

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 596 - *Discount Medical Plan Organizations and Discount Drug Plan Organizations - Registration and Regulation*.

This bill gives the Maryland Insurance Administration (MIA) authority to regulate medical and pharmacy discount plans. It requires the plans to register with the MIA, allows the MIA to deny or revoke their registration for fraud, misrepresentations, and violation of other prohibitions, and places limitations on advertising, plan access, payment to medical providers, and termination of plan membership. Various disclosure and notification requirements to plan members are also required. The MIA may conduct examinations of discount plans and impose corrective actions, including cease and desist orders, restitution, and penalties.

House Bill 847, 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 596.

Sincerely,

Martin O'Malley
Governor