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## Office of the Governor

June 17, 2011

The Honorable Ross Miller  
Secretary of State  
Capitol Building  
101 South Carson Street  
Carson City, NV 89701

**RE: Senate Bill 115 of the 76<sup>th</sup> Legislative Session**

Dear Secretary Miller:

I am herewith forwarding to you, for filing within the constitutional time limit and without my approval, Senate Bill 115, which is entitled:

AN ACT relating to health care; requiring certain hospitals and physicians to accept certain amounts as payment in full for the provision of certain services and care to certain patients; providing an exception under certain circumstances; requiring the submission of certain reports relating to policies of health insurance and similar contractual agreements by certain third parties who issue those policies and agreements; requiring the Administrator of the Health Division of the Department of Health and Human Services to study issues relating to policies of health insurance and similar contractual agreements; and providing other matters properly relating thereto.

This bill regulates the payments that certain physicians and hospitals are required to accept from third party insurers for the provision of certain emergency services and care to patients who arrive at an out-of-network hospital through an emergency transport. The bill requires certain out-of-network hospitals to accept, under certain circumstances, a limited discounted rate as payment in full for the provision of medical screening and emergency services and care to stabilize such patients. The bill similarly requires an out-of-network physician at certain out-of-network hospitals to accept an amount based on a schedule of fees and charges established by the Division of Industrial Relations (DIR). An out-of-network physician providing emergency services and care will receive an amount equal to 115 percent of the amount set forth in the DIR schedule for

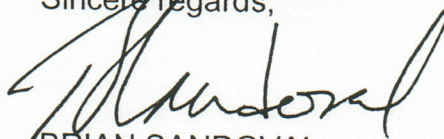


treatment of a non-trauma patient and 120 percent for treatment of a trauma patient and anesthesiology. Senate Bill 115 also attempts to address the adequacy of networks maintained by third party payers that wish to pay the amounts prescribed in the bill by requiring these third parties to submit certain reports.

The targets of the bill are hospitals and health care providers that are obligated to provide emergency services and care to certain patients, regardless of the patient's financial status. This bill assumes that current billing practices in certain emergency situations are a large problem, and that the contracts negotiated between third party payers, hospitals, and health care providers are inadequate. However, the bill overreaches in its attempt to address billing issues and network inadequacy by statutorily dictating how facilities and providers of health care are paid for the provision of their services, despite the reimbursement rates established through contractual agreements with third party payers.

Because this bill is overreaching and interferes with contracting between third party payers, hospitals and health care providers, I veto it and return it to you without my signature and without my approval.

Sincere regards,



BRIAN SANDOVAL  
Governor

*Enclosure*

cc: *The Honorable Brian Krolicki, President of the Senate (without enclosure)*  
*David A. Byerman, Secretary of the Senate (without enclosure)*  
*Susan Furlong, Chief Clerk of the Assembly (without enclosure)*  
*Brenda Erdoes, Esq., Legislative Counsel (without enclosure)*