We need to be very careful about taking the wrong steps.

SCHIEFFER: What would you feel about taxing existing health-care benefits? During the campaign, we remember that candidate Obama criticized John McCain, because he said that's what John McCain was trying to do.

We now understand, though, that the chairman of the Senate Finance Committee, Democrat Max Baucus, is including that, that perhaps there would be some tax on some existing health-care benefits. We're also told that the White House says nothing is off the table. Although this morning Joe Biden, the vice president, said that's a bad way to go.

MCCONNELL: Well, the finance committee is beginning to look at how you would pay for this massive expansion of health care. As I indicated earlier, we're having a hard time paying for the health care -- the government health care we already have, Medicare and Medicaid. Now they're trying to grapple with how to pay for the expansions. It will not be easy.

SCHIEFFER: Would you -- would you encourage that, tapping existing..

MCCONNELL: Let me tell you what I would do if I were in charge. I would equalize the tax treatment between companies and individuals. Right now, if you work for a company that provides you health care, the government allows a tax deduction to the company for providing the care. If you're an employee who does not have health care, it's not deductible.

I would equalize the tax treatment, which would be a way of beginning to deal with the problems of the uninsured, which is what has motivated us to tackle this issue in the first place. And second, I'm not going back over the whole wellness argument again, but the government needs to be massively incentivizing wellness programs across the country. That is what we're...

SCHIEFFER: But what about -- what about this taxing increase?

MCCONNELL: Well, I think how much you might need in terms of revenue depends on what you decide to do. So I don't think know we ought to, at the outset here, be talking about tax increases. We ought to be talking about how to make the current system we have work better.

SCHIEFFER: Now, one of the things that the president has talked about -- he didn't include this in his speech, but we're told from the White House -- and that is reducing subsidies to hospitals, some of the federal subsidies that go these hospitals now. By some estimates, they're talking about reducing subsidies to some hospitals by as much as 75 percent. Do you think that's feasible?

MCCONNELL: Well, that's what he was talking about yesterday in his address: these cuts to doctors and hospitals. You know, the Congress periodically wrestles with those issues just trying to make the current government programs of Medicare and Medicaid sustainable. The president is talking about massive cuts to doctors and hospitals to try to pay for even more coverage.

Bob, I think that it's going to be extremely controversial. You're going to hear from every hospital in America and virtually every doctor pushing back, because they're having a hard time dealing with the cuts that have been imposed already.

SCHIEFFER: Let's talk a little bit about Guantanamo. You seem to have taken it as sort of a personal call, and that is basically to oppose the president's plan to close Guantanamo and the prison there. I think you've made 18 speeches on the Senate floor. What is it you want to do? Do you want to just keep it open?

MCCONNELL: Yes, Bob, let me -- let me just start by saying we haven't been attacked again since 9/11. We're all pleased about that. We know that there are two reasons for it.

No. 1 we went on the offense in Iraq and Afghanistan. And No. 2, we have a lot of these terrorists in the perfect place, Guantanamo, from which no one has ever escaped.

I don't think that this a problem that needs fixing. And the administration has made or set an arbitrary deadline to close Guantanamo by next January, presumably to make us more popular in Europe. And you've seen the difficulty they've had in trying to get any other country to take them. If you bring them into this country and try them, then presumably they are going to be given the protections of the Bill of Rights. And we've had a bad experience with a couple of terrorists who...

SCHIEFFER: Can you keep the president from closing it?

MCCONNELL: We're going to try. I mean, the Senate voted 90-6. My colleague Dick Durbin, who is coming on next, was one of the six against putting any money in the supplemental appropriation for closing down Guantanamo and against bringing any of these folks to the United States.

SCHIEFFER: So you just want to keep it as it is, at least -- at least for the time being.

Let me go to one other question, and then I'm going to add just a little time here. The confirmation hearings for Sotomayor. The administration wants to get this done this summer. Do you think that is doable?

MCCONNELL: I really don't know yet. She has a very long record. And what they are trying to do is to insist on the shortest time frame for someone who has the longest record of any Supreme Court nominee that we've considered in recent times.

I think what we ought to do is read all the cases, 3,600 cases. Chief Justice Roberts only had 320. Read the law journal articles, work our way through this, and let the facts lead us where they may go.

SCHIEFFER: Do you -- my sense of it is you, at this point, don't have the votes to stop this confirmation, that it is going through. If it came to it and you decided you did not want her on the court, would you be prepared to filibuster this?

MCCONNELL: Let me say it's way too early to be talking about whether or not anybody opposes this nominee. I have consistently opposed filibustering judges, did it during the Clinton years, but I lost that fight. The Senate will filibuster judges. That precedent was established, ironically enough, on an Hispanic-American nominee, Miguel...

SCHIEFFER: What you're saying is that the filibuster is still on the table?

MCCONNELL: Yes, the Democrats have firmly established that as a precedent but that doesn't mean you're going to use it. It's way too early to be -- I mean, the hearings haven't been held yet to determine whether or not Justice -- Judge Sotomayor should be opposed.

SCHIEFFER: All right. Senator McConnell, thanks so much for being with us.

We'll hear another point of view in just one minute.

(COMMERCIAL BREAK)

SCHIEFFER: And with us now from Chicago, the Senate majority whip. That means he's No. 2 in the Democratic leadership in the Senate, Dick Durbin.

Senator Durbin, welcome to you. And I'm going to start with you just where we started with Senator McConnell, and that is on health care. It is my understanding that the chairman of the finance committee, Max Baucus, Democrat, when he unveils his health-care reform bill, it will include a provision to tax some employer benefits.

Now here is what your man, Barack Obama, said when he was seeking the presidency this summer. Here's one of his ads. Just a bit of it.

(BEGIN VIDEO CLIP)

OBAMA: He says he's going to give you a \$5,000 tax credit. What he doesn't tell you is that he is going to tax your employer-based health-care benefits for the first time ever. So what one hand giveth, the other hand taketh away.

(UNKNOWN): John McCain, instead of fixing health care he wants to tax it.

(END VIDEO CLIP)

SCHIEFFER: So I have to ask you, Senator Durbin, does the president still stand by the words and what he said during the campaign?

DURBIN: Well, I take it from your earlier comment that Vice President Biden has said this is not the best approach, and I agree with him. You know, it reaches a point where you say if you're going to protect a certain number of health insurance plans that are currently out there and not tax them, then you have a limited revenue coming from this source. So I think there's some misgivings within the Democratic caucus.

But let me tell you, Senator Max Baucus has a tough assignment. He's worked on this harder than anything I've seen him take on in the years that I've been in the Senate. And the finance committee will have its chance to work its will this week.

SCHIEFFER: Well, will the president just leave Senator Baucus out there on the limb then. Is he going to say at the start that is a no-go, that's a non-starter? I mean, how is he going to say, what's he going to say when this becomes part of the plan, because every indication we had is that it is going to be part of the plan?

DURBIN: Well, I'm not sure I can speculate on what the president will do, but his style has been to set some goals and to be open to different approaches. We're watching as he tackles the biggest domestic issue that we've had in modern memory.

So I think he's going to let the Senate Finance Committee try to come to the best conclusion it can to report a bill to the floor. And then we'll see what that bill looks like as it finishes the Senate and comes out of conference.

SCHIEFFER: Would you yourself, Senator, support a plan and vote for a plan that included a tax on existing health care benefits?

DURBIN: It wouldn't be easy for me to do, I can tell you. But the president has reminded us...

SCHIEFFER: But would you?

DURBIN: Well, I'm not sure. I'd have to see what it does. Because I'm really concerned about how deeply it goes into working families and middle-income families and the impact it will have on their budgets.

The president's reminded us, though, if this were an easy assignment, it would have been done a long time ago.

SCHIEFFER: Well, speaking of assignments that aren't very easy, let's talk about what the president said yesterday.

He said that he is going to be able to do all of this health care reform that he was talking about without adding to the deficit. Now, some people are saying this may cost as much as \$1.6 trillion.

Isn't that just straining credulity to say that you can do that without adding to the deficit?

DURBIN: I'm not sure we know what the total costs will be until the plan is written, obviously.

SCHIEFFER: Well, it's going to be a bunch.

DURBIN: It's going to be a lot. And the president has come forward suggesting \$600 billion in savings. And he said, yes, at the end of the day, this must be deficit-neutral.

The object, of course, in health care reform is not only to provide relief, fix the things that need to be fixed in this system, keep those elements that are good but also to deal with it as part of our deficit issue.

If we don't deal with the costs of health care, trying to balance our budget, making sure we don't pass these debts on to future generations, it will be exceedingly difficult.

So I think the president has shown good faith in coming forward with \$600 billion. Now it's up to Congress to find its way for the rest of the revenue and to really change our health care system.

Bob, the bottom line is this. The current system is unsustainable. There are talking points on the other side of the aisle about creating some fear of change and what this might mean.

You know, the president has said -- we've all said -- if you like your current health care insurance, your plan, you're going to be able to keep it. But we need to fix some things in the system. The costs are out of control.

SCHIEFFER: But isn't it -- again, I mean, we've all lived through a rosy scenario and all that kind of thing, where all these savings that can be made, and somehow it never, ever comes true.

And in this thing yesterday, where he's talking about all these savings, he's talking about reducing federal subsidies to hospitals, in some cases by as much as 75 percent.

I mean, is that feasible? Does anybody really think you can do that and maintain health care at the levels it is now at?

DURBIN: I think the president's suggestions are reasonable and logical. Here's what he said. Currently many of those hospitals are absorbing uninsured patients. They're having to add those costs to the bottom line.

Our goal is to give coverage to everyone so that each person coming into a hospital is going to have insurance coverage and reimbursement to the hospital, so that we can reduce the government outlay in that respect because people will be insured.

When 47 million or 48 million uninsured Americans have insurance coverage, that's going to make sure that doctors and hospitals are actually paid.

SCHIEFFER: Well, another thing he says is he's going to realize \$75 billion dollars in savings by lowering the cost of drugs. Well, again, that's a lovely thing to say, but, I mean, he doesn't give any explanation as to how he's going to lower the cost of drugs.

Don't we need a lot of detail on that before we can even take that seriously?

DURBIN: I think it's right to ask those questions. But, remember, this president started this debate in a much different way. And I'm not taking anything away from the Clinton administration and their efforts to tackle this tough issue. But President Obama called in all of the players into the White House -- I was there -- the pharmaceutical companies, the doctors, the hospitals, the nurses. Everyone was in on the first discussion.

And he has involved them in talking about actual savings that can be realized. And I think real savings can.

Let me commend to you an article that is making the rounds on Capitol Hill, from the New Yorker on June 1, where Dr. Atul Gawande went back to your home state of Texas and asked why, in McAllen, Texas you had the highest cost reimbursement for Medicare patients, and in El Paso, it was a fraction of that cost?

It turns out there was overutilization. There was too many tests that were being ordered, too much expense in the system, and you didn't have good health outcomes to show for it. There are ways to make this system work better to bring quality and affordability to it and give people the real choices they need when it comes to doctors and hospitals.

SCHIEFFER: Is everybody going to have to pay more in taxes, though, to make this happen?

DURBIN: Well, keep in mind, now, everyone today faces a hidden tax estimated for most families at \$1,000 a year that we pay in health insurance premiums that we shouldn't pay. It's money that we're paying to cover those who have no health insurance and to really sustain a bloated system, a system that really needs efficiency.

DURBIN: So to argue that we're going to pay a new tax -- we're facing that hidden tax today. If this nets out as I think it will, the overall cost of health care will come down and the quality can be preserved. We can deal with our deficits and say to the American people, you don't have to worry tomorrow that your health insurance premiums are going to go through the roof and your coverage is going to be inadequate.

SCHIEFFER: Less than a minute. Senator McConnell says he wants to keep Guantanamo open, and he says he thinks there's a possibility that Congress can keep it open. What do you think is going to happen?

DURBIN: Well, he takes his position with Vice President Cheney and Mr. Limbaugh. I happen to side with General Colin Powell and General Petraeus. I believe Guantanamo should be closed. It's a recruiting tool for terrorists around the world, and we've heard that from General Petraeus and others.

We have a system in this country. We have tried in the last six months, effectively prosecuted 30 terrorists and incarcerated them without a ripple of it of news media coverage, because we have a sound trial system and jury system, good courts, good prisons, and a good system of justice.

Senator McConnell is concerned, maybe fearful of bringing these terrorists to the United States. But today, we have safely incarcerated 355 convicted terrorists in American prisons. We can hold these prisoners safely, and President Obama is never going to release a terrorist in the population of America who could endanger us.

SCHIEFFER: All right, we have to stop there. Senator, thank you so much. And I'll be back with some final thoughts in just a second.

DURBIN: Thanks, Bob.

(COMMERCIAL BREAK)

SCHIEFFER: Finally today, it's been a year-- sometimes it seems like just last week. My wife and I were on a vacation in the French countryside when my cell phone vibrated. It was Howard Kurtz of the Washington Post. "Get ready for some very bad news," he said. Tim Russert is dead.

I couldn't believe it. But we drove straight to Paris, because in D.C. he asked me to talk by satellite about my friendship with Tim. Some were surprised that two network rivals could be good friends, but we were. We both loved baseball. Our seats were close together at the local ballpark here and we watched a lot of games together. Maybe it's more accurate to say we talked a lot of politics while baseball games were being played.

Sure, we delighted in scooping each other. When I got a beat on Tim -- and there weren't many times I did -- I felt as if I had hit a home run off the best pitcher in the league. He was equally delighted to run one by me. But the best compliment I ever got was when someone asked him what he watched when "Meet the Press" was preempted. He answered, why, "Face the Nation," of course.

Tim made our game better by playing the game right. He did his homework. He asked questions, and then he listened to the answers. We have a wall of TV sets in our office where we monitor the competition. And on Sundays, I still find myself looking at those screens expecting to find that big, round Irish face of Tim Russert. I miss old Tim. And I expect I will for a long time.

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