

## AI USE IN HEALTH INSURANCE ACT

Introduced

Risk: Medium

Sector-Specific

Last Action (Nov 25, 2024): Filed with the Clerk by Rep. Bob Morgan

### Summary

The AI Use in Health Insurance Act regulates insurers' use of AI systems for adverse determinations and mandates review processes by authorized individuals.

### Business Impact

If you operate an insurance company in Illinois using AI, you must ensure decisions are reviewed by a qualified individual or face regulatory scrutiny.

### Key Provisions

- The Department of Insurance oversees insurers' use of AI systems for adverse determinations.
- Insurers cannot issue adverse outcomes solely based on AI systems.
- Decisions made by AI must be reviewed by an individual with authority to override them.
- The Department can adopt emergency rules for implementation.
- Standards for disclosure of AI usage by insurers will be established.
- Conforming changes will be made to the Illinois Administrative Procedure Act.

### Compliance Checklist

- Ensure AI-driven decisions are reviewed by an authorized individual. | Who: Insurers operating in Illinois. | Penalty: Regulatory scrutiny or potential penalties.
- Adopt and implement disclosure standards for AI usage. | Who: Insurers authorized to operate in Illinois. | Penalty: Regulatory action for non-compliance.

### Industries Affected

Finance

Healthcare

Health Insurance

Consumer Protection

## Topics

AI Healthcare

AI in Insurance

AI Transparency

Comprehensive AI

## Bill Sponsors

Name	Party	Role
Bob Morgan	D	Sponsor

## Related Bills

- HB0035 (IL)
- SB1425 (IL)

## Official Source

<https://www.ilga.gov/legislation/BillStatus.asp?DocNum=5918&GAID;=17&DocTypeID;=HB&SessionID;=112&GA;=103>

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