MAHP
MASSACHUSETTS
ASSOCIATION *of*
HEALTH PLANS

September 11, 2025

Senator Michael Moore, Chair
Joint Committee on AITIC
State House, Room 109-B
Boston, MA 02133

Representative Tricia Farley-Bouvier, Chair
Joint Committee on AITIC
State House, Room 109-B
Boston, MA 02133

RE: 9/11 Joint Committee on Advanced Information Technology, the Internet and Cybersecurity
        MAHP Oppose: Senate No. 46

Dear Chairs Farley-Bouvier and Moore,

On behalf of the Massachusetts Association of Health Plans (MAHP), representing 13 member health plans and one behavioral health organization providing health coverage to nearly 3 million residents across the Commonwealth, we respectfully submit our opposition to Senate No. 46, *An Act relative to the use of artificial intelligence and other software tools in health care decision making.*

S.46 seeks to create standards for the use of artificial intelligence, algorithms, and other software tools in health plan utilization management, including by prohibiting the use of such tools to deny, delay or modify health care services based, in whole or in part, on medical necessity. MAHP and our member plans are concerned about this overly prescriptive approach that would ultimately restrict the usefulness of the tools, AI should be permitted to be used as a part of the approval/denial process. We respectfully urge the Committee to explore the oversight requirements for health plan development and use of utilization management tools and AI, and instead craft standards that balance the usefulness of AI with the existing consumer protections for health plan functions.

Chapter 176O: Utilization Management Consumer Protections
Health plan medical necessity determinations and utilization management are critical tools that ensure members receive the right care, at the right time, and in the right setting. Without these safeguards, members could be exposed to unnecessary, ineffective, or even harmful services. Utilization management helps to contain costs while promoting evidence-based, high-value care, ensuring that resources are directed towards services that improve outcomes – something that is particularly important as the cost of health care continues to rise.

Massachusetts has long recognized the importance of these tools, establishing a comprehensive statutory and regulatory framework for their use. The Patient's Bill of Rights (Chapter 141 of the Acts of 2000) and Chapter 176O established a strict framework for health plan development and deployment of medical necessity criteria, utilization management, and appeals. These laws require that criteria be:
- Developed with input from practicing physicians,
- Based on national accreditation standards,
- Updated regularly to reflect emerging evidence, and

- Evidence-based.

211 CMR 52 further requires that utilization review decisions be made by appropriately licensed clinicians, and members always have the right to an independent external review if they disagree with a plan's determination.

Senate Bill 46, as currently drafted, could unintentionally undermine these existing safeguards by restricting the responsible use of artificial intelligence and other software tools in utilization management. **Health plans do not use AI solely to deny care.** Instead, AI is deployed to streamline administrative functions and make care delivery and coordination easier for providers and health plans. AI is used to verify documentation, check requests against established coverage criteria, and **expedite approvals**. When a request involves clinical complexity that may result in a denial, the case is always, and must always, be reviewed by a licensed medical professional in the appropriate specialty related to that health service under Chapter 176O.

DOI Bulletin 2024-10: The Use of AI in Insurance
The Division of Insurance (DOI), in December 2024, issued [Bulletin 2024-10](#) outlining the state's expectations as to how insurers will govern the development and acquisition of AI technologies, and the oversight of insurers' use of such technologies by the DOI. In addition to the consumer protections under Chapter 176O, the Bulletin also lays out requirements for health plans under Chapter 176D to ensure that the use of AI systems does not result in unfair trade practices or unfair claims settlement practices, Chapter 176W, to ensure health plans are reporting on the elements of their corporate governance framework that address the plan's use of AI systems to support decisions that impact consumers, and the Rating Laws (M.G.L. c. 175, §§ 108, 120, 120F, 122 and 193T, M.G.L. c. 174A, M.G.L. c. 175A, M.G.L. c. 175E, § 7, M.G.L. c. 176G, § 16 and M.G.L. c. 176J, § 6) to ensure that the use of AI systems do not result in rates or practices that violate the standards within the Rating Laws. Finally, the Division's authority to conduct market conduct exams and investigations under Chapter 175 §4 and Chapter 176G §10 provides a framework for investigation of consumer complaints relating to AI. Taken together, these protections create an already robust framework for ensuring health plan use of AI tools improves the provider and patient relationship, rather than slow progress towards administrative simplification.

The use of AI tools is intended to expedite approvals, streamline administrative requirements, and facilitate integration; not to remove medical professionals from the decision-making process. AI tools can:
- Automate approvals for straightforward requests that meet all evidence-based requirements, improving timeliness of care;
- Support clinicians by summarizing relevant patient data and guidelines;
- Reduce administrative burden for providers and patients; and
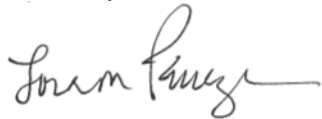- Facilitate integration with electronic health records to improve care coordination.

By prohibiting AI from playing any role in medical necessity determinations, S. 46 risks slowing down access to care, increasing administrative burden, and limiting the ability of health plans to innovate in ways that benefit patients and providers. A recent [McKinsey report](#) suggests that AI-enabled prior authorization can automate 50-70% of manual tasks, boosting efficiency, reducing costs, and freeing clinicians at both payers and providers to focus on complex cases and actual care delivery and coordination.

MAHP and our member plans are committed to ensuring that patients receive safe, effective, and affordable care. We respectfully request that any legislation in this area preserves the ability to use AI to enhance efficiency, promote adherence to evidence-based care, and reduce unnecessary delays, while at the same time ensuring that no utilization management denial is made **solely** by an AI system.

For these reasons, **we oppose Senate Bill 46**.

Thank you for the opportunity to submit comments. We welcome the chance to work with the Committee on language that advances innovation while maintaining the Commonwealth's rigorous standards for patient protections.

Sincerely,

Lora M. Pellegrini, President and CEO
Massachusetts Association of Health Plans