



February 7, 2025

Welcome to America's Physician Groups' *California Update*. Each week APG reports the latest on health care happenings in the Golden State.

Here's what you'll find in this week's edition:

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- [2025](#) APG California Policy & Advocacy Meeting Dates
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California Legislature Pursues Artificial Intelligence Legislation

There are still a few weeks left in February prior to the final deadline of February 21 for bill introduction. APG is tracking 174 health bills as of today. Artificial Intelligence is a priority in this 2025 session.

Three legislators, Rebecca Bauer-Kahan, Jerry McNerney, and Scott Weiner appear to be leading the development of artificial intelligence policy in the Legislature. So far, pending bills concern transparency and notification of the sources of training data for generative AI, and potential protection against AI models that could pose a threat to critical infrastructure. Committee Chair Assembly Member Rebecca Bauer-Kahan held a [press conference](#) this week introducing the broad coalition supporting the re-introduced Automated Decisions Safety Act to address automated discrimination systems. There is also some minor additional legislation that would establish prohibitions against false impersonation and personal liability for damages from generative AI. We expect further legislation on this topic to be introduced this month.

The California Attorney General released a legal advisory on [the Application of Existing California Law to Artificial Intelligence in Healthcare](#). This six-page advisory provides a thorough summary of the current law:

AI tools have the potential to help improve patient and population health, increase health equity, reduce administrative burdens, and facilitate appropriate information sharing. At the same time, AI risks causing

discrimination, denials of needed care and other misallocations of healthcare resources, and interference with patient autonomy and privacy. For example, AI models trained on data that reflect existing biases in healthcare delivery can exacerbate health inequity. Many patients are not aware of when and how AI systems are used in connection with their healthcare. Moreover, AI systems are novel and complex. Their inner workings are often not understood by the healthcare providers using AI, let alone patients receiving care.

Healthcare-related entities that develop, sell, or use AI systems must ensure that their systems comply with laws protecting consumers. This requires understanding how AI systems are trained, what information the systems consider, and how the systems generate output. Developers, researchers, providers, insurers, and related organizations should ensure that AI systems are tested, validated, and audited to ensure that their use is safe, ethical, and lawful, and reduces, rather than replicates or exaggerates, human error and biases. They should also be transparent with patients about whether patient information is being used to train AI and how providers are using AI to make decisions affecting health and healthcare.

For example, it may be unlawful in California to:

- Deny health insurance claims using AI or other automated decision-making systems in a manner that overrides doctors' views about necessary treatment.*
- Use generative AI or other automated decision-making tools to draft patient notes, communications, or medical orders that include erroneous or misleading information, including information based on stereotypes relating to race or other protected classifications.*
- Determine patient access to healthcare using AI or other automated decision-making systems that make predictions based on patient's past healthcare claims data, resulting in disadvantaged patients or groups that have a history of lack of access to healthcare being denied services on that basis while patients/groups with robust past access being provided enhanced services.*
- Double-book a patient's appointment, or create other administrative barriers, because AI or other automated decision-making systems predict that patient is the "type of person" more likely to miss an appointment.*
- Conduct cost/benefit analysis of medical treatments for patients with disabilities using AI or other automated decision-making*

systems that are based on stereotypes that undervalue the lives of people with disabilities.

McDermott Will & Emory have produced a helpful summary of the Attorney General's recent advisories for health care entities that you can access [here](#).

If you would like to share your perspectives on this policy area with APG and perhaps provide your stories concerning AI implementation within your organization, please contact [David Gonzalez](#). David will also provide a summary of the current AI-related policy development at the Thursday, February 13 California Policy Forum briefing, at 2:00 - 3:00 pm PST. You can register [here](#).



2025 APG California Policy & Advocacy Meeting Dates

Members, please mark your calendars for APG's California Policy Forum and California Medi-Cal Forum meetings. You can download APG's 2025 events calendar [here](#).

California Policy Forum

2:00 - 3:00 pm

- February 13
- April 10
- June 12
- November 12

California Medi-Cal Forum

10:30 am - 12:30 pm

- May 20
- October - TBD



APG California Advocacy Member Resources

- **Tracked Health Care Bills [2025-26](#)**: bills we're following in the California State Legislature
- **Digital Exchange Framework** [APG member tool kit](#), [QHIO webinar](#) and [DxF Program summary slide deck](#)

- **Office of Health Care Affordability** [regulations](#) and [explanatory slide deck](#)
- APG, Moss Adams, Sheppard Mullin **CMIR Regulation** [webinar](#) and [slides](#)
- **DMHC SB 510** [All Plan Letter](#) on Health Plan payment responsibilities
- **DMHC Quality and Equity Reporting** program [All Plan Letter](#)
- **DHCS Medi-Cal Medical Loss Ratio** [Implementation Summary](#)
- **DHCS Medi-Cal Connect** [Population Health Program](#) Information

For more news and resources, please visit APG's [website](#) or contact a member of APG's California advocacy team.

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