

Bill Summary
2nd Session of the 60th Legislature

Bill No.:	SB 1967
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Request No.	2293
Author:	Sen. Mann
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Bill Analysis

SB 1967 requires any utilization review organization, disability insurer, or specialized health insurer using an artificial intelligence tool to base determinations on an enrollee's medical or other clinical history, individual clinical circumstances as presented by the requesting provider, and other relevant clinical information. The measure prohibits the use of a group dataset to make a determination on an individual claim nor shall it use the tool to supplant health care provider decision-making. Use of the tool must be consisted with the Health Insurance Portability and Accountability Act of 1996 and cannot discriminate against enrollees in violation of state and federal law. The organization must be open to inspection for audit or compliance review by the Insurance Commissioner. The measure prohibits the tool from denying a claim based on medical necessity. Any use of the tool must be documented by the entity conducting the utilization review. The measure establishes a maximum penalty of \$500,000.00 for a health benefit plan and \$100,000.00 for a clinical peer reviewer violating the provisions of this measure. The measure also provides that such entities may be subject to license suspension and an additional \$10,000.00 fine per willful violation.

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