Whereas, insurers use of Artificial Intelligence (AI) and advanced technology to analyze Health Insurance Claims is very frequent; and

Whereas, Humana, Cigna and UnitedHealthcare are facing class actions from consumers and their estates for allegedly deploying advanced technology to deny claims; and

Whereas, health plans use of AI or algorithm software managed by firms such as naviHealth and CareCentrix assist in coverage decisions; and

Whereas, insurers are using AI and algorithms to improve their bottom line under the guise of delivering better service to their policy holders; and

Whereas, doctors, diagnostic companies and others are not able to deliver appropriate medical care when insurance coverage is arbitrarily denied; and

Whereas, President Biden signed an executive order to establish AI standards in October 2023 which includes the responsible use of AI in Healthcare. This also requires the Department of Health and Human Services (HHS) to set up a safety program to take in reports of harm or unsafe health practices involving AI; and

Whereas, the HHS office of the National Coordinator for Health Information Technology issued a rule in December 2023 requiring more transparency around AI; and

Whereas, the Center for Medicare and Medicaid Services (CMS) finalized rules requiring Medicare Advantage Plans in 2024 to ensure they are making medical necessity determinations based on the circumstances of a specific individual rather than an algorithm or software that does not account for individual circumstances. Additionally, coverage denials based on medical necessity determinations must be reviewed by a physician or other health care professional; therefore be it

RESOLVED, that our American Medical Association adopt as policy that Commercial third-party payors, Medicare, Medicaid, Workers Compensation, Medicare Advantage and other health plans ensure they are making medical necessity determinations based on the circumstances of the specific patient rather than by using an algorithm, software, or Artificial Intelligence (AI) that does not account for an individual’s circumstances (New HOD Policy); and be it further
RESOLVED, that our AMA adopt as policy that coverage denials based on a medical necessity determination must be reviewed by a physician in the same specialty or by another appropriate health care professional for non-physician health care providers. (New HOD Policy)

Fiscal Note: Minimal - less than $1,000

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REFERENCES
1. Lopez I., Pugh T. “AI Lawsuits Against Insurers Signal Wave of Health Litigation”, news.bloomberglaw.com, Feb 1, 2024, 5:05 AM EST.