

Trends in Healthcare and Governance | March 2025

## Leveraging AI in the boardroom while balancing innovation, efficiency and compliance

Artificial intelligence can improve the effectiveness and efficiency of healthcare board activities. However, given the healthcare industry's uniqueness and complex regulatory landscape, there are also inherent risks. Healthcare boards must strike a balance between embracing innovation and ensuring safety and security.

The use of AI is rapidly growing in all industries. Nearly one-third (30%) of board directors believe AI will be one of the most significant trends impacting their organizations this year, according to a recent <u>National Association of Corporate Directors survey</u>.

## The advantages of Al

Healthcare boards use Al for a variety of purposes including onboarding trustees, preparing for meetings, drafting meeting minutes and ensuring regulatory compliance. Advantages can include:

- Enhanced efficiency and productivity: Al tools can handle routine tasks, analyze data and summarize lengthy information.
  - Summaries of detailed reports allow trustees to spend less time preparing for board meetings and more time engaging in productive discussions and making decisions.
- Data-driven insights: Al tools can identify current and anticipate future trends to help trustees make informed decisions.
  - Al can reveal trends of certain populations using specific services, which trustees can use to make strategic decisions.
- Increased consistency, accuracy and compliance: Al tools can review written reports and data, minimizing human error.
- Quick access to critical information: Secure AI tools can retrieve relevant documents and data points, making information more accessible.
  - This feature can be helpful to healthcare trustees who often receive a significant amount of information, making it easier to find what they're looking for.

## Consider the risks

Despite these advantages, trustees need to choose their Al tools wisely.

 Hospitals and health systems must ensure their AI tools comply with HIPAA regulations and other regulatory compliance or face steep penalties and long-term reputational damage.

- Hospitals and health systems handle sensitive patient information, so they must safeguard it by prioritizing security and compliance.
  - Publicly accessible tools like ChatGPT and Google Gemini are powered by large language models that ingest all user inputs, including data and content, for future training and outputs. This means that confidential data or sensitive content may later become available to others, so these tools shouldn't be used to support healthcare board governance activities.
- Healthcare boards must seek Al tools within secure and private solutions.
  - Boards that use a board portal should ensure the provider has accreditations or certified compliance with widely accepted data and privacy standards and those unique to the healthcare industry.

Not only do healthcare trustees need to evaluate AI for their board's use, but they also must oversee their organization's use of AI. To provide proper oversight and make strategic decisions, healthcare trustees should be educated and understand the implications of AI for their organization. Yet, AI's rapid growth makes it challenging to stay updated. HTNYS can help!

- We are developing a healthcare IT series of videos as part of <u>HTNYS Boardroom Essentials</u> that will
  include a video on what trustees need to know about AI.
- Plus, we're excited to have Steve Berkowitz, MD, returning to this year's Trustee Conference to discuss the latest on AI for healthcare trustees. Save the date for Sept. 11 13 at The Saratoga Hilton.

Information for this article was obtained from:

How to Leverage AI in the Health Care Boardroom: Embracing innovation while maintaining security and compliance, Beckers Health IT

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