

NCSL Health Innovation Task Force: AI & Health Insurance

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About AHIP

AHIP is the national association whose members provide health care coverage, services, and solutions to hundreds of millions of Americans every day. We are committed to market-based solutions and public-private partnerships that make health care better and coverage more affordable and accessible for everyone.

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How Health Plans Use AI

Consumers

- Help support call center interactions
 - Offer 24/7 access to interactive personalized support
 - Financial estimates
 - Connect consumers to care
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Clinical

- Help clinicians identify gaps in care
 - Predict patient risk
 - Improve patient outcomes
 - Monitor for adverse outcomes
 - Research disease pathways
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Administrative

- Enhance efficiency
- Reduce costs
- Improve affordability
- Identify fraud and abuse

How Health Plans Use AI – Consumer, Clinical, Administrative



Virtual Assistants

Answer questions, find care, & provide financial estimates for consumers.



Research

Identify disease pathways, understand likely treatment outcome, & monitor for adverse outcomes.



Personalized Care

Identify gaps in care & develop care plans to assist providers.



Data Integration & Interoperability

Integrate data from multiple sources, normalize, protect privacy, & share among trusted parties.



Predictive Analytics

Population health analytics, predict patient-level risk, & develop interventions.



Administration

Enhance efficiency, reduce costs, improve affordability, & identify fraud & abuse.

Informing State Specific AI Proposals

- **Take a Federal Approach:** A consistent national approach to AI oversight would ensure protection for all patients while minimizing additional administrative burdens and costs.
- **Define AI:** Legislation should define AI and other terms consistent with NIST's AI Framework to build a shared national language.
- **Rely on Existing Laws:** Do not duplicate existing laws. Rather, fill in gaps in existing health data and consumer protection laws and regulations. This would include not regulating entities under federal insurance laws such as Medicare Advantage and ERISA.
- **Provide High-Level Oversight:** Guardrails that permit flexibility should be established and technologies or standards that may become outmoded should not be named in law.
- **Promote Risk-Based Approaches:** Policies should point to risk-based standards and confine any 3rd party evaluation requirements or government audits to "high-risk" uses.
- **Protect Intellectual Property:** Policies should require developers to provide sufficient transparency for deployers and explainability for consumers and should not put American companies at a competitive disadvantage by requiring disclosure of proprietary information.
- **Engage in Public-Private Partnerships:** The government should look to learnings from the private sector and collaborate with stakeholders to advance AI and inform policy.
- **Advance Standards:** Laws and regulations should defer to industry standards where they exist and fund efforts to address ongoing gaps as technology evolves.
- **Guard Privacy:** Health plans are already subject to robust privacy regulations. While a national privacy law is needed to extend patient protections to all entities that hold health care data, establishing a new private right of action would chill innovation and raise costs.

Permitting AI in Prior Authorization

Recommendation: Legislation should not restrict AI use in PA, as it could undermine patient efficiency, quality, and affordability.

AI can further streamline PA through:

- Automatic retrieval of necessary documentation in the electronic health record (EHR) which can reduce delays and improve patient experiences:
 - Machine Learning to pull specific data elements,
 - Image recognition to find certain test results, and
 - Natural Language Processing to parse clinical notes.
- Generative AI can pre-populate PA requests for the clinician to review and submit to reduce provider administrative burden.
- AI-based algorithms can be used to check requests against coverage criteria and documentation requirements to approve up to 80% of PA requests made.
- Integrating clinical decision support tools into EHRs to ensure adherence with evidence-based pathways while allowing the means to document reasons for deviations to gain approvals.

Legislation that includes prior authorization in “consequential decision” definitions may stifle appropriate and helpful innovation.

Health plans do not use automated algorithms to deny prior authorization requests based on clinical factors. While approvals may be automated when appropriate documentation is included and criteria are met, complex cases that may result in a denial are individually reviewed by plan medical staff.

Thank you

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