



STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

December 28, 2012

Members of the Michigan Senate
State Capitol
Lansing, Michigan

Ladies and Gentlemen:

Today I am returning to you Senate Bill 1293 without signature. Senate Bill 1293 is part of a two-bill package that brings serious and much needed reforms to Blue Cross Blue Shield of Michigan, which is our state's health insurer of last resort. These bills would convert Blue Cross into a nonprofit mutual insurer and would create the Michigan Health Endowment Fund. These are important reforms that should take place in advance of sweeping changes to the health care delivery system brought about by the federal Patient Protection and Affordable Care Act.

Unfortunately, language was added to Senate Bill 1293 late in the legislature's consideration of the bill that I am unable to support. This language would change the private insurance market for abortion coverage by requiring the holders of group health insurance policies to "opt in" to abortion coverage. I have agreed that it would be appropriate to require people to opt into abortion coverage on the government-sponsored health care exchange.

I adopted this position because the health care exchange is a creature of government that will be supported with public funds. It is appropriate in my judgment for government to set reasonable rules for the provision of abortion coverage on a government-sponsored and publicly-funded health exchange. "Opting in" to this coverage should not be difficult, whether it occurs on or off the health exchange, and it is my understanding that the coverage should be available at nominal additional cost.

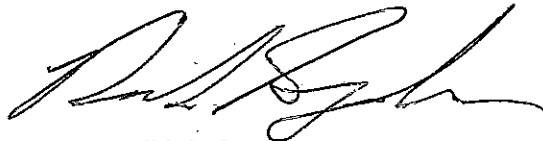
However, Senate Bill 1293 goes beyond what is appropriate in two important respects. First, it treats situations that involve rape, incest, and the health of the mother as elective abortions that would require a separate insurance rider in order for the termination of such pregnancies to be covered. I am personally pro-life and against abortion except in cases of rape, incest, and to preserve the life or health of the mother. I don't believe it is appropriate to tell a woman who becomes pregnant due to a rape that she needed to select additional optional insurance coverage in order for the termination of her pregnancy to be a covered procedure.

Second, the abortion language in Senate Bill 1293 goes beyond the government-sponsored health care exchange and interferes in the current private marketplace for health insurance. Insurance companies and private buyers of insurance should be able to conduct their business relationships free of intrusive government regulation that is not, in this case, designed to protect consumers from unscrupulous business practices.

Senate Bill 1294 is tie-barred to Senate Bill 1293. Because I am returning Senate Bill 1293 to you without signature Senate Bill 1294 will also not become law.

The Legislature's reforms to transition Blue Cross Blue Shield of Michigan to a nonprofit mutual company will play an important role in providing better access to quality health care and investment in the health of all Michiganders. I thank the Senate and House for their commitment to reinventing health care in Michigan, and I look forward working with you to address the issues raised here and make this much needed reform a reality.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Snyder", with a stylized, flowing script.

Rick Snyder
Governor