GOVERNOR OF MISSOURI

JEFFERSON CITY
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JEREMIAH W. (JAY) NIXON
GOVERNOR

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TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you Senate Substitute No. 2 for Senate Bill No. 847 entitled:

AN ACT

To repeal section 490.715, RSMo, and to enact in lieu thereof one new section relating to evidence for the cost of medical care and treatment.

I disapprove of Senate Substitute No. 2 for Senate Bill No. 847. My reasons for disapproval are as follows:

In order for a person to be compensated for the harm they suffered as a result of the carelessness of another, the injured person is entitled to show a jury the total value of their losses—from past and future medical expenses to physical pain and suffering. Today, one way in which an injured person may help a jury to understand the extent and seriousness of their injuries is to show the jury the value of the medical care required for their treatment. This is a well-grounded, common-sense approach that has been used for many years.

Senate Substitute No. 2 for Senate Bill No. 847 (Senate Bill No. 847) abandons these principles, and instead substitutes an arbitrary rule that seeks to lessen the seriousness of a person's injury, not based on any physical evidence, but instead based primarily on deals made between insurance companies and healthcare providers that have nothing to do with the individual's injuries. This legislation would limit recoveries by injured people, and unfairly favor those who cause the injuries. It is fundamentally unjust, unmerited, and unnecessary and will not receive my support.

The value of medical treatment is an important piece of an injured person's total losses and a very critical piece of the information a jury considers when evaluating those injuries. Senate Bill No. 847 would completely undermine an injured individual's ability to fully and fairly establish their damages by illogically reducing the "actual cost of the medical care or treatment" through "adjustment for any contractual discounts, price reduction, or write-off by any person or entity." Application of these reductions would significantly understate the true impact of the defendant's

actions and would preclude the fact-finder from fully considering the harm suffered by the individual.

While Senate Bill No. 847 would be unfair to all injured individuals, it would be particularly unjust to those injured people who had the foresight and means to acquire insurance. It is those individuals with insurance who would have the value of their medical care or treatment most significantly reduced by contract or otherwise. These reductions afforded insurance companies by healthcare providers are often substantial and the admissibility of only the diminished or remaining cost, as would be required under Senate Bill No. 847, would wrongly limit an individual's recovery. As a result, this legislation would irrationally punish individuals with insurance and would do so to the benefit of the wrongdoer. This incongruous result illustrates the absurdity underlying this wrongheaded legislation.

Senate Substitute No. 2 for Senate Bill No. 847 is misguided policy purposely designed to benefit a wrongdoer at the expense of their victim and will not receive my approval.

In accordance with the above stated reasons for disapproval, I am returning Senate Substitute No. 2 for Senate Bill No. 847 without my approval.

Respectfully submitted,

Jeremiah W. (Jay) Nixon
Governor