



# State of South Carolina

## Office of the Governor

MARK SANFORD  
GOVERNOR

Post Office Box 12267  
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June 16, 2008

The Honorable Robert W. Harrell, Jr.  
Speaker of the House of Representatives  
Post Office Box 11867  
Columbia, South Carolina 29211

Dear Mr. Speaker and Members of the House:

I am hereby vetoing and returning without my approval H. 3912, R-417.

This bill revises several provisions of the Physician Practice Act. Although the majority of the bill serves as a clean up to the statute, I have concerns about sections six and seven. These two sections, which were added the last day of session, state "determination of medical necessity of a decision affecting the diagnosis and/or treatment of a patient is not the practice of medicine."

First, our administration has always respected the relationship between a physician and patient and believes that the act of determining medical necessity falls within the practice of medicine. No one can professionally determine what treatment a patient needs without having a license to practice medicine. The physician must establish a medical record, examine the patient, make a diagnosis and document the rationale for treatment.

However, this bill steps between the physician and patient relationship. By stating that the determination of medical necessity is not the practice of medicine, this bill allows insurance company medical directors to tell a physician what treatments patients should have – even with no direct connection to or responsibility for the care of the patient. Additionally, this bill offers no public protection by not requiring a medical director to be licensed to practice medicine in our state and subject to our laws.

Secondly, while patients continue to be faced with ever increasing health insurance costs, a health insurer has a direct financial conflict of interest with regard to the review process – especially in favor of denial of payment. By continuing to deny an ordered medical procedure as "not deemed medically necessary," or "experimental," the insurance company rations health care and undermines the trust placed in physicians by the public.

For these reasons, I am returning H. 3912, R-417, without my signature.

Sincerely,

A handwritten signature of Mark Sanford in black ink.

Mark Sanford