

AI USE IN HEALTH CARE AFTER EXECUTIVE ORDER

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On June 2, 2026, President Trump signed into effect Executive Order (EO) 14409, "Promoting Advanced Artificial Intelligence Innovation and Security," outlining a new voluntary framework for government collaboration with the artificial intelligence (AI) industry on cybersecurity and the secure deployment of advanced AI models.¹ Within 60 days of this order, the National Security Agency (NSA) was required to set classified benchmarks for such models and establish a 30-day review period before any model is deployed. Section 3(c) of the EO states that this framework is not intended to mandate government review or licensing before new AI model development, publication, release, or distribution. However, the EO implies that AI companies should submit most, if not all, cutting edge (*i.e.*, frontier) models for government review, given their widespread dissemination and potential for national security concerns.

President Trump rejected a similar EO on May 21, 2026, largely due to its 90-day review period which he believed "could have been a blocker" of American innovation.² At that time, the focus was nationwide deregulation of AI under the White House's National Policy Framework for Artificial Intelligence. The EO framework included language about preempting any state AI laws to ensure a consistent national standard, incorporating AI training into education systems, and removing barriers to innovation for accelerated development. Some states passed their own legislation to fill the regulatory void, such as New York's Responsible AI Safety and Education Act and California's Transparency in Frontier AI Act. However, this patchwork of state legislation created inconsistent legal definitions for rapidly evolving AI terms and inconsistent legal constraints on AI company products.

The Claude Mythos Preview model from AI company Anthropic was a primary driver for the creation and eventual signing of EO 14409 due to the model's unprecedented ability to uncover software vulnerabilities and determine whether those vulnerabilities can be hacked. Government officials were concerned about national security and cybersecurity problems if such technology became available to foreign adversaries or hackers.

Government Use of AI. At the federal level, the Centers for Medicare & Medicaid Services (CMS) established a five-year strategic framework on May 20, 2026, with the primary objective of becoming the leading payor of AI. This framework emphasizes internal AI training for all 6,000 CMS employees to become an "AI-first" agency.³ For example, CMS will use AI during the rulemaking process to decrease the time between the proposed rule and the final rule by using AI to consolidate public comments in a few hours. Without

AI, this process typically requires a few months of work alongside a contractor. CMS aims to increase trust in AI and expand its use among beneficiaries by increasing its accessibility for Medicare and Medicaid recipients. The framework also includes three secondary objectives to make America healthy again (MAHA), crush fraud, and drive affordability. CMS Administrator Dr. Mehmet Oz argues that crushing fraud and driving affordability are related because “you can double the life expectancy of [Medicare] by getting just the fraud out...that makes it actually quite easy to make the argument for affordability.”

Recently, the Department of Health and Human Services (HHS) released a request for information (RFI) regarding how it can use AI and data analytics to evaluate substance use and mental health programs in real time.⁴ The RFI is a product of HHS’s expanding AI use that began in 1996. HHS now leads the federal government in AI adoption and use by volume.

For emergency response, the Department of Homeland Security (DHS) Investigations Unit integrated development of AI/Machine Learning (ML) technologies, which resulted in the identification and rescue of 311 previously unknown victims of sexual exploitation from active abuse and the arrests of suspected perpetrators. The DHS Science & Technology (S&T) Unit also developed AI tools to help counter the flow of fentanyl.⁵ AI tools also significantly improve documentation in an emergency response because it is difficult for first responders to complete documentation in real time. Other AI applications for emergency response include assessing patients during mass casualty incidents, monitoring crowd size, assessing traffic flow, managing 911 incident call overload, filtering background noise to allow responders to hear mayday calls clearly, and digitally mapping scenes with low or no visibility.

At the state level, Utah is a strong proponent of AI usage in health care. It licensed an autonomous AI prescription refill program from the company Doctronic with the authority to refill 30-, 60-, or 90-day refills of medications that have already been prescribed by licensed providers. In seven months, it has filled an unspecified number of refills for 191 commonly prescribed drugs, including psychiatric medicines. Doctronic says that medication non-adherence causes 125,000 preventable deaths each year in the United States, at a cost of \$100 billion to the healthcare system, and making it easier to obtain refills will reduce non-adherence. Doctronic’s agreement with Utah includes some safety and guardrail terms.⁶ The AI tool is being rolled out in three phases. During each phase, there will be a comprehensive review to verify identity and prescription, prevent misuse, and maintain patient privacy. Licensed professionals oversee the AI tool. It will not issue new prescriptions, handle controlled substances or addictive substances, or change treatment plans. Finally, Doctronic doctors follow up with patients as needed.

According to research from Penn’s Leonard Davis Institute of Health Economics, typically the Food and Drug Administration (FDA) is responsible for regulation of AI under the “Software as a Medical Device” framework. However, the FDA has not intervened to prohibit Utah from licensing Doctronic.⁷ Without a consistent national framework, the mistakes in health care AI implementation could be a significant risk for patients.

Health Care Provider Use of AI. The prevalence of AI tools in modern society continues to grow. Hospitals are testing AI use cases to determine where AI can best provide value to lighten provider workloads. Some popular uses include implementing ambient AI scribes, accelerating billing and coding

work, decreasing clinical burnout rates, integrating patient-facing AI chatbots, improving the emergency response field, assisting clinical activities, and supporting telehealth infrastructure. Time-consuming, repetitive tasks like documentation, payments, insurance, scheduling, reminders, and around-the-clock support present opportunities for AI efficiency in hospitals. For physicians, AI is being used to support diagnosis, imaging, predictive care, remote monitoring, and telehealth by providing different perspectives and utilizing deep learning AI models specializing in the brain, lungs, knees, and other parts of the human body.

Ambient AI. Ambient AI scribes have the potential to substantially increase efficiency in the health care industry due to their capability of recording, transcribing, and summarizing patient-physician interactions into structured medical notes.⁸ Utilization of AI scribes could result in significant benefits because they can improve general medical visits, administrative costs, and clinical burnout. Rather than a doctor or human scribe typing the whole time during a general medical visit, they can interact directly with the patient, improving efficiency and trust in patient-physician interactions. In addition, the physician can enter a specialty into the AI scribe to focus on domain-specific aspects of the conversation when summarizing the visit.⁹ Another area where tasks can be automated with AI scribes or health care AI models like Microsoft's Dragon Copilot are paperwork and administrative work. If AI scribes provide value, then administrative costs can decrease. Value can be added if AI reduces administrative tasks, supports better patient interaction, improves work-life balance, and enables scalability in health care. However, AI scribes or models may be prone to hallucinations and varying audio environments that affect the accuracy of transcription.

Billing and Coding. Medical billing and coding are important processes to ensure that providers receive accurate payments and insurance claims promptly. Tasks that are repetitive and highly pattern-based create an opportunity to implement AI/ML technologies. The University of Texas San Antonio found that such tasks include "identifying and correcting billing errors before claim submission, highlighting inconsistencies in medical records, recognizing patterns and trends in billing data, automating the submission and tracking of insurance claims, [and] assisting with compliance and regulatory updates."¹⁰ Training medical professionals to use AI can increase the efficiency of the medical billing and coding domain and reduce overhead costs.

Clinical burnout. Another benefit of implementing AI in health care is the potential for reduced clinical burnout. For example, health care company Riverside Health in Virginia had an 11 percent rise in physician work relative value units after implementing the AI platform Abridge. Physicians saw more patients, increased productivity, and handled more complex care services.¹¹ Clinical burnout is a growing crisis among health care professionals with nearly half of all U.S. physicians reporting at least one symptom of burnout according to the American Medical Association.¹² Some medical fields are hit even harder, with physicians in areas like emergency medicine, general internal medicine, and mental health services reporting significantly higher levels of stress and exhaustion. By implementing AI into health care platforms like Epic and Oracle, a significant portion of a doctor's routine tasks can be completed much quicker, improving efficiency and reducing clinical burnout.

AI Chatbots. The most popular variations of AI are chatbots, such as OpenAI's ChatGPT, Anthropic's Claude, Google's Gemini, and Microsoft's Copilot. Some of their health care use cases include virtual fitness assistants,

appointment scheduling and reminders, medication management and adherence, mental health support, and chronic disease management.¹³ Chatbots are well-suited for situations requiring specific patient details, repetitive tasks, and around-the-clock support.

Clinical Activities. Currently, most AI applications have covered use cases that support the health care profession like documentation, billing, coding, and patient help. However, there are applications to directly support health care professionals in medical diagnosis and imaging, predictive care, and remote patient monitoring. Deep learning AI models can improve efficiency in diagnosis by spotting patterns in imaging that may not be clear to the doctor. In fact, AI models have already been applied to diagnosing diseases from brain imaging, lung imaging, breast cancer imaging, and liver cancer imaging.¹⁴ New York University (NYU) Langone's Radiology Department found that reviewing medical imaging with AI improved early detection of slow-onset diseases like Alzheimer's disease and knee osteoarthritis, even predicting the likelihood of a knee replacement over the coming decade.¹⁵ Another use case is remote patient monitoring, which uses electronic devices to record patient health data at the patient's location while the provider reviews the information in another location. Coupling AI with remote patient monitoring (RPM) devices helps in clinical decision-making to analyze important health data points and to generate alerts.¹⁶ A successful integration of AI with RPM devices results in better health outcomes as well as lower costs through early detection of adverse health events.

Telehealth. Telehealth allows patients to access health care services when they cannot get to a doctor's office, whether due to physical disability, rural living, or occupations with regular travel. However, human health care providers are still needed to provide services by telehealth and there are issues with the accuracy of patient-generated data. The quality of such data varies greatly due to "delayed submissions, incomplete or missing information, insufficient detail, and potential inaccuracies."¹⁷ Telehealth also struggles with the sheer amount of complex health care data that cannot be fully processed by humans in real time. This is where AI, especially deep learning models and ML tools, can be implemented to help process the data and assist with diagnoses. AI can also help streamline teleconsultations by triaging patients to determine which patient issues are most urgent.

Risks. There are many ways that AI can improve the health care industry, but it is equally important to consider and mitigate the risks. While incredible strides have been made to improve accuracy, cost, and utility, these technologies cannot accomplish every use case currently at a level necessary to be implemented full-time. AI has been massively popularized with the growth of companies like Anthropic and OpenAI touting that every problem can be solved with AI. However, not every problem requires an AI solution. There are various ML tools or human labor that can prove to be more reasonable, depending on the task. Even when an AI solution provides value, sometimes the cost still exceeds the benefits. The primary risks attributed to AI in health care are accuracy, cost, privacy, mental health, and bias.

Accuracy. While many hospitals and physician offices are implementing AI into their operations, some providers have not run diagnostics on the accuracy of these technologies. Penn State Health researchers found in a recent study that "Artificial intelligence (AI)-powered chatbots respond to everyday health-related questions from general users with nearly 76% accuracy."¹⁸ This specifically refers to patient-facing AI chatbots that are being relied upon to answer medical questions when doctors are not present. While one could argue that this reduced level of accuracy is because of

patient use instead of doctor use, it still calls into question the risks of integrating AI into more serious health care practices. If doctors and other health care professionals cannot rely on the accuracy of AI to support their work, then there is not enough benefit to justify their integration. Health care is a field where accuracy is heavily prioritized because errors can have life-changing consequences for patients. Therefore, it is essential that any AI tools used in health care have a high degree of accuracy.

Cost. While AI can lower labor and existing technology costs to complete certain tasks, AI tools are expensive, and greater adoption can rapidly increase costs for the AI tools themselves. Many companies are struggling to keep their costs down as tokens (the currency to use AI or create AI agents) become expended far too quickly. Uber exhausted their annual token budget for AI agents in 3 months, and Google reported that their token use increases by seven times each year. The primary factors are determining how many tokens the company requires, educating employees on AI, and applying AI to use cases where it provides value. Michelle Stansbury, associate chief innovation officer and vice president of information technology (IT) applications at Houston Methodist Hospital, said that her facility is in a pilot stage to test AI agents. She stated that “[i]f we’ve built one and within a certain timeframe we see that it’s doing nothing but just adding cost to the organization, we’ll shut it off. It’s making people be very thoughtful in the use cases they are developing.”¹⁹ Some companies have even hired back human talent they had previously laid off because AI could not fill their role as predicted. There are certainly benefits from implementing AI technologies in health care, but the process to implement them successfully should be thoroughly planned and tested to ensure they provide value.

Privacy. Data privacy is a significant concern in health care, regardless of AI. Patient data is legally protected under the Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule that “protects all ‘individually identifiable health information’ held or transmitted by a covered entity or its business associate, in any form or media, whether electronic, paper, or oral.” AI applications that access patient data are not exempt from the Privacy Rule. Accordingly, there must be a system of protections in place to ensure that patient data privacy is not breached. However, there are “no restrictions on the use or disclosure of de-identified health information” as long as it is properly de-identified by a professional and any connections to the individual or their family are removed.²⁰ Using de-identified information can be useful to integrate AI into health care. HHS Cyber Gateway issued a newsletter stating that “unauthorized use of patient information and biased or poisoned data used in these AI algorithms can lead to ethical quandaries and substantial legal and financial consequences,” which is why an ethical and governance framework is essential before fully implementing AI into health care.²¹ Though moral values emphasized in an ethical and governance framework for AI would help prevent data privacy issues if followed consistently, frameworks are similar to strong company policy and not legally binding. It cannot be assumed that AI models will maintain compliance. Thus, HIPAA’s Privacy Rule provides more robust safeguards for patient data privacy. Another issue is that many AI models are black-box models where no one fully understands how it processes received data to create its outputs, although we can extrapolate some meaning by comparing the input and output. Therefore, even when instructed, an AI model may not adequately protect patient privacy without human intervention. The health care industry must be proactive as AI tools are further integrated into processes involving patient health data to ensure that they are complying with data privacy laws and protecting personal health information.

Mental Health. Since the creation of AI chatbots like ChatGPT and Claude, they have been used for mental health support and often trusted like licensed therapists. Notably, instances have occurred where chatbots provide misguided advice and contribute to self-harm among adolescents. The ease of access to these chatbots on company websites means that they are a representative of the company and similarly important to the company's reputation as any call with an employee. Without properly training and integrating the chatbot in the company's policies, procedures and culture, the chatbot could give users poor impressions that could turn users away from the company altogether. To address this, on September 11, 2025, the Federal Trade Commission (FTC) issued orders to seven major technology companies for meetings to discuss the safety steps for their consumer-facing AI-powered chatbots, what data is being collected, and usage parameters to limit potential negative effects on minors and how they address problems that occur with users who are minors.²²

Bias. Any algorithm will be biased to a certain degree, as people are inherently biased due to individual opinions. Accordingly, any algorithm, AI tool, or ML device will exhibit some level of bias. The goal for AI developers is not to eliminate bias, which would be impossible by current standards, but instead to mitigate instances of bias. Bias can take many forms, but most prevalent is racial bias. Racial bias has improved, yet evidence still lingers in data used to train AI models. AI companies could combat racial biases by including more diverse racial representation and algorithmic auditing into their AI models. As AI becomes more prevalent in health care, it is essential to remember that these algorithms are made by people and governed by complex mathematical equations. A diagnosis reached by an AI tool may not be completely void of race bias. Thus, AI tools can be used to increase efficiency and support health care processes, but bias should be taken into consideration and minimized.

Conclusion. The benefit ceiling of integrating AI in health care is high, but there is good reason to implement the President's EO to emphasize the safe implementation of AI in critical functions of the country, especially health care. This change in how AI models can be released to the public will likely result in uncertainty among AI developers and a slower pace of frontier AI model releases as they are examined and tested. Precisely how federal agencies will check these AI models to determine whether they are safe to release is currently unclear. They may employ simple checks, such as testing to see if they can generate explicit material easily, be "jailbroken" quickly to bypass safety measures, or access sensitive information about national security, but more thorough checks could include evaluating AI explainability, security, and architecture. This process depends heavily on the experts brought in to review these AI models and their ability to provide a just review. Therefore, this EO may be a necessary step, but it currently lacks the specification to anticipate exactly how AI development and deployment will be affected and what level of government oversight will be deployed. Moreover, the EO does not seem to affect previously deployed AI models, which would suit the health care field because of its slower process towards implementation due to rigorous testing and education. New frontier AI models may take longer to be available for hospitals because of the federal government's AI review process. However, slower adoption remains essential to properly educate health care professionals on AI, test applications for specific industry use cases to ensure that AI health care solutions provide value, and establish ethical and governance frameworks for AI implementation to safely implement these new tools.

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