



April 30, 2024

The Honorable Ami Bera
U.S. House of Representatives
172 Cannon House Office Building
Washington, D.C. 20515

RE: Request for Information Regarding the Current State of Artificial Intelligence (AI) in the Health Care Industry

Dear Rep. Bera:

On behalf of more than 400 hospitals and health systems, the California Hospital Association (CHA) writes in response to your request for information regarding the current state of artificial intelligence (AI) in health care.

California hospitals are at the forefront of leveraging AI to support high-quality and efficient care for patients throughout the state. At the same time, hospitals are working to understand and address associated risks to ensure AI is used safely and equitably.

AI is being used with various degrees of maturity across several functions in hospitals, including in clinical decision support tools. These assist medical professionals in making more informed decisions about care by harnessing vast amounts of patient data to more effectively screen and identify high-risk patients. These systems have been used most extensively to support clinicians in diagnostic and imaging services, as 90% of health care data comes from imaging technology¹. AI is quickly expanding to support additional use cases that will improve patient safety, such the development of algorithms to support earlier identification and treatment of sepsis.

Another common use of AI has been to streamline administrative tasks, both in hospital operations and for clinicians. For hospitals, this means automating tasks like scheduling, claims processing, and staffing allocation. For clinicians, AI has shown promise in decreasing provider burnout thanks to tools that simplify responses to patient messages. Similarly, AI systems have been used to enhance clinical documentation and assist in transcribing patient-physician interactions.

AI is also increasingly used to support more personal delivery of health care by analyzing large datasets — including genetic information, medical records, and lifestyle factors — to tailor treatment plans to

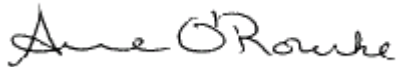
¹ https://www.wipo.int/edocs/pubdocs/en/wipo_pub_gii_2019-chapter8.pdf

individual patients. This technology can also be used to support remote patient monitoring with wearables and devices that can detect anomalies and suggest corrective actions.

Hospitals recognize AI's significant potential to improve care delivery. To ensure that potential is reached responsibly and to prevent inadvertent patient harm, hospitals support appropriate guardrails guiding its use. For example, AI has become a common tool in health plan prior authorization processes. CHA supports policies that would require a licensed physician to supervise the use of AI decision-making tools that are used to inform approvals, modifications, or denials of provider requests for authorization prior to, or concurrent with, the delivery of health care services. Hospitals also welcome policies recently finalized by the Centers for Medicare & Medicaid Services (CMS) that require Medicare Advantage (MA) plans to be more transparent in the clinical criteria they use to support coverage decisions aided by AI tools and clarify that medical necessity determinations should be aligned with Medicare fee-for-service rules. However, additional oversight of AI use by MA plans for coverage and eligibility determinations is needed.

As regulation of AI in health care and other settings is being considered, the need for guardrails must be balanced with flexibility that will continue to encourage innovation. Many hospitals and health systems have embraced the "FAVES" principles — that AI should lead to health care outcomes that are Fair, Appropriate, Valid, Effective, and Safe. Hospitals also support transparency as algorithms are developed, combined with periodic audits to identify potential bias and prevent harm. When used responsibly and ethically, AI has the potential to transform and improve the delivery of high-quality, safe, and efficient health care.

Sincerely,



Anne O'Rourke
Senior Vice President, Federal Relations