

AN ACT concerning

Medical Records - Privacy

FOR the purpose of defining circumstances under which medical information may be released; ~~and making this Act an emergency measure.~~

Honorable James Clark, Jr.  
President of the Senate  
State House  
Annapolis, Maryland 21404

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 367.

This bill amends Article 48A Section 354-0 of the Code to permit a nonprofit health service plan to disclose medical information concerning patient subscribers under two circumstances. The first is when the disclosure is necessary to verify benefits paid on the nonprofit health plan on behalf of a patient-subscriber, pursuant to a cost containment contract. The second circumstance is when the information, disclosed to a third party payor, is of a nonspecific nature and is required for an audit of a billing made by the nonprofit health service plan to the payor.

House Bill 1089, which was enacted by the General Assembly and signed by me on May 29, 1979, accomplishes the same purpose. In addition, House Bill 1089 contains several other provisions. In particular, I note that the House Bill eliminates an unreasonable disparity in the provisions relating to nonprofit health service plans and private insurance companies. By amendment to Article 48A, Section 490E, the House Bill provides that private insurance companies are allowed the "use of medical records, data, or statistics if the use does not disclose the identity of a particular insured or covered person." Since a comparable provision already exists in the current law under Article 48A, Section 354-0 regarding nonprofit health service plans, the effect of the amendment is to provide uniformity in area that ought to be addressed uniformly.

For these reasons, I have decided to veto Senate Bill 367.

Sincerely,  
Harry Hughes  
Governor

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