



State Legislative Update: AI & Health Care

May 16, 2025

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National Landscape

State Examples

Additional Resources

Discussion

Agenda

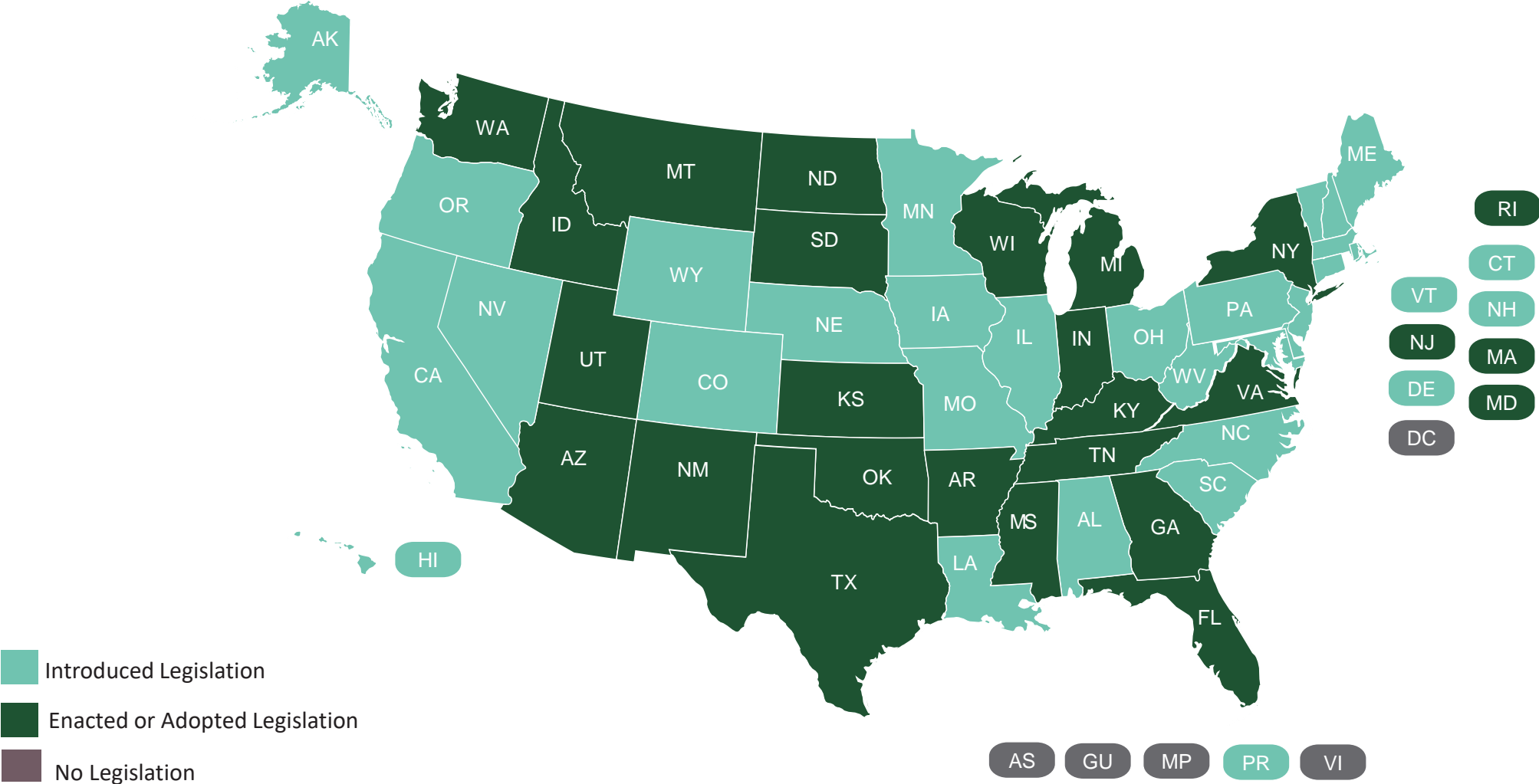




2025 Legislation: AI

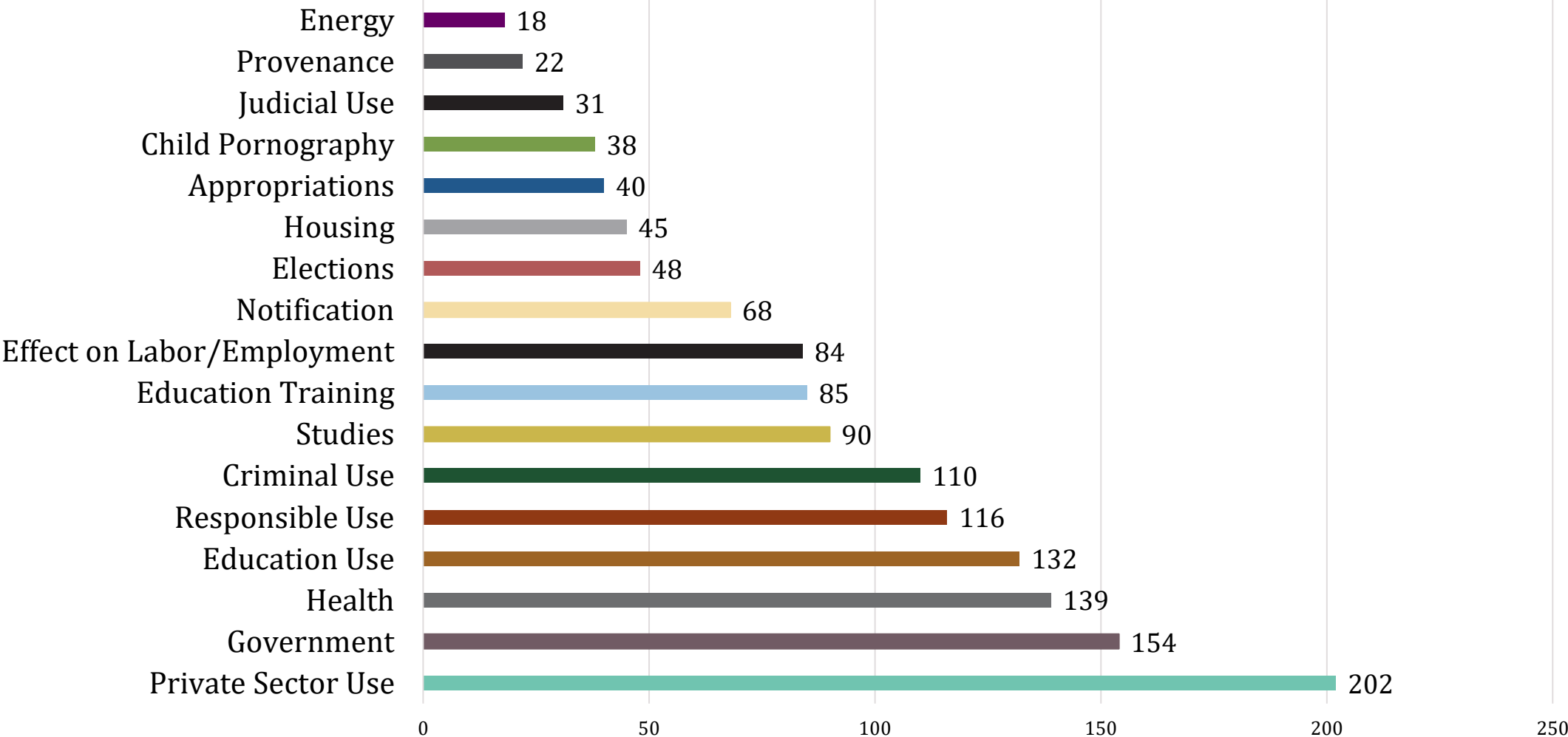
AI State Legislation

2025 Legislative Session



AI Regulation Across the States

AI 2025 Legislation



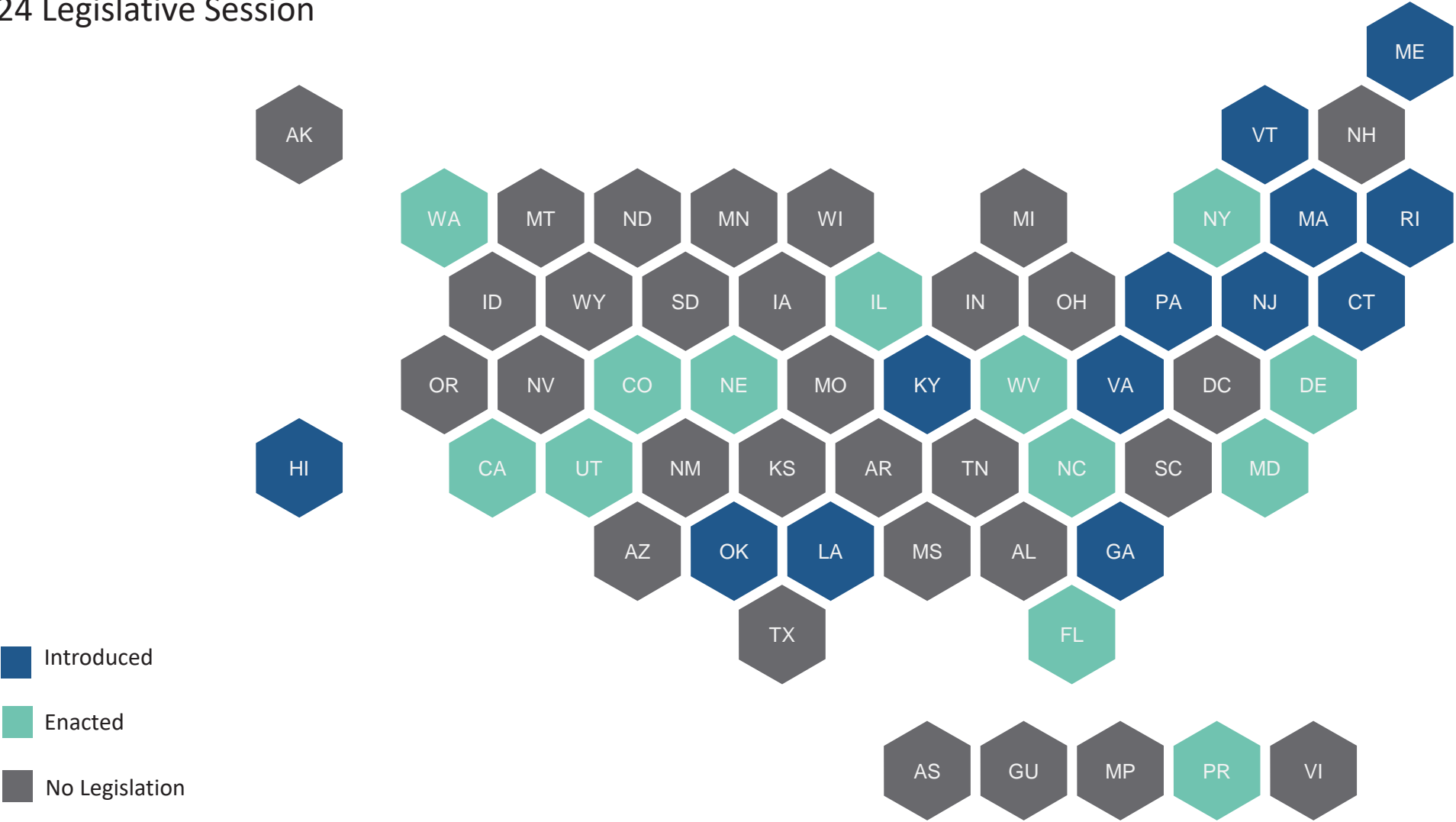


AI & Health Legislation



AI & Health State Legislation

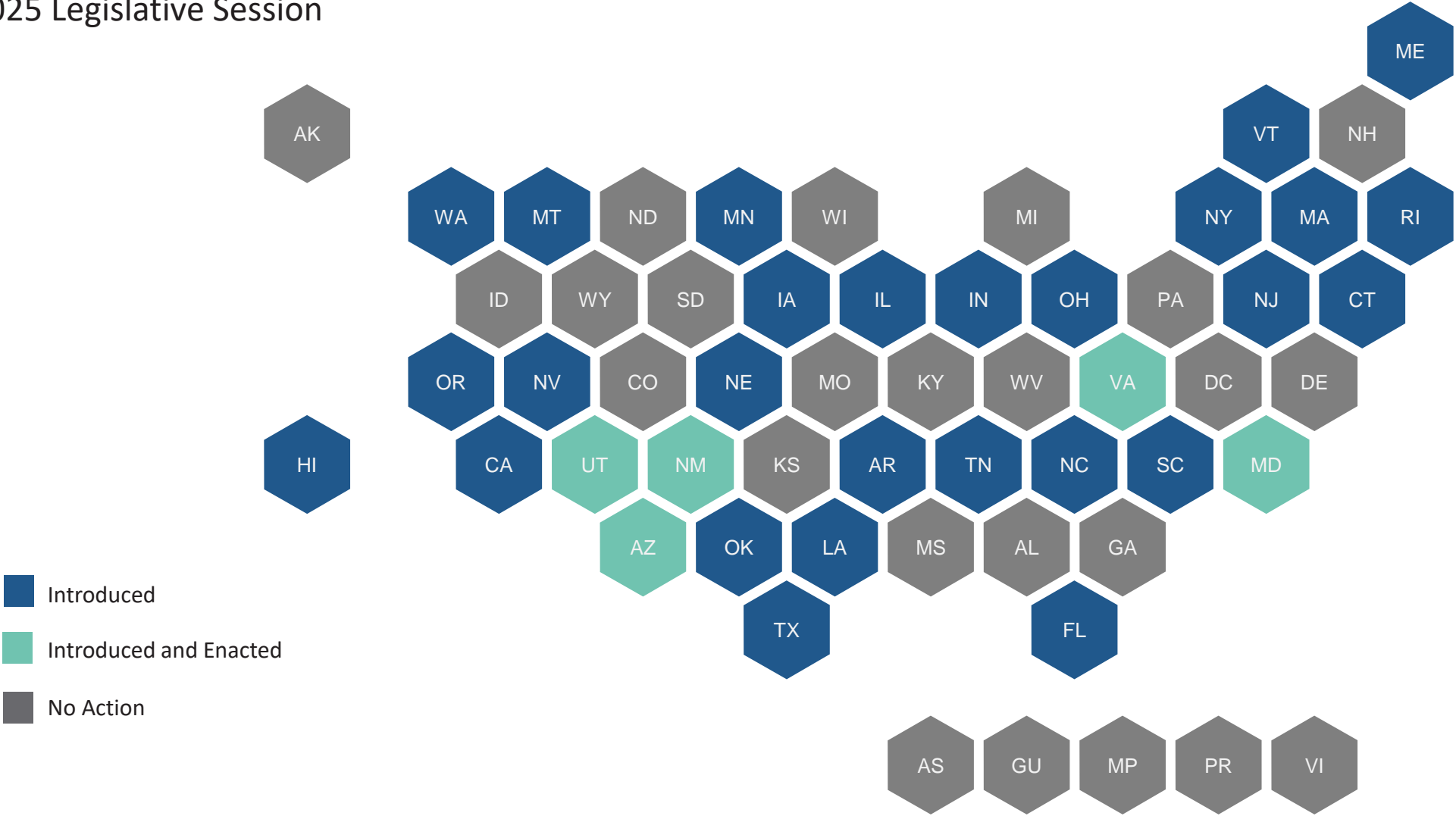
2024 Legislative Session



Source: NCSL (2025)

AI & Health State Legislation

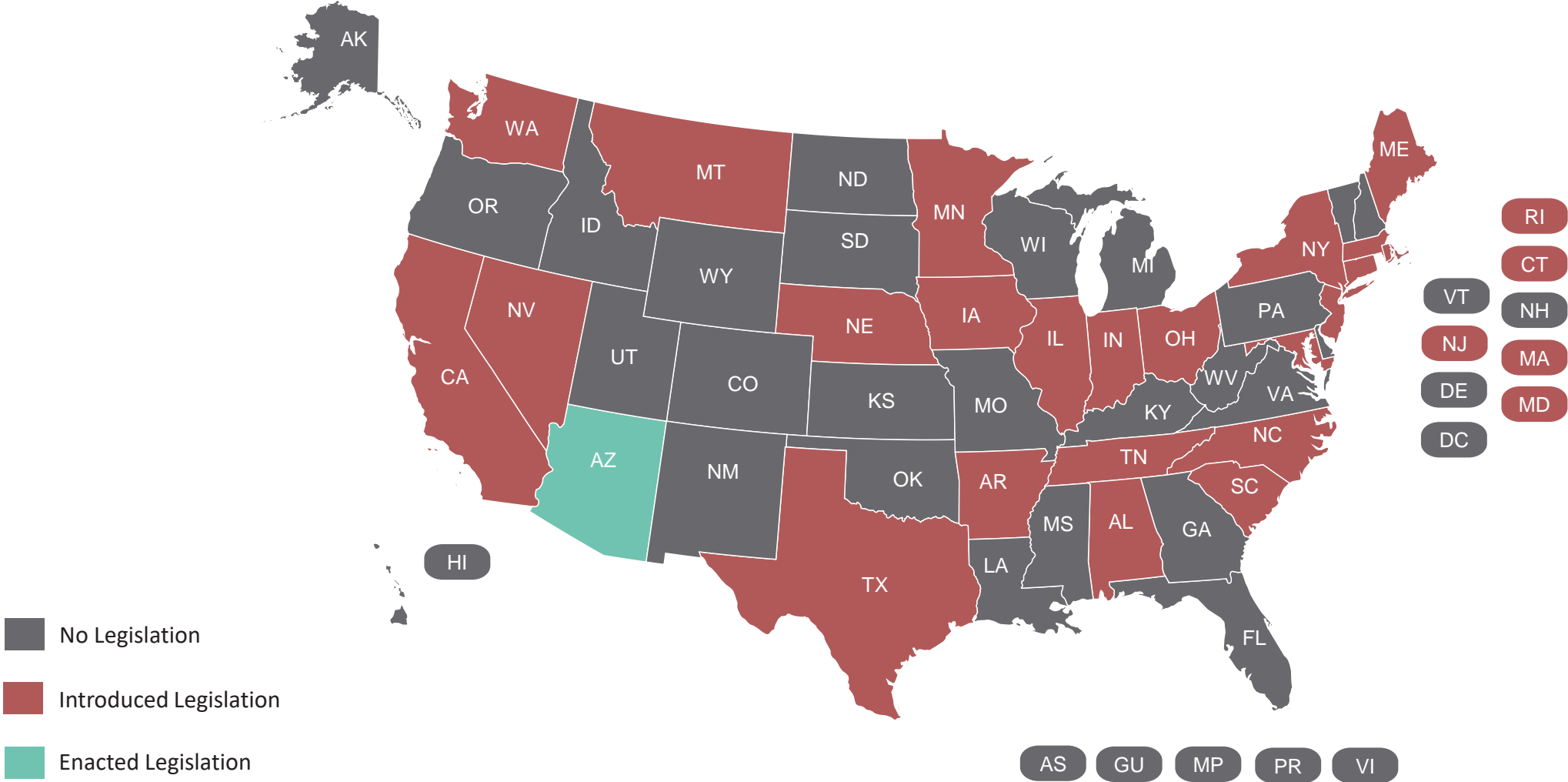
2025 Legislative Session



Source: NCSL (2025)

AI & Utilization Management State Legislation

2025 Legislative Session





AI & Health: State Legislative Examples



2024 State Examples

Utilization Management



California (SB 1120, 2024)

Enacted: Requires health plans, or their third-party contractors, who use AI for utilization management for medical necessity to comply with several requirements.



Illinois (HB 2472, 2024)

Enacted: Requires health plans to ensure that only clinical peers make adverse determinations regarding the medical necessity of a health care service.

2025 State Examples

Utilization Management

ARIZONA (HB 2175, 2025)

Prohibits the sole use of AI to deny a claim or prior authorization for medical necessity, experimental status or any other reason that involves the use of medical judgement.



NEBRASKA (LB 77, 2025)

An AI-based algorithm shall not be the sole basis of a utilization review entity's decision to deny, delay or modify health care services based on medical necessity.

ARKANSAS (HB 1297, 2025)

Requires provider review of an initial adverse prior authorization determination or appeal. AI cannot be used as the sole-basis to deny, delay or modify healthcare services.

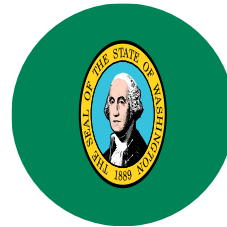


NEW YORK (AB A3991, 2025)

Establishes requirements for the use of AI in utilization review and management by a health plan.

CONNECTICUT (SB 817, 2025)

Prohibits any health insurer from using a software tool, including, but not limited to, AI or an algorithm to automatically downcode or deny a claim without detailed review by a clinical peer.



WASHINGTON (HB 1566, 2025)

Algorithms may be used to process and approve prior authorization requests but may not be used without human review to deny care based on a determination of medical necessity.

State Examples

Patient Notification



INDIANA HB 1620 (2025)

Failed: Requires health care providers who use AI technology to make or inform any decision involved in the provision of health care or generate any communication to disclose the use of AI to the patient.



UTAH SB 149 (2024)

Enacted: The law requires “regulated occupations” in Utah to prominently disclose that they are using computer-driven responses before they begin using generative AI for any oral or electronic messaging with an end user.

CALIFORNIA AB 3030 (2024)

Enacted: Requires an entity that uses a generative AI tool to create responses for health care providers to communicate with patients to include a specified disclaimer and instructions.



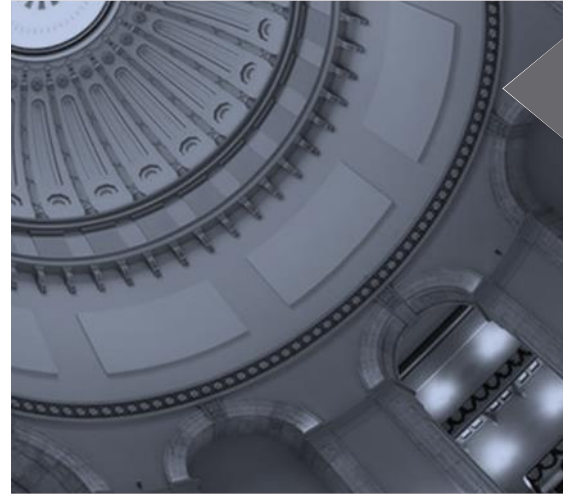
Additional State Examples



CALIFORNIA

HB 503 (Pending, 2025)

Requires the establishment of an advisory board which will be tasked with developing a standardized testing system with criteria for developers to test AI models for biased impacts.



NEW JERSEY

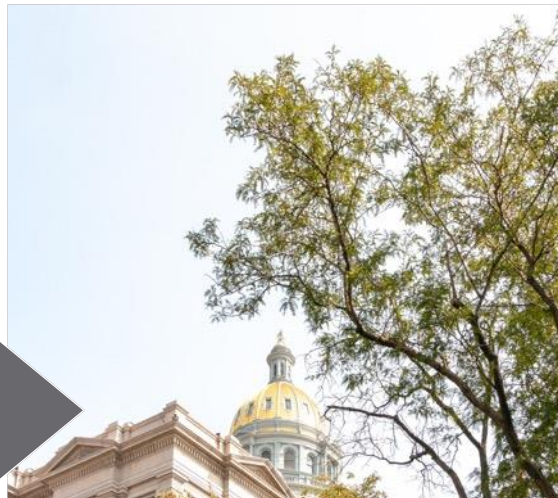
AB 5603 (Pending, 2025)

Prohibits the advertisement of AI systems as licensed mental health professionals.

LOUISIANA

HB 114 (Pending, 2025)

Prohibits a health care provider from using AI to independently treat, diagnose or directly communicate with an individual related to the provision of health care services.



TEXAS

HB 1265 (Pending, 2025)

Provides that a person may not provide AI mental health services unless the AI application is Texas HHS Commission approved.

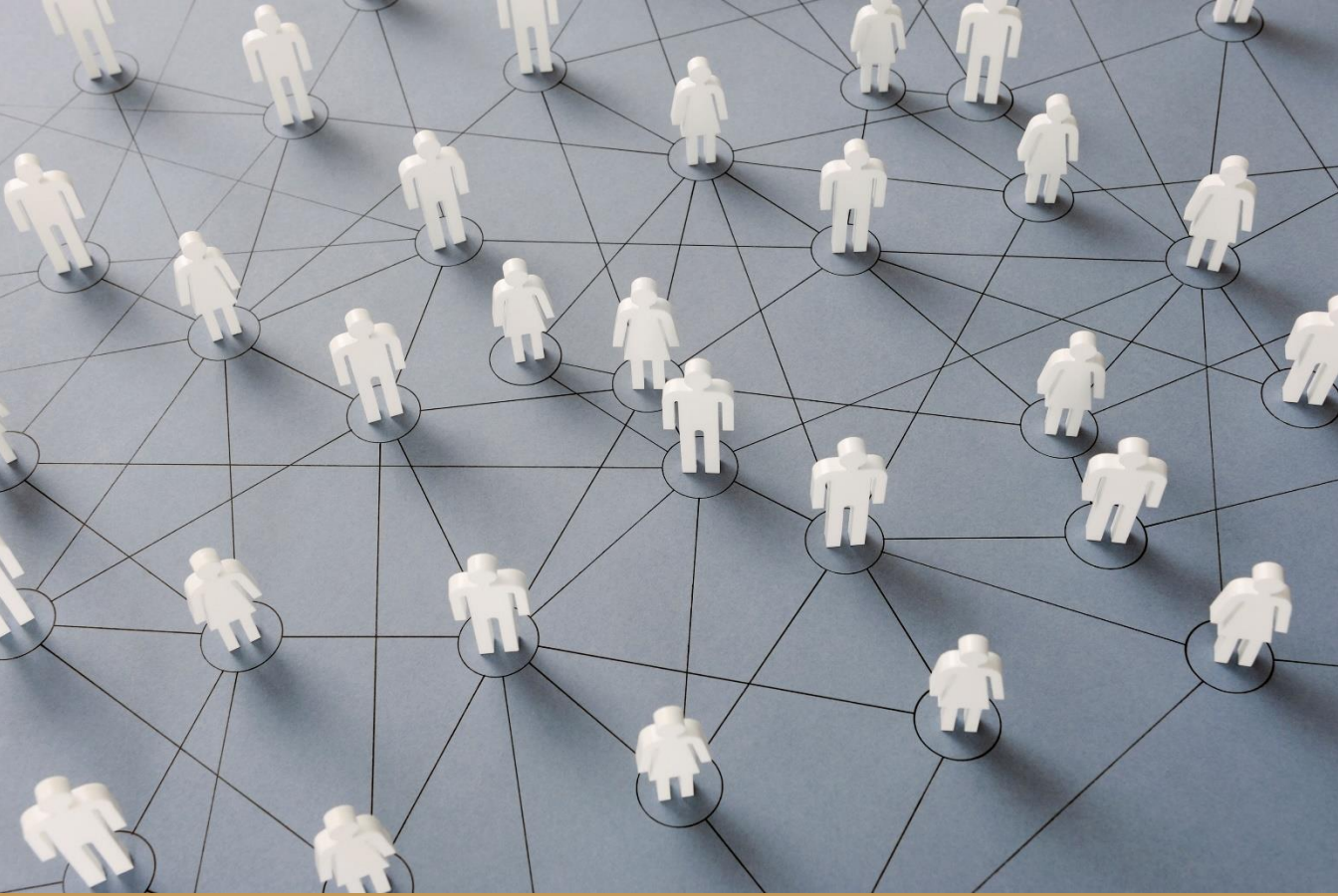


NCSL RESOURCES



[Artificial Intelligence Policy Toolkit](#)

- [Artificial Intelligence 2025 Legislation](#)
- [Artificial Intelligence 2024 Legislation](#)
- [Artificial Intelligence 2023 Legislation](#)
- [Legislation Related to Artificial Intelligence \(2019-2022 Legislation\)](#)
- [Artificial Intelligence and Health Care: A Primer](#)
- [State Artificial Intelligence \(AI\) and Related Terms Definition Examples](#)
- [Approaches to Regulating Artificial Intelligence: A Primer](#)
- [Artificial Intelligence in Government: The Federal and State Landscape](#)
- [Artificial Intelligence in the Workplace: The Federal and State Legislative Landscape](#)
- [Deceptive Audio or Visual Media \('Deepfakes'\) 2024 Legislation](#)
- [Legislative Use of Artificial Intelligence 2024 Survey](#)



Reach out anytime!



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The logo features a stylized dome icon to the left of the text. The text is arranged in three lines: 'NCSL LEGISLATIVE' in a gold, sans-serif font; 'SUMMIT' in a large, bold, blue sans-serif font; and 'BOSTON' in a bold, black sans-serif font with the 'O' and 'S' in gold.

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SUMMIT
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CELEBRATING 50 YEARS | **AUG 4-6, 2025**

