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February 18, 2026

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House Commerce Finance and Policy
5th Floor Centennial Office Building
St. Paul, MN
55155

Co-Chair Tim O'Driscoll
House Commerce Finance and Policy
2nd Floor Centennial Office Building
658 Cedar Street

RE: HF 2500 - Artificial Intelligence Use in Prior Authorization

Dear Members of the House Commerce Finance and Policy Committee,

AHIP appreciates the opportunity to provide comments on House File 2500 which seeks to prohibit health plan's use of artificial intelligence (AI) in prior authorization. Health plans are committed to ensuring patients have access to high-quality, affordable health care and solutions that promote health care quality, access, and affordability for Minnesotans. Unfortunately, HF 2500 would undermine these efforts and as a result, AHIP respectfully opposes this legislation.

AHIP agrees that AI should not be used as the sole means for making prior authorization determinations based on medical necessity. However, we are concerned that, as drafted, **HF 2500 makes no distinction between prior authorization determinations due to administrative reasons versus clinical factors.** For example, yes/no answers may be automated to learn if the patient is covered by that insurer; if a service requires prior authorization, or an entire benefit category is excluded from a policy. When clinical factors are part of the determination, a clinical professional will always review a potential adverse decision.

Health plans are leveraging AI tools to improve health outcomes, increase access to care, enhance consumer experience, and generate operational efficiencies that lower costs. For example:

- *Automated Algorithms* – to **approve** requests (denials based on clinical factors are not made without human review);
- *Machine Learning* – to automatically retrieve necessary documentation in the electronic health record;
- *Natural Language Processing* – to parse clinical notes to identify documentation;
- *Image Recognition* – to identify pictures, radiographic films, etc.;
- *Generative AI* – to pre-populate the PA request for the clinician to review and submit; and
- *Clinical Decision Support* – within the electronic health records to diminish the need for prior authorization by ensuring care is evidenced-based.

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Legislation should not restrict the use of AI that can benefit patients. AI can shorten decision making, reduce provider burden, increase administrative efficiency, ensure the safety and quality of care, and enhance affordability for patients.

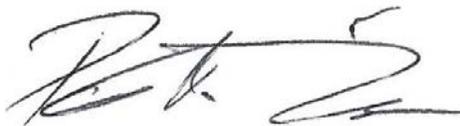
According to AHIP's 2019-member survey, 86% of initial prior authorizations are denied due to incomplete information from providers. AI tools can be used in real time to respond to the provider's office, request the missing information, and get the corrected prior authorization back to being reviewed by medical staff.

Policymakers should carefully consider the impact of placing prohibitions on the use of these important tools and the potential for such prohibitions to negatively impact patient safety. Overly prescriptive laws will dampen innovation and reduce access to beneficial consumer technologies. It is important that we work together to create sound public policy that safeguards the clinical integrity of utilization review processes while providing clear guidance on the appropriate use of AI in these critical decisions.

AHIP Recommendation: AHIP urges the House Commerce Finance and Policy Committee not to pass HF 2500. AHIP agrees that when clinical factors are part of a prior authorization determination, a clinical professional should always review a potential adverse decision, but this bill goes much further by not allowing AI to perform administrative tasks which assists consumers, providers and plans.

AHIP looks forward to working with you to promote a strong and resilient health care system that effectively and safely utilizes AI.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patrick Lobejko', is positioned to the right of a vertical line that extends from the 'Sincerely,' text.

Patrick Lobejko
Regional Director, State Affairs
Plobejko@ahip.org

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AHIP is the national association whose members provide health care coverage, services, and solutions to hundreds of millions of Americans every day. We are committed to market-based solutions and public-private partnerships that make health care better and coverage more affordable and accessible for everyone. Visit www.ahip.org to learn how working together, we are Guiding Greater Health.