

## AI in Healthcare – What we know and how we are responding

The world is buzzing about Artificial Intelligence (AI). We are seeing it deployed in countless ways to help advance our society – making things faster, more accurate and relatively effortless. However, when it comes to leveraging AI in healthcare, many questions remain.

For example, how much of the decision-making process should be taken out of the hands of a trained professional and put into this newer technology? And how could AI potentially affect the outcomes of medical malpractice cases?

At the same time, the E&S industry is dealing with the challenge of how to insure a facet of the business with so many unknowns.

### CONTACT

To learn more about how Amwins can help you place coverage for your clients, reach out to your local Amwins broker.

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*Courtesy of Amwins Group, Inc.*

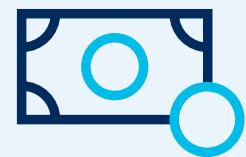


## How is AI currently being used in healthcare?

There are many ways in which to leverage AI in the healthcare industry. Healthcare providers are using it to assist with imaging diagnostics, healthcare analytics and lifestyle management/monitoring. Drug companies are benefiting from the use of AI in the development of new drugs.

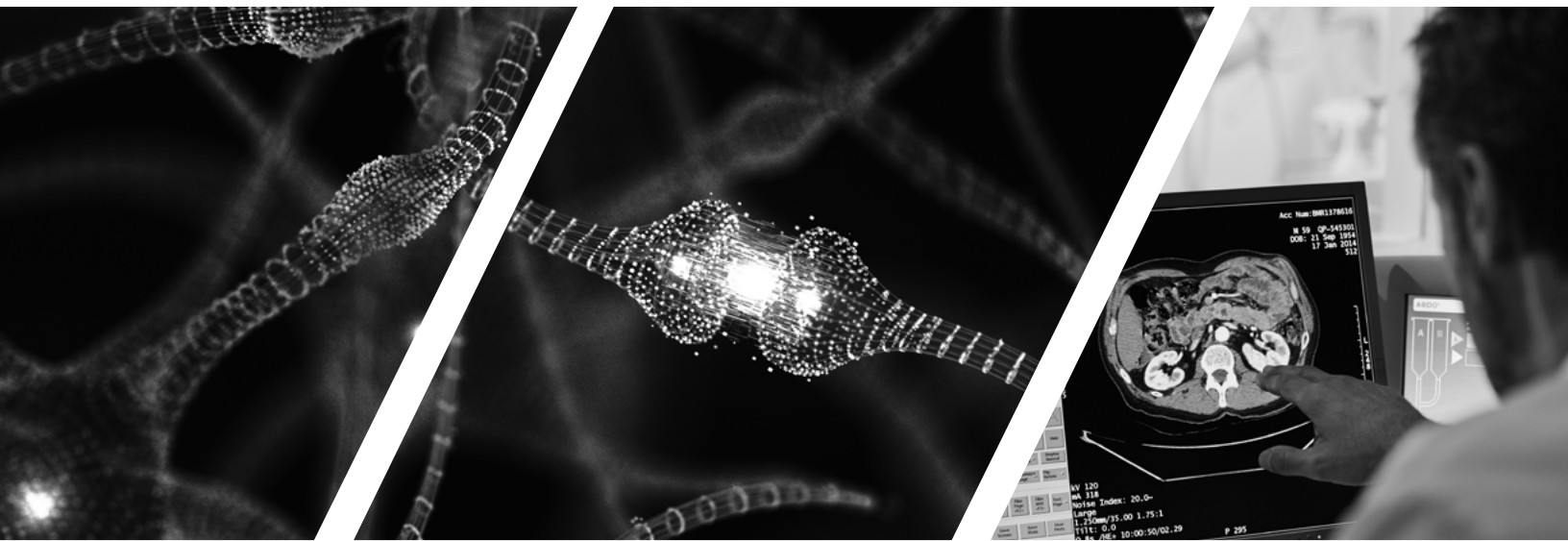
The average **cost to develop a new drug can be up to \$2B** and **take anywhere from 12-15 years** before it is ultimately approved by the FDA. With the help of AI, the time and cost of conducting clinical trials and evaluating results can be drastically reduced, bringing lifesaving drugs to the population in record time.

In addition to faster drug development, some other key benefits of AI in healthcare include enhanced accuracy in diagnosis, personalized treatment selection and patient monitoring. AI can also aid in predictive analysis through data driven insights to help **optimize resource allocation** and provide clinical guidance to enable more accurate and efficient healthcare delivery.



# \$2 Billion

The average cost to develop a new drug



## Where does the risk lie?

As wonderful as that all sounds, it's important to remember that AI utilizes historical data. It can only make predictions according to the patterns entered into the algorithms, leaving us with the question: where should our concern lie and how can we better guide our clients?

Carriers are keeping an eye on this emerging trend and recognize that while AI is a positive for healthcare companies, understanding its limitations to help ensure effective usage is critical. For instance, the use of AI in radiology has resulted in more accurate readings and better diagnostics for patients. However, AI is still evolving in obstetrics as there are many factors that go into a caring for an obstetrical patient including age, historical health, in-person evaluations, etc.

Underwriting for healthcare accounts leveraging AI is determined by what method of AI is being used and how the information gathered through AI is being processed. Where data is coming from, how staff is trained to enter that data and the way in which the insured avoids bias in the data are also considered.

Regardless, for insureds taking advantage of the benefits AI has to offer, it's important to consider the following:

- Is there a **framework** for implementing AI? What guidance is in place to help users design, plan and support the implementation in daily activities to create a reliable algorithm?
- Are the proper data privacy protections in place? Does the insured's cyber policy cover the use of AI and how it is being leveraged by the insured?
- Has the staff been properly trained to enter data into the AI tool? Do they understand how important accuracy and following the proper procedures are for the algorithm?
- Are there any uncertainties about the insured's algorithms? Has the data entered into the algorithm been verified? Will the system abstain from providing a diagnosis if there is data uncertainty? Are there any triggers for additional review by a trained professional?
- How is the insured addressing ethical questions raised by the fact that algorithms train themselves? For example, in the event of a misdiagnosis, how has accountability been established?
- What procedures are in place to help ensure an appropriate dataset (to include race, ethnicity, sex, age, etc) to avoid biases in the data?

There is no doubt that there are and will continue to be groundbreaking technologies due to the use of AI and machine learning in the healthcare space. The above list of things to consider is by no means complete and will continue to evolve as the technology develops.

## Takeaway

It is safe to say that AI will be at the top of everyone's list of emerging trends for years to come. However, as we see advances in healthcare technology, we will also see new risks. If the healthcare industry has taught us anything, it's that preparation is key – and access to specialized healthcare industry insurance is vital for your clients to operate safely.

Amwins has a longstanding commitment to the healthcare industry, we've forged significant relationships with top-tier, specialty carriers and have developed exclusive products that address your clients' needs. We work collaboratively with you to secure the most comprehensive, competitive coverage for your healthcare clients.

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