SENATE . . . . No.

The Commonwealth of Massachusetts

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PRESENTED BY:

Michael O. Moore

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To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to the use of artificial intelligence and other software tools in healthcare decision-making.

_____

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Michael O. Moore	_Second Worcester_

SENATE . . . . No.

The Commonwealth of Massachusetts

_____

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

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An Act relative to the use of artificial intelligence and other software tools in healthcare decision-making.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1   Section 12 of Chapter 176O of the General Laws is hereby amended by inserting at the

2   end thereof the following subsection:-

3   (g)(1) A carrier or a utilization review organization that uses an artificial intelligence,

4   algorithm, or other software tool for the purpose of utilization review or utilization management

5   functions, based in whole or in part on medical necessity, or that contracts with or otherwise

6   works through an entity that uses an artificial intelligence, algorithm, or other software tool for

7   the purpose of utilization review or utilization management functions, based in whole or in part

8   on medical necessity, shall comply with this subsection and shall ensure all of the following:

9   (A) The artificial intelligence, algorithm, or other software tool bases its determination on

10   the following information, as applicable:

11   (i) An insured's medical or other clinical history.

12   (ii) Individual clinical circumstances as presented by the requesting provider.

13   (iii) Other relevant clinical information contained in the insured's medical or other

14   clinical record.

15   (B) The artificial intelligence, algorithm, or other software tool does not base its

16   determination solely on a group dataset.

17   (C) The artificial intelligence, algorithm, or other software tools criteria and guidelines

18   complies with this chapter and applicable state and federal law.

19   (D) The artificial intelligence, algorithm, or other software tool does not supplant health

20   care provider decision-making.

21   (E) The use of the artificial intelligence, algorithm, or other software tool does not

22   discriminate, directly or indirectly, against any insured in violation of state or federal law,

23   including but not limited to chapter 151B.

24   (F) The artificial intelligence, algorithm, or other software tool is fairly and equitably

25   applied, including in accordance with any applicable regulations and guidance issued by state

26   and federal agencies.

27   (G) The artificial intelligence, algorithm, or other software tool is open to inspection for

28   audit or compliance reviews by the division and by the executive office of health and human

29   services pursuant to applicable state and federal law.

30   (H) Disclosures pertaining to the use and oversight of the artificial intelligence,

31   algorithm, or other software tool are contained in the written policies and procedures, as required

32   by subsection (a).

33   (I) The artificial intelligence, algorithm, or other software tools performance, use, and

34   outcomes are periodically reviewed and revised to maximize accuracy and reliability.

35   (J) Patient data is not used beyond its intended and stated purpose, and consistent with

36   state and federal law.

37   (K) The artificial intelligence, algorithm, or other software tool does not directly or

38   indirectly cause harm to the insured.

39   (2) Notwithstanding paragraph (1), the artificial intelligence, algorithm, or other software

40   tool shall not deny, delay, or modify health care services based, in whole or in part, on medical

41   necessity. A determination of medical necessity shall be made only by a licensed physician or a

42   licensed health care professional competent to evaluate the specific clinical issues involved in the

43   health care services requested by the provider, as provided in subsection (a), by reviewing and

44   considering the requesting providers recommendation, the insured's medical or other clinical

45   history, as applicable, and individual clinical circumstances.

46   (3) For purposes of this subsection, artificial intelligence means an engineered or

47   machine-based system that varies in its level of autonomy and that can, for explicit or implicit

48   objectives, infer from the input it receives how to generate outputs that can influence physical or

49   virtual environments.

50   (4) This subsection shall apply to utilization review or utilization management functions

51   that prospectively, retrospectively, or concurrently review requests for covered health care

52   services.

53   (5) A health benefit plan subject to this subsection shall comply with applicable state and

54   federal rules and guidance regarding the use of artificial intelligence, algorithm, or other

55   software tools. The division and the executive office of health and human services may issue

56   guidance to implement this paragraph within one year of the adoption of state or federal rules or

57   the issuance of guidance by the federal Department of Health and Human Services regarding the

58   use of artificial intelligence, algorithm, or other software tools. Such guidance shall not be

59   subject to chapter 30A.

60   (6) This subsection applies to a MassHealth managed health benefit plan only to the

61   extent that the executive office of health and human services obtains any necessary federal

62   approvals, and federal financial participation is not otherwise jeopardized.