

August 5, 2014

To the Honorable Members of the
Illinois Senate, 98th General Assembly:

I hereby return Senate Bill 1630 with specific recommendations for change.

An effective healthcare system requires that the needs of patients be met and that healthcare professionals have the resources necessary to meet those needs. The role of government is to strive to maintain that delicate balance of protecting patients' rights without severely limiting the ability of physicians to render necessary healthcare to those patients.

The American Medical Association's ("AMA") Code of Ethics states the following:

"Medical considerations, not cost, must be paramount when the physician chooses a laboratory. . . A physician should not charge a markup, commission, or profit on the services rendered by others. A markup is an excessive charge that exploits patients if it is nothing more than a tacked on amount for a service already provided and accounted for by the laboratory." *E-8.09 Laboratory Services.*

In alignment with the AMA Code of Ethics, Senate Bill 1630 is a bill to prohibit improper escalation of fees in certain medical bills. At no time should patients be subject to unnecessary markups in their healthcare costs. This year, we have seen a historic increase in Illinoisans' access to healthcare. Illinois is a patient friendly state and this bill ensures all patients receive decent, affordable care while being informed consumers. The cost disclosure required under this bill will help to better educate patients by providing transparency as to exactly what they are being charged.

Illinois physicians are vital in our healthcare delivery systems. They are on the front lines evaluating and treating patients and, often times, providing preventative care. While this bill prohibits markups, which harm patients, it is also important to provide physicians a choice in their specialist network to consult on patient care. This choice provides the ability for physicians to ensure high quality care while having the resources to do so. Senate Bill 1630 allows for physicians to cover their collection and transportation costs associated with the medically necessary specimen testing required to make an accurate patient diagnosis. This bill does not alter the direct billing practices of physicians and/or their practices.

Therefore, to further enforcement against markups by physicians, I suggest that the Department of Financial and Professional Regulation have explicit authority to discipline a physician for an improper markup of a bill. Additionally, to ensure quality care, I further suggest that physician choice be made clear in the bill.

Therefore, pursuant to Article IV, Section 9(e) of the Illinois Constitution of 1970, I return Senate Bill 1630, entitled "AN ACT concerning regulation." with the following specific recommendations for change:

on page 2, between lines 7 and 8, by inserting
“(d) Nothing in this Section shall be construed to prohibit a referring physician from sending a patient's specimen to any laboratory providing anatomic pathology services.”;

on page 2, line 8, by replacing “(d)” with “(e)”;

on page 2, line 19, by replacing “(e)” with “(f)”;

on page 2, line 22, by replacing “(f)” with “(g)”;

on page 2, line 26, by replacing “(g)” with “(h)”;

on page 3, between lines 2 and 3, by inserting
“(i) The Department of Financial and Professional Regulation may revoke, suspend, or deny renewal of the license of any physician who undertakes a markup of a bill in violation of this Section.”; and

on page 3, line 3, by replacing “(h)” with “(j)”.

With these changes, Senate Bill 1630 will have my approval. I respectfully request your concurrence.

Sincerely,

PAT QUINN
Governor