

101 NORTH CARSON STREET
CARSON CITY, NEVADA 89701
OFFICE: (775) 684-5670
FAX NO.: (775) 684-5683



555 EAST WASHINGTON AVENUE, SUITE
5100 LAS VEGAS, NEVADA 89101
OFFICE: (702) 486-2500
FAX NO.: (702) 486-2505

Office of the Governor

June 3, 2023

The Honorable Steve Yeager
Speaker of the Nevada State Assembly
Nevada Legislature
401 South Carson Street
Carson City, Nevada 89701

Re: Assembly Bill 11 of the 82nd Legislative Session

Dear Speaker Yeager:

I am forwarding to you, for filing within the time limit set forth in the Nevada Constitution and without my approval, Assembly Bill 11 ("AB 11"), which is titled as follows:

AN ACT relating to health care; prohibiting a hospital or psychiatric hospital from employing a physician under certain circumstances; providing penalties or a violation of such prohibition; prohibiting a hospital from taking measures to restrict certain activity of a provider of health care who is employed by or serves as an independent contractor of the hospital; and providing other matters properly relating thereto.

Although protecting patients is an important priority, AB 11 does not accomplish that goal. This bill prohibits hospitals from directly employing physicians. In Nevada, we are unfortunately already facing a shortage of healthcare providers.

This bill would decrease access to care for Nevadans by placing significant burdens on the ability to recruit physicians to Nevada. Most states allow hospitals to employ physicians and most physicians prefer being involved in an employment relationship with their hospital. By eliminating hospitals' ability to directly employ physicians, we may exacerbate current recruitment shortfalls by disincentivizing both experienced and young physicians from coming to Nevada to seek employment. Not to mention, this bill would potentially serve as an incentive for current Nevada physicians who prefer employment to independent contracting to leave Nevada altogether.

Moreover, access to physicians is critical to maintaining the health and wellness of Nevadans. This bill would remove long-standing policies which have incentivized physicians to accept employment at 501(c)(3) not-for-profit hospitals and various

government employers. In this regard, AB 11 would eliminate the ability for physicians to qualify for student loan forgiveness upon accepting such employment, thereby decreasing access to quality physicians in those hospitals – which currently serve over 35% of Medicaid inpatients.

Since this bill would only serve to increase critical healthcare shortages across the state, specifically those in disadvantaged communities, I cannot support it.

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 Francisco Aguilar, Secretary of State (without enclosure)
Brendan Bucy, Secretary of the Senate (without enclosure)
Susan Furlong, Chief Clerk of the Assembly (without enclosure)
Brenda Erdoes, Esq., Legislative Counsel Bureau, Director (without enclosure)
Bryan Fernley, Esq., Legislative Counsel (without enclosure)