

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate  
State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 427 - *Health Insurance - Authorization of Additional Products and Small Group Administrative Discounts and Study*.

This bill authorizes insurers and nonprofit health service plans to offer certain preferred provider insurance policies that condition payment of benefits on the use of preferred providers. Provider panels must comply with specified regulations, and the policies cannot restrict payment for covered services provided by nonpreferred providers for emergency services, an unforeseen illness, injury, or condition requiring immediate care, or as otherwise specified under law. Insurers and nonprofit health service plans must provide the inclusion of preferred and nonpreferred providers as an optional benefit, and they must disclose the availability of this option.

House Bill 579, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 427.

Sincerely,

Martin O'Malley  
Governor