



BILL HASLAM
GOVERNOR
STATE OF TENNESSEE

May 3, 2018

The Honorable Randy McNally
Lieutenant Governor
425 5th Avenue North
Suite 700 Cordell Hull Bldg.
Nashville, TN 37243

RE: Senate Bill 367

Dear Lt. Governor McNally,

I am vetoing Senate Bill 367, the legislation mandating proton therapy treatment.

Senate Bill 367 would create in law a special status for a particular medical treatment and, in doing so, would circumvent the normal process for considering medical evidence and determining which treatments should be covered for which conditions and at what cost.

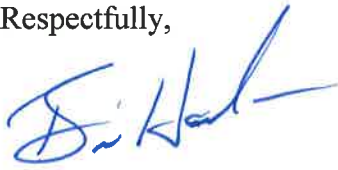
In its final form, Senate Bill 367 mandates coverage of proton therapy treatment in the state employee insurance program. In 2017, the State Insurance Committees agreed to expand coverage of certain proton therapy within the state employee insurance program, but the proton therapy company seeking these changes rejected a plan from state leaders and the state's contracted insurance carriers to expand coverage in a medically appropriate and fiscally sound manner. Instead, the company chose to continue to seek an overly broad statutory mandate for coverage.

The state employee insurance program includes coverage of a wide range of radiation cancer treatments, including proton therapy when appropriate, and we are always interested in exploring additional ways to help members obtain high-quality care for this terrible disease. However, Senate Bill 367 could actually expose patients to new risks. The mandate removes important checks in the system that ensure the most medically appropriate and effective treatment is provided for individual health diagnoses. Moreover, while the legislation includes limits on the financial exposure the state plan would face in reimbursing proton therapy treatment, it does not prevent an out-of-network provider from charging patients for the remainder of the cost of the treatment.

Coverage decisions such as those addressed in SB 367 should be carefully analyzed and considered by experts based on medical efficacy, not determined through political mandate.

For these reasons, I am vetoing Senate Bill 367.

Respectfully,

A handwritten signature in blue ink, appearing to read "Bill Haslam", with a long horizontal stroke extending to the right.

Bill Haslam

cc: The Honorable Beth Harwell, Speaker of the House