Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Memorandum

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TO: Interested Persons

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SUBJECT: State Legislative Trends in Artificial Intelligence and Health (2023-2025)

Overview

This memo analyzes the rapid growth of state legislation regarding artificial intelligence (AI) and health, which surged from 15 bills introduced in 2023 to 168 bills introduced in 2025. Based on data from the National Conference of State Legislatures (NCSL), at least 41 states have introduced 247 health and AI bills addressing topics ranging from private sector use to government use. This overview presents annual trends to illustrate the complexities of regulating AI for health.

State Legislation on AI for Health and Health Uses

Sources of Legislative Data

Bills included in these analyses come from NCSL's annual Artificial Intelligence Legislation summaries produced in 2023, 2024, and 2025. These bills either had "health" included in the bill title or bill summary, or they had a "health use" category designation from NCSL, meaning that the "legislation focused on the use of AI in health care or by health care professionals." NCSL category designations are defined at the bottom of the 2023 and 2024 summary pages.

NCSL also launched an Artificial Intelligence Legislation Database in 2025. However, the database only includes 2025 legislation and is still limited in its coverage of health-related AI bills. This research instead only includes data from the NCSL summary pages.

After filtering AI legislation from this time period for health or health use, the results were extracted and combined into a unique LCS dataset for analysis. NCSL appears to have relied on the content of bill names and bill summaries when assigning category designations, meaning

the resulting dataset analyzed for this memo is not exhaustive of all possible legislation involving AI and health.

For example, Colorado's Senate Bill 24-205 is included in the NCSL database, but it is not characterized as being related to health or health use. As the first AI consumer protection bill in the country, this bill created requirements for algorithmic systems used to make "consequential decisions."[1] California's 2023 CA A 203 bill also did not appear when filtering the NCSL database for health or health uses. While health is not mentioned in these bills' names or bill summaries, it appears within the text of the bill in reference to the bills' impacts on decisions and provision or costs of health care services and insurance.

Other AI bills may address topics that could have clear linkages to health (e.g., the risk of algorithmic discrimination in automated decision tools would likely impact health insurance companies), but a clear link to health was not specified in the bill text. Additionally, some bills included in the results had no actual link to AI and health, as the inclusion of these topics referred to disparate contexts (e.g., 2023 TX H 1 c covered school health and AI in grading systems). Finally, the bills included in this dataset vary widely in how much of their content relates to AI (e.g., an appropriations bill with a single reference to AI appears alongside a bill regulating AI solely for health uses). Despite these limitations with the resulting dataset, the NCSL data provide a useful starting point for understanding broader legislative trends in AI and health.

Legislative Overview (2023-2025)

Legislative interest in AI and health has increased dramatically, surging from 15 bills introduced in 2023 to 168 bills introduced in 2025. Legislators in at least 41 states introduced 247 bills of relevance to AI and health since 2023, showing that regulation of AI is now a nationwide concern.

Due the search criteria used to identify bills on AI and health, it is unsurprising that NCSL classified most of these bills as primarily focused on "health use" (n=214). Bills in the "health use" category concentrated on how AI is used in healthcare, including in making clinical decisions and diagnoses, as well as patient-facing applications.

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[1] For an overview of this legislation, read Legislative Council Staff's publication "Overview of Artificial Intelligence" (2025).

The "private sector" was NCSL's second most common category of introduced legislation involving AI and health (n=148). Bills in this category often addressed issues like bias, accountability, and consumer protection in automated decision-making.

While legislative categories like "responsible use" (n=25), "notification" (n=22), and "impact assessment" (n=18) appear less frequently among introduced legislation, the inclusion of these emerging regulatory concepts suggest a growing trend in legislation proposing process-based regulation on transparency and testing of AI systems.

Legislation Introduced in 2023

In 2023, 11 states introduced 15 AI bills that involved health. At least two bills succeeded.

Trends Among Enacted Bills

Bills enacted in 2023 addressed administrative or appropriations-related updates:

- GA H 203 related to the control of hazardous conditions, preventable diseases, and metabolic disorders. This bill updated "assessment mechanisms" for conducting eye assessments, noting that it includes AI devices.

- ND H 1003 appropriated funds for the North Dakota university system and mandated a study on the emergence of AI and its potential impacts on the state, including on the provision of healthcare.

Trends Among Failed and Pending Bills

Bills that failed in 2023 tended to be broad in scope, such as:

- MD H 1068 would have established the Commission on Responsible Artificial Intelligence in Maryland to study issues related to AI use and regulation. The Secretary of Health would have been a member of this new commission.

- NV S 419 would have required revisions relating to public health, including expanding coverage provided in the Children's Health Insurance Program (CHIP), mandating a framework for the electronic exchange of health information, and requiring the suspension of licenses for non-compliance. It also called for a study on health products that use AI. According to the veto message, this bill was vetoed because of its CHIP expansions, not the AI study.

- TX H 4695 was related to the provision of AI mental health services.

NCSL marks some bills as "pending" in their summaries, which covers various outcomes including being introduced but never getting a hearing or getting almost all the way through the legislative process. It is likely to conclude that "pending" bills from 2023 also failed and will not become law. Pending bills in 2023 were concentrated within the "health use" category, often focusing on ethical guardrails and patient safety. Health care and patient safety bills related to consumer notification and regulation of the use of AI in health-care staffing and decision making, for example:

- CA A 1502 would have prohibited health care plans from discriminating through the use of clinical algorithms.

- IL H 1002 would have required hospitals to certify diagnostic algorithms to ensure they are at least as accurate as other diagnostic means before using them.

- IL H 3338 and IL S 2314 were related to the Safe Patient Limits Act and would have addressed the use of patient acuity systems (using AI to make hospital staffing decisions).

- PA H 1663 would have provided for disclosure by health insurers of the use of AI-based algorithms in the utilization review process.

- ME S 656, First Special Session would have addressed nurse staffing ratios and patient care.

Bills involving mental health and youth would have focused on impacts of AI on mental health and the provision of mental health services including:

- CA A 1282 would have required a commission to explore the relationship between mental health, social media, and AI.

- MA H 1974 and RI H 6285 were related to regulating the use of AI in mental health services.

Legislation Introduced in 2024

In 2024, 24 states and Puerto Rico introduced 64 AI bills that involved health. Fifteen bills succeeded.

Trends Among Adopted and Enacted Bills

Successful bills primarily focused on establishing study groups to gather data and on implementing transparency and fairness standards in healthcare systems. Bills addressed health care standardization and fairness by placing new requirements on health insurance plans for how AI is used for high-stakes decisions or by mandating disclosures for patients, for instance:

- [CA S 1120](#) required health insurance plans using AI to ensure the AI bases its determination on specified information and is "fairly and equitably applied."

- [CA A 3030](#) required health facilities that use generative AI for patient communications to include a specified disclaimer and instructions, unless a human provider reviews it.

- [IL H 2472](#) amended the Managed Care Reform and Patient Rights Act to clarify that all utilization review programs (including algorithmic automated processes) are subject to specified requirements, strengthening the oversight of AI in these functions.

Bills that established advisory or study groups to guide future policy were also successful, such as:

- [FL S 7018](#) created the Health Care Innovation Council to explore and discuss innovations in technology, including AI, to improve the quality and delivery of health care.

- [WV H 5690](#) created a state Task Force on Artificial Intelligence that included the state Secretary of Health.

Trends Among Failed and Pending Bills

AI and health bills that failed in 2024 often attempted to impose broad governmental oversight or to prohibit algorithmic discrimination outright. Comprehensive bills were proposed to establish wide-ranging ethical frameworks or mandates for state agencies, such as:

- [CT S 2](#) was intended to protect the public from harmful unintended consequences of AI (e.g., in health care services, housing, employment), fund pilot studies (e.g., for the purpose of using AI to reduce health inequities in the state), and train the workforce (e.g., telehealth providers, state employees) on AI applications.

- [HI H 2152](#) would have established a plan for the use of generative AI in state agencies, requiring risk assessments and guidelines.

Measures specifically aimed at preventing bias in areas like health care and insurance failed, for example:

- [GA H 887](#) would have prohibited the use of AI in making certain decisions regarding insurance coverage and health care.

Pending bills, none of which became law, represented areas of complex, ongoing debate, with a primary focus on patient safety, labor, and new forms of notification. Bills involving healthcare diagnostics and patient limits proposed setting new safety standards for health care providers and systems, such as:

- [IL H 5115](#) would have required that before a hospital uses any diagnostic algorithm, the algorithm must be certified by the state and shown to achieve accurate diagnostic results.

- [IL H 3338](#) would have revisited the Safe Patient Limits Act and AI in hospital staffing, which was previously introduced in 2023 and described above.

Pending legislation on notification and consent explored the necessity of explicit patient consent when AI is used in patient care, like:

- [IL H 5649](#) would have provided that it is an unlawful practice for a mental health professional to provide services using AI without first obtaining informed consent and disclosing the use of AI tools to the patient.

- [PA S 913](#) would have expanded parental consent requirements for virtual mental health services provided by schools to include behavioral health support administered by AI.

Legislation Introduced in 2025

Legislators in 36 states introduced 168 bills of relevance to AI and health in 2025. Twenty-five bills succeeded.

Trends Among Adopted and Enacted Bills

Bills adopted or enacted in 2025 tended to be more specific, focusing on health process improvements or establishing government oversight mechanisms. Successful bills targeting health claims or prior authorization reforms focused on requiring human review or setting specific standards for when AI is used:

- [AZ H 2175](#) amended the Arizona Revised Statutes on insurance denials and prior authorization to specify that before a healthcare insurer may deny a claim submitted by a provider on the basis of medical necessity or issue a direct denial of a medically necessary prior authorization request by a provider, the medical director shall individually review the denial and "may not rely solely on recommendations from any other source."[2]

- [CA A 489](#) prohibited AI or generative AI technology from using terms that indicate or imply advice, care, or reports are being provided by a natural person with the appropriate health care license.

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[2] These amendments do not include any references to AI. However, sources including the [Arizona Medical Association](#) report that this legislation was triggered by efforts to regulate and safeguard patients from the use of AI in insurance decisions.

- TX S 815 revised the insurance code to prohibit the use of certain automated systems in making adverse determinations in the health benefit claims process.

- OR H 2748 prohibited a non-human entity from using the title "nurse" or other medical professional titles.

Successful legislation related to establishing government oversight or commissions, including the use of AI by state agencies, addressed topics such as:

- TX H 149 enacted the Texas Responsible Artificial Intelligence Governance Act. In healthcare specifically, the bill required disclosures around the use of AI in relation to healthcare services or treatment.

- RI H 5985 amended laws governing the Rhode Island Life Science Hub, a government corporation with a board of directors. The amendments clarify that "life science" includes "health software and artificial intelligence," among other changes.

Trends Among Failed and Pending Bills

Similarly to legislation that failed in 2024, the AI and health bills that failed in 2025 often attempted to target the intersection of healthcare and private industry as well as measures for broad regulatory oversight. The majority of failed bills sought to regulate how insurers use AI in making coverage or claims decisions, including:

- AL H 515 would have regulated use of AI in health coverage decisions.

- AL S 294 proposed regulating health insurance and modernizing the prior authorization process, including requiring human review of recommendations or conclusions by AI.

Pending legislation in 2025 could still be considered in 2026 in some states. These bills focused primarily on regulating AI's role in health insurance and establishing broader statewide regulatory frameworks for AI. The most common pending bills sought to impose rules, oversight, and restrictions on how health insurers use AI for coverage determinations, utilization review decisions, or claims processing, with proposals such as:

- IL H 35 and IL S 1425 proposed the AI Systems Use in Health Insurance Act and provided that the Department of Insurance's regulatory oversight of health insurance coverage includes oversight of the use of AI systems or predictive models to make or support adverse consumer outcomes.

- CA S 503 proposed requiring developers and deployers of patient care decision-support tools to make reasonable efforts to mitigate the risk of discrimination.

Another significant portion of pending legislation aimed to create a comprehensive, foundational regulatory or statutory framework for AI usage across a jurisdiction, including proposals like:

- [HI H 716](#) would establish the Health Information Technology Infrastructure Grant Program within the state Department of Health to support health information technology infrastructure "in the artificial intelligence era."

- [CA A 1018](#) related to automated decision systems (ADS) and would require a deployer of a covered ADS to take certain actions, including providing certain disclosures to a subject of a consequential decision made or facilitated by the covered ADS.

- [GA S 167](#) would broadly require private entities that employ certain AI systems to guard against discrimination caused by such systems in making consequential decisions.