

2026 Regular Session

SENATE BILL NO. 246

BY SENATOR LUNEAU

HEALTH/ACC INSURANCE. Establishes requirements for insurers using artificial intelligence. (8/1/26)

1 AN ACT

2 To amend and reenact R.S. 22:1260.44(E)(2) and to enact R.S. 22:1260.49 and 2401(4),
3 relative to the use of artificial intelligence by insurers; to provide for definitions; to
4 provide for notice; to provide for utilization review and determination by a human;
5 to provide for appeals; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1260.44(E)(2) is hereby amended and reenacted and R.S.
8 22:1260.49 and 2401(4) are hereby enacted to read as follows:

9 §1260.44. Timeframes for determinations; concurrent review; retrospective review;
10 adverse determination

11 * * *

12 E.(1) * * *

13 (2) A health insurance issuer shall include in its written or electronic
14 notification of an adverse determination all of the reasons for the determination,
15 including the clinical rationale, ~~and~~ the instructions for initiating an appeal or
16 reconsideration of the determination, **and whether artificial intelligence, as defined**
17 **in R.S. 22:1260.49, was used in the determination process.**

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§1260.49. Right to human review of health insurance claims

A. "Artificial intelligence" as used in this Section means an engineered or machine-based system that varies in its level of autonomy, can receive input, and can, for explicit or implicit objectives, generate or infer how to generate outputs, including but not limited to predictions, simulations, and recommendations that can influence physical or virtual environments.

B. The provisions of this Section are applicable to insurers, pharmacy benefit managers, or an independent review agent or organization that does either of the following:

(1) Uses artificial intelligence for utilization review.

(2) Contracts with a carrier that uses artificial intelligence for the purpose of utilization review.

C.(1) No entity subject to this Section shall utilize an artificial intelligence that does any of the following:

(a) Engages in discrimination that is prohibited by federal or state law.

(b) Violates regulations or guidance disseminated by the United States Department of Health and Human Services.

(c) Delays, denies, or modifies healthcare services.

(2) Artificial intelligence used in the determination process shall not base its determination or determination recommendation solely on a group data set.

(3) Artificial intelligence shall base its determination or determination recommendation on any the following:

(a) The insured's medical or other clinical history.

(b) Individual clinical circumstances as presented by a requesting provider.

(c) Other relevant clinical information contained in the insured's medical or other clinical history.

D.(1) An entity subject to this Section shall not replace the role of a

1 healthcare provider in the determination process with artificial intelligence.

2 (2) An entity subject to this Section shall do all of the following:

3 (a) Require independent judgment from human utilization review
4 personnel in the utilization review process before making an adverse
5 determination for either of the following:

6 (i) Any claim submitted by a provider based on medical necessity.

7 (ii) Any claim submitted by a provider for a procedure requiring prior
8 authorization.

9 (b) Comply with applicable regulations and guidance for artificial
10 intelligence use issued by the United States Department of Health and Human
11 Services.

12 (c) Review the performance, use, and outcomes of an artificial
13 intelligence at a minimum of once per quarter, and revise the policies and
14 procedures as needed to ensure compliance with this Section.

15 (d) Allow the commissioner to inspect and audit the artificial intelligence
16 for compliance with this Section and review policies and procedures for how the
17 artificial intelligence is used in the determination process.

18 (e) Use patient data within its intended and stated purpose consistent
19 with the federal Health Insurance Portability and Accountability Act of 1996,
20 as applicable.

21 E.(1) Any insured has the right to appeal a determination that he has
22 learned was made with a recommendation from an artificial intelligence.

23 (2) If an adverse determination is appealed on the basis of the use of an
24 artificial intelligence, the insurer shall not use an artificial intelligence in any
25 subsequent review of the claim.

26 * * *

27 §2401. Requirements of federal laws and regulations; minimum requirements

28 Health insurance issuers shall implement effective processes for appeals of
29 coverage determinations and claims. The processes shall comply with any applicable

Effective August 1, 2026.

(Amends R.S. 22:1260.44(E)(2); adds R.S. 22:1260.49 and 2401(4))