

Thank you, Senator Durenberger.

Greetings to the Presidents of these two fine Minnesota Universities.

Congratulations to those of you who are receiving PATHFINDER AWARDS and to Whitney and Betty MacMillan for the FOUNDERS AWARD. This is a fine day for all of us who care about the health of Minnesota.

Yesterday, in my state of the state address, I talked about the importance of being smart with the tobacco settlement, and then asked a question that won a standing ovation from both republicans and democrats:

What Price Tag Do You Put On Your Health?

We Minnesotans put A whopping price Tag On Good Health As Individuals And As A State:

- We consistently are either 1st or 2nd on the national list of “healthiest states.”
- Some of the finest physicians and health care workers and hospitals in the nation are responsible for this good care from one corner of Minnesota to the other.
- Our Universities, teaching hospitals, medical manufacturers, and the Mayo Clinic lead the world in new ideas and products with research and education.
- In short – health care is our biggest industry and a great source of pride.

But I also said in the state of the state that when you’re leading, you never rest on your laurels.

- We have changes in our state: we’re getting older; we’re getting more diverse; we have wonderful new technology in the pipeline; and we’re becoming more urban. All of this adds to the costs of providing health care.
- Few things put more pressure on budgets than health care



costs we can't control.

- There are still people without insurance, people struggling to afford their portion of the premium, and seniors who can't pay for prescription drugs.
- Government isn't going to find all the answers. That's why we need research institutes like this one to look at the tough questions and pose solutions.

I'M HERE AS A CENTRIST REFORM GOVERNOR TO LOOK AT THE TOUGH QUESTIONS...NOT MAKE PEOPLE COMFORTABLE. I WANT GOOD ACCOUNTABILITY AND RESULTS FROM GOVERNMENT AND THE HEALTH CARE COMMUNITY.

- Government should not do what the people cannot do for themselves. We should not add to the costs of delivering health care unless it measurably improves the results.
- We need to make government work better and challenge every employee in the health care system and the system itself to take their accountabilities seriously.

WE NEED TO KEEP INVESTING IN IMPROVEMENTS THAT MAKE SENSE. WE NEED TO FIND THE RIGHT ROLE FOR STATE GOVERNMENT IN GETTING THAT DONE.

ONE OF THE BIGGEST QUESTIONS BEFORE US TODAY

IS: WHAT DO WE DO WITH THE ONE-TIME TOBACCO MONEY?

My commitment to endowing the tobacco settlement money is tied to my belief in self-sufficiency and improving the lives of Minnesotans. My resolve to endow the money has grown

even stronger since last week when I joined all the national governors in a meeting with President Clinton. He made it abundantly clear that the federal government will demand reimbursement for medicare from the proceeds of the settlement if it is not used for human services and health care purposes. These payments, totaling \$1.3 billion over five years, are a windfall to the state of Minnesota...not an overcollection of taxes. It is a once in a lifetime opportunity to invest in ourselves and our future. I am proposing four endowments that protect the principal entirely. The interest earnings would be spent in four areas of self-sufficiency:

- The Minnesota Families Foundation to help individuals and families reduce their dependency on government.
- A Local Public Health Endowment to support local public health networks.
- An endowment for Health Professionals, education and medical research to support the University of Minnesota and Mayo Clinic.
- A Medical Endowment to support teaching hospitals and clinics around the state and ensure that important medical research on serious health issues takes place.

It is my hope and expectation that this legislature will consider and agree that there every reason to invest these resources for the betterment of our health and all of humanity.

THERE'S ONE OTHER THING I WANT TO ADDRESS.

YESTERDAY, I USED AN EXAMPLE OF A CONFUSING NURSING HOME REGULATION.

- There seems to be a lot of confusion about whether this regulation does OR doesn't exist.
- My point is that we shouldn't have regulations that are unclear and don't make sense.
- We shouldn't make the people who work in hospitals and nursing homes afraid about whether or not they're doing the right thing.
- Government should give workers incentives to do the right things.

ANY ONE OF US WHO HAS EVER HAD A LOVED ONE IN A NURSING HOME WANTS WHAT IS BEST FOR THAT PERSON.

- Understanding and kind words when family can't be there.
- The warmth of a blanket when our loved ones needs it.
- Encouragement to face the day when our loved one is aching and in pain.



Ladies and gentlemen, these are important jobs . We cannot legislate compassion and professionalism. It's bigger than any government. All of us here today should strive to set the stage for the best people to want these jobs...not drive them away.

COMMISSIONER OF HEALTH JAN MALCOLM CAME TO THE JOB WITH A COMMITMENT TO MAKE THE HEALTH CARE SYSTEM WORK BETTER FOR MINNESOTANS, WHICH IS WHY I APPOINTED HER TO THIS IMPORTANT POSITION.

She is tracking every discussion at the Legislature and is working with me to determine what makes sense for the entire industry.

Regulations that aren't clear and that don't help to respond to real issues – or that take too much discretion away from the people who are closest to the situation are NOT useful.

We must focus on the broader issues of how government and the health care community can work together to improve the health of Minnesotans.

I'm hopeful that everyone here today celebrating the opening of the National Institute of Health Policy would agree.

I'D LIKE TO TALK ABOUT ONE OTHER THING TODAY THAT WILL BE OF INTEREST TO ALL OF YOU MINNESOTANS –

MAKING GOOD ON A CAMPAIGN PROMISE

There has been a big elephant standing in the middle of the legislature. It's been stuck there for too long, and I guess I'm the only one willing to kick it out.

- The new forecast delivered additional dollars.
 1. More money for the sales tax rebate.
 2. \$50 million more – a total of \$60 million for farm relief spread over THREE years.



This crisis won't end any time soon.

- I'm proposing that we raise the sales tax rebate cap to \$5,000 for couples, \$2,500 for individuals – which means virtually any Minnesotans would do as well or better under the sales tax rebate plan as they would under the Republican Income Tax plan after they pay federal taxes.
- Commissioner Matt Smith recently received updated tax information which should answer questions about whether or not a sales tax rebate is subject to federal income taxes.
- It's time to get the Tax Committee members out of the conference committee room – feeding the elephant – and back to the business of permanent income tax cuts.

Thank you for inviting me here today – I wish this new effort success.