



Testimony of Matthew Netto, AARP Rhode Island
In Support of House Bill 5172
House Health and Human Services Committee

April 1, 2025

Chairwoman Donovan and members of the House Health and Human Services Committee:

AARP is a nonpartisan, social mission organization with 38 million members nationwide and nearly 125,000 members here in Rhode Island. We advocate on behalf of issues that impact older adults, and we appreciate the opportunity to offer our support for promoting transparency and accountability in the use of artificial intelligence by health insurers to manage coverage and claims as House Bill 5172 from Chairwoman Donovan intends to do.

Leaders in the private and public sectors should ensure fairness, transparency, and accountability when artificial intelligence tools are used to inform consequential decisions regarding health and financial well-being. Organizations should provide accurate and understandable information to consumers about their privacy and security practices and privacy and security laws and regulations should include robust enforcement mechanisms to ensure compliance.

Artificial Intelligence (AI) is defined as “the capability of computer systems or algorithms to imitate intelligent human behavior.”¹ In the insurance industry, AI is utilized in many ways with goals of streamlining processes, identify fraud, and improving customer service. AI’s machine learning tools have allowed health insurers to also utilize it in the processing of claims. AI is believed to be beneficial in claims processing due to its ability to rapidly determine what is involved in a claim and forecast the potential costs.² However, questions about the reliability of AI-generated materials and decisions remain. House Bill 5172 will work to ensure that AI involved decisions in healthcare insurance are monitored and reviewed to ensure accuracy.

House Bill 5172 would ensure that insurers are not relying exclusively on AI or automated decision tools to deny, reduce, or alter coverage or claims for medically necessary care. House Bill 5172 establishes a general transparency requirement for insurers to publicly disclose how they use AI in claims and coverage and creates rights for patients to be told when AI has been used to issue an adverse decision. It also requires a clear and timely process for the patient to appeal that decision. This provision is good in theory but it’s unclear what the basis for the appeal would be without providing the patient further information about the adverse decision. Thus, we respectfully recommend that the provision be strengthened by adding requirements that patients subject to an adverse decision be given the same info as the human reviewers, but in language that is accessible to them to ensure that each patient can adequately challenge erroneous determinations.

¹ Merriam Webster’s Dictionary <https://www.merriam-webster.com/dictionary/artificial20intelligence>

² <https://www.businessnewsdaily.com/10203-artificial-intelligence-insurance-industry.html>



In addition, the current language in the 27-83-3 transparency section states that insurers shall “publicly disclose” their use of AI, “including underlying algorithms, data used, and resulting determinations.” It is our recommendation that that insurers should provide descriptions of their algorithms, data, and determinations, in addition to the actual algorithms, data, or determinations they reach.

This bill provides the assurance of human involvement, including that adverse decisions must be reviewed by a physician (or other licensed health care professional) with appropriate qualifications and without any conflicts of interest. That said, the accountability section could be strengthened by adding requirements that human reviewers have access to information about why the AI made the decision it did along with access to all the information provided to the AI that led to its decision.

House Bill 5172 would create transparency and accountability in an evolving environment where artificial intelligence is increasingly incorporated into decision making. We appreciate the Chairwoman’s commitment to ensuring that Rhode Islanders’ health coverage and claims are processed and managed in a responsible manner. AARP Rhode Island supports House Bill 5172 and asks you to recommend passage. We would also be happy to work with you on improving the bill. Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Matt Netto".

Matt Netto

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