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Office of the Governor

June 11, 2025

The Honorable Francisco Aguilar
Nevada Secretary of State
401 South Carson Street
Carson City, Nevada 89701

Re: Senate Bill 378 of the 83rd Legislative Session

Dear Secretary of State Aguilar:

I am forwarding to you, for filing within the time limit set forth in the Nevada Constitution and without my approval, Senate Bill 378 ("SB 378"), which is titled as follows:

AN ACT relating to health care; revising requirements governing the electronic maintenance, transmittal and exchange of health information; establishing a program to increase awareness of information concerning independent centers for emergency medical care; requiring certain facilities that are owned or operated by, or otherwise part of, hospitals to be licensed as independent centers for emergency medical care; requiring certain independent centers for emergency medical care to provide urgent care services under certain conditions; authorizing the review of certain sealed records to determine the suitability of a person to provide services under Medicaid; requiring Medicaid to include a system of value-based payments for independent centers for emergency medical care; requiring a provider of services under Medicaid to maintain certain records; authorizing audits of such records, the review and denial of claims under Medicaid and the recovery of money paid under Medicaid under certain circumstances; prohibiting a noncompetition covenant from applying to a patient-facing provider of health care; requiring a custodian of health records to furnish health records within a specified period of time and without charging a fee under certain circumstances; making an appropriation; and providing other matters properly relating thereto.

Though SB 378 is presumably intended to improve access and affordability in Nevada's healthcare system, it would likely have the opposite effect. A particularly troubling provision of the bill requires Free-Standing Emergency Departments ("FSEDs") to bill emergency-level services at urgent care rates, regardless of the actual severity or complexity of the care provided. This amounts to government-mandated downcoding—a practice that undermines clinical judgment and sets a concerning precedent for state intervention in the medical billing process.

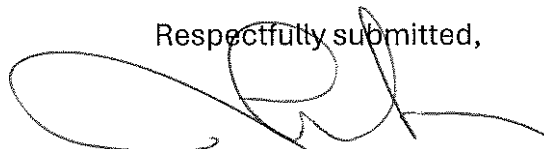
Price-setting by legislative mandate is not an effective or sustainable strategy for expanding healthcare access. SB 378 poses a serious risk to the financial viability of independent emergency centers, particularly those serving rural and underserved communities. Rather than improving access, this bill may deter investment due to its revenue-limiting provisions and potential to create regulatory uncertainty—ultimately inhibiting the expansion of essential emergency care facilities in the communities that need them most.

Nevada continues to face a shortage of healthcare providers, and SB 378 risks compounding this challenge by signaling that the state does not support fair and appropriate reimbursement for emergency care.

Out of concern for the long-term stability and availability of emergency services, I cannot support this bill.

For these reasons, I veto this bill and return it to you without my signature or approval.

Respectfully submitted,



JOE LOMBARDO
Governor of Nevada

Enclosure

cc: The Honorable Stavros Anthony, President of the Senate (without enclosure)
The Honorable Nicole Cannizzaro, Senate Majority Leader (without enclosure)
The Honorable Steve Yeager, Speaker of the Assembly (without enclosure)
Brendan Bucy, Secretary of the Senate (without enclosure)
Bonnie Borda Hoffecker, Chief Clerk of the Assembly (without enclosure)
Diane Thornton, Legislative Counsel Bureau, Director (without enclosure)
Asher Killian, Legislative Counsel Bureau, Legislative Counsel (without enclosure)