Wisconsin Legislative Council

MINUTES

STUDY COMMITTEE ON THE USE OF ARTIFICIAL INTELLIGENCE IN HEALTH CARE

Room 411 South, State Capitol
Madison, WI
August 13, 2026
10:00 a.m. – 4:23 p.m.

CALL TO ORDER AND ROLL CALL

Chair Cabral-Guevara called the meeting to order and determined that a quorum was present.

COMMITTEE MEMBERS PRESENT:	Sen. Rachael Cabral-Guevara, Chair; Rep. Adam Neylon, Vice Chair; Sen. Sarah Keyeski; Rep. Mike Bare; and Public Members Polly Anderson, Phillip Blair, Dr. Justin Boge, Glenn Martin Fung, Matthew Harris, David Hoffert, Dr. Mark Huth, Frank Liao, Krister Mattson, Madeline Nevermann, Julie Pawola (by videoconference), and Erin Skold.
COUNCIL STAFF PRESENT:	Anne Sappenfield, Director; Margit Kelley, Principal Attorney; and Emily Hicks, Senior Staff Attorney.
APPEARANCES:	Samantha Scotti, Associate Director, Health Program, National Conference of State Legislatures (NCSL); David Stauss, Founder, Stauss, PLLC; Emily Petersen, Advocacy and Public Policy Director, Greater Wisconsin Agency on Aging Resources, Inc. (GWAAR), and Wisconsin Agency Advocacy Network; Erin Fabrizius, Associate State Director–Advocacy, AARP Wisconsin; Leslie Spencer-Herrera, Volunteer State President, AARP Wisconsin; and Mary Kay Battaglia, Executive Director, NAMI Wisconsin.

OPENING REMARKS FROM ANNE SAPPENFIELD, DIRECTOR, LEGISLATIVE COUNCIL STAFF

Chair Cabral-Guevara welcomed committee members and introduced Anne Sappenfield, Director of the Legislative Council staff. Ms. Sappenfield described the work of the interim study committee and shared a video presentation discussing the importance of Joint Legislative Council study committees and encouraging members to come to the committee with open minds. Ms. Sappenfield thanked members for their service and offered the Legislative Council staff as a resource throughout the committee's deliberations.

BRIEF INTRODUCTIONS BY CHAIR CABRAL-GUEVARA AND COMMITTEE MEMBERS

At Chair Cabral-Guevara's invitation, committee members introduced themselves and briefly explained their backgrounds and interest in the committee's topic.

DESCRIPTION OF MATERIALS DISTRIBUTED BY LEGISLATIVE COUNCIL STAFF

Margit Kelley, Principal Attorney, briefly described material provided in Legislative Council, *Study Committee on Artificial Intelligence in Health Care*, Staff Brief 2026-02 (Aug. 2026), relating to background information on artificial intelligence (AI); the regulation of AI in health care at the federal level and in other states; and data on the adoption and uses of AI in health care.

OVERVIEW OF ARTIFICIAL INTELLIGENCE LEGISLATION IN HEALTH CARE BY SAMANTHA SCOTTI, ASSOCIATE DIRECTOR, HEALTH PROGRAM, NCSL

The committee heard a presentation by Samantha Scotti of NCSL, relating to legislation addressing AI in health care in other states. Ms. Scotti began by providing background information on AI generally, including the various types of AI and examples of current uses and applications of AI in the health care sector. She also briefly covered various efforts to regulate AI at the federal level. Ms. Scotti noted that several states have established a study committee or task force to examine the use of AI in health care. Additionally, Ms. Scotti identified five categories of legislation other states have introduced relating to the use of AI in health care: (1) ensuring responsible use; (2) addressing clinical oversight and use; (3) requiring providers to disclose their use of AI to patients; (4) regulating mental health chatbots; and (5) regulating the use of AI in utilization management. Ms. Scotti provided examples of recent state activity in each of these categories.

Following the presentation, committee members posed questions to Ms. Scotti regarding AI sandbox models in other states; whether other states have enacted legislation to attract AI companies and encourage AI development; and how other states are defining "artificial intelligence."

U.S. STATE AI LAWS: AN OVERVIEW BY DAVID STAUSS, FOUNDER, STAUSS, PLLC

The committee heard a presentation by David Stauss of Stauss, PLLC, relating to other states' approaches to regulating AI generally, as well as uses of AI that are specific to health care. Mr. Stauss began his presentation by offering a resource he developed and maintains, the U.S. State Privacy and AI Resource Center (SPARC), that tracks consumer privacy, data broker, and AI laws across all 50 states.[1] Mr. Stauss identified nine categories of legislation in other states related to regulating AI: (1) laws that regulate frontier models; (2) transparency laws; (3) general AI governance laws; (4) laws that regulate the use of AI and automated decision-making tools in the employment context; (5) laws regulating AI chatbots; (6) laws regulating algorithmic and AI-driven pricing practices; (7) certain niche or subject-specific laws; (8) laws governing the use of AI in health care, including mental health treatment; and (9) laws that regulate the use of AI by health insurers. Mr. Stauss provided examples of recent state legislation in each of these categories. He also identified common themes in AI legislation, including the following: disclosure requirements; mental health guardrails; special protections for minors; and private rights of action.

Following the presentation, committee members posed questions to Mr. Stauss regarding the federal government's regulation of AI, including the regulation of chatbots as medical devices by the federal Food and Drug Administration. Additionally, members asked for Mr. Stauss's recommendations in developing durable and agile AI regulatory legislation. Mr. Stauss recommended that the committee first consider legislation addressing data privacy broadly as an important first step for public protection in the absence of a comprehensive federal law. He also advised that the committee should avoid

[1] See Stauss, PLLC, *U.S. State Privacy and AI Resource Center (SPARC)* (last visited Aug. 25, 2026).

legislation that is too specific to any particular technology and recommended that legislation should instead be based on principles, with a careful analysis of the definitional complexities in this area.

PRESENTATIONS BY PATIENT ADVOCATES

Emily Petersen, Advocacy and Public Policy Director, GWAAR, and Wisconsin Aging Advocacy Network

The committee heard a presentation by Emily Petersen of GWAAR and the Wisconsin Aging Advocacy Network, relating to the impacts of AI health care technologies on older adults in Wisconsin. Ms. Petersen described the various ways AI is currently being piloted or is proposed to be used in the administration of Medicare and state Medicaid programs. She also explained how AI technologies increase the potential for consumer scams and fraud, especially against older adults. Finally, she recommended that the committee consider legislation that accomplishes the following:

- Requires practitioners and insurers to disclose their use of AI to their patients and members.
- Requires human oversight and review of health insurance coverage denials and other adverse determinations.
- Requires new AI tools to be piloted, tested, and retested.

Following the presentation, committee members posed questions to Ms. Petersen regarding the frequency of AI-aided elder scams in Wisconsin and the need to balance informed consent principles with older adult's skepticism about AI. Members also asked about the use of AI by insurers in making coverage denials versus processes used in the clinical oversight of AI. Finally, in response to questions about whether Ms. Petersen had any suggestions for how to increase education on AI in older populations, she talked about the importance of taking time to talk with older adults, with a focus on how a practitioner will be using the technology, in order to build trust.

Erin Fabrizius, Associate State Director–Advocacy, and Leslie Spencer-Herrera, Volunteer State President, AARP Wisconsin

The committee heard a presentation by Erin Fabrizius and Leslie Spencer-Herrera of AARP Wisconsin, relating to older patients' experiences with AI technology in health care. Ms. Fabrizius presented national statistics indicating that over 50 percent of older adults are comfortable with AI use for administrative tasks and scribing, but have a number of other concerns about the growing use of AI in health care. Ms. Spencer-Herrera presented data gathered by AARP on Wisconsin's older adults' perceived pros and cons of AI tools in health care. The presentation identified decreased costs, faster care, more accurate diagnoses, and physicians' ability to spend more time with the patient as possible benefits of the use of AI in health care; the top concerns about AI in health care included concerns about data privacy, the deskilling of health care professionals, and the use of AI to make decisions about insurance claims. Ms. Fabrizius explained that AARP has three guiding principles on AI in health care: fairness, transparency, and accountability.

Finally, Ms. Fabrizius and Ms. Spencer-Herrera recommended that the committee consider legislation that accomplishes the following:

- Requires insurers to disclose reasons for adverse coverage decisions that are made or informed by an AI or algorithmic tool.
- Requires practitioners to inform patients when they are using AI tools, including an explanation as to why they are using the tool.
- Requires AI tools used in health care to undergo initial and ongoing third-party evaluations.

- Clarifies provider accountability and liability for incorrect diagnoses and care decisions aided by AI tools.
- Requires human oversight of AI tools used in health care.
- Ensures consumers have the right to challenge and appeal AI-informed insurance coverage and health care decisions.

Following the presentation, committee members posed questions to Ms. Fabrizius and Ms. Spencer-Herrera regarding informed consent on the use of AI tools, the difference between disclosure and consent, and the need for providers to continue to adhere to standards of professional conduct.

Mary Kay Battaglia, Executive Director, NAMI Wisconsin

The committee heard a presentation by Mary Kay Battaglia of NAMI Wisconsin, relating to mental health concerns associated with AI technologies. Ms. Battaglia introduced the committee to an ongoing research project, Mindbench.ai, that is examining how large language model AI tools perform when people turn to them for mental health support. Mindbench.ai focuses on the AI tools' safety and crisis responses, as well as the accuracy and quality of the information provided by the tools. The project is also looking at whether the AI tools respond in a culturally respectful way and whether they offer supportive, human-centered language. Ms. Battaglia then described NAMI's top concerns with AI tools, including AI tools' tendency to hallucinate, provide overly confident responses, agree with users too easily, and provide inconsistent outputs to similar questions. She also expressed concerns about the privacy of individuals using AI tools to seek mental health support. Ms. Battaglia closed her presentation by stating that AI tools should not be substitutes for care by licensed mental health professionals and that AI tools should include guardrails to protect individuals seeking mental health support.

Following the presentation, committee members discussed with Ms. Battaglia how to meaningfully distinguish between the provision of therapy by an AI tool and the use of an AI tool as a support in providing mental health care.

ROUNDTABLE ON MEMBERS' PRIORITIES FOR THE COMMITTEE

Chair Cabral-Guevara invited committee members to share their top priorities for the committee's work moving forward. Going first, Chair Cabral-Guevara stated that she is most interested in fashioning a workable definition of "artificial intelligence" and that she hopes to hear firsthand from providers who are using AI in their day-to-day practice.

Vice Chair Neylon shared that he is most interested in the data privacy aspect of AI tools and human-in-the-loop requirements in AI systems.

Representative Bare stated that he is also interested in fashioning a workable definition of "artificial intelligence." Additionally, he would like the study committee to develop durable, principles-based legislation to regulate AI tools and future technologies, with a focus on patient protection.

Senator Keyeski shared that she would like to focus on the impacts of AI tools on mental health. She also would like the committee to contemplate the distinction between consent to the use of AI tools and disclosure of the use of AI tools. Finally, Senator Keyeski stated that she is interested in AI tools' ability to possibly help prevent discrimination by removing human biases.

Dr. Huth shared that he would like the committee to develop principles-based legislation to regulate AI tools and future technologies. He is also interested in the committee examining what informed consent to the use of AI tools and actual consent to the use of AI tools entails in a clinical setting.

Dr. Liao expressed interest in learning more about other states' experiences with a sandbox model for regulating AI. He also supported the committee pursuing principles-based legislation to regulate AI tools and future technologies.

Mr. Mattson would like more information on legislation that has already been introduced in Wisconsin relating to AI in health care, as well as any existing law that applies to current uses of AI in health care. He also wants to learn more about the administrative uses of AI in health care.

Ms. Nevermann shared that she would like the committee to focus on making any legislation agile so that it can adapt to inevitable changes in the AI and technology landscape. She also is interested in hearing from payers about their use of AI and how they ensure transparency and human review of outputs.

Ms. Skold stated that she is interested in hearing from a health care provider about how certain practices or new technologies become the standard of care.

Mr. Hoffert shared that he is most interested in the safety and data privacy aspects of AI in health care. He would like the committee to think about how health care organizations can ensure they are testing and re-testing AI tools. He also noted that existing health care privacy laws don't cover all health care information and he is interested in the committee locating those gaps and figuring out how to cover them.

Mr. Harris wants the committee to focus on building trust and helping ensure greater access to health care and higher quality care.

Dr. Fung shared that he is interested in opening the "black box" of AI tools to ensure that users are able to track and understand how an AI tool reaches its answer or decision. He wants the committee to focus on harvesting the power of AI, while also ensuring that it remains subject to human supervision and oversight.

Dr. Boge stated that he is interested in the committee taking an approach to regulation that focuses on the uses of AI that could cause the most harm. He would like the committee's work to focus on transparency, reliability, understanding, safety, human oversight, accountability, and improvement. He is also interested in a sandbox model for regulating AI.

Mr. Blair shared that he wants to see clarity about who is accountable when AI is used in health care and insurance. He also would like to hear more about how AI is used can be used in medical plan administration to reduce costs.

Ms. Anderson stated that she is interested in the committee discussing the ethics of the use of AI in health care. She's also concerned about the privacy of personal data transmissions and the use of easily accessible AI tools by vulnerable populations. Finally, she has concerns about AI tools causing health care providers to "de-skill."

Ms. Pawola shared that she would like the committee to examine what other states have done to address mental health concerns resulting from the usage of AI tools. She also would like clarity on who is responsible for the use of AI tools in the provision of health care.

ADJOURNMENT

The meeting adjourned at 4:23 p.m.

EH:MSK:kp