

EMPLOYEE BENEFITS

How Might AI Impact Employee Benefits and Healthcare Delivery?

By: Holly Collins, *Partner*; Theresa Flynn, *Partner*; Marilyn Schlein Kramer, *Partner*



The use of artificial intelligence (AI) is booming; it is expected to grow by more than 35% annually between now and 2030.¹ It is worth exploring how businesses currently leverage AI and how they may do so in the future. Across almost all industries, there is an opportunity to automate tasks, streamline operations and administration, improve efficiency and increase productivity. The question for employer-sponsors of health plans is: **How might AI impact employee benefits and healthcare delivery?**

As employers continue to take on challenges around healthcare cost, access quality and overall population health, AI may be able to help drive better solutions. At this time, there are four major areas where AI could become transformative for healthcare.

- 1 Operational and administrative efficiencies:** simplified billing and claims submissions, appointment scheduling, fraud detection and improved integration of data across the healthcare system

- 2 Improvements in employee experience:** greater efficiency, personalization and sharing of medical information for more seamless care and better navigation
- 3 Clinical enhancements:** AI will not replace doctors – but AI could transform the way healthcare workers diagnose and treat patients
 - Example:** Some AI can read a scan, process an image or identify a rare condition more accurately than a human, which could help to reduce human error and identify innovative treatments
- 4 Empower true transparency:** Recent regulations require health plans and providers to post prices through Machine Readable Files, but the files are massive and difficult to use. With increased consistency and completeness combined with AI, there may be an opportunity to marry cost and quality to make pricing data more accessible and actionable.

¹ [Forbes.com](https://www.forbes.com)



These four AI-driven developments could significantly and positively impact employer-sponsored health plans. However, it is important to remember that AI technology is complex and still in its infancy. There are numerous ethical and privacy concerns to consider, such as the following:

- **Legal and social issues:** For example, a Chatbot might steer a group of employees representing a protected class to the wrong treatment setting. Not only can this type of bias result in legal problems for the plan sponsors, but it also raises potential equity concerns.
- **AI and emotional cues:** A human can see body language or hear a tone of voice that might suggest anxiety or other emotional issues impacting the member that AI may not pick up on.
- **Employee hesitancy:** Employees as patients may not feel comfortable with AI-fueled healthcare, such as Chatbots, even if they promise greater self-service and more availability. Employers should strike a balance between AI automation and the human touch when considering plan design changes and potential enhancements.
- **Security of sensitive information:** AI models ingest data as they make predictions. This means the information could be stored by vendors, which brings more data security and privacy concerns for employers.

Employers should be proactive and understand how the vendors in their ecosystems use AI today or if they plan to in the future. Questions might include:

- How do you plan to leverage AI over the next three to five years? What does the roadmap look like? How has AI improved the efficiency of your operation? How could this potentially impact healthcare costs and quality for both our firm and plan members?
- How will AI provide a more personalized and engaging member care journey?
- How will AI decrease healthcare barriers and improve outcomes in diverse populations?
- How are you mitigating any AI-related bias in your models?
- What can be done to validate your AI models?
- How will we quantify success?

While there are concerns about the future of AI and employer-sponsored health plans, it is important that the entire healthcare system, including employers, understand its advantages while mitigating its risks.

About the Authors



Holly Collins, Partner

Holly is a Partner with Brown & Brown and is based in its Southborough, Massachusetts office. She brings more than 20 years of industry-related experience to her role and serves as a client manager and strategic advisor on health and benefit issues for clients. She has managed large complex projects for local, national, and international clients across industries throughout her career.



Theresa Flynn, Partner

Theresa Flynn is a Partner with Brown & Brown and based in its Southborough, Massachusetts office. She provides advice to clients in the areas of financial analysis, funding arrangements, benefit plan design approaches and group marketing strategies. Her experience includes the management of competitive bidding projects, development of strategic plans for health care and wellness, and the management and implementation of benefit programs following mergers and acquisitions.



Marilyn Schlein Kramer, Partner

An economist by training, Marilyn leads Brown & Brown's Analytic team and oversees its data warehouse. Marilyn has more than 20 years of experience consulting with employers. Prior to Brown & Brown, Marilyn was Senior Vice President of Customer Experience at HDMS, a unit of Aetna/CVS Health, that provides analytic tools and services to more than 100 employers, health plans and risk bearing provider groups. Earlier in her career, Marilyn was President/CEO of DxCG, a pioneer in healthcare predictive modeling and risk adjustment.



Find Your Solution at [BBrown.com](https://www.brownandbrown.com)

Brown & Brown, Inc. and all its affiliates, do not provide legal, regulatory or tax guidance, or advice. If legal advice counsel or representation is needed, the services of a legal professional should be sought. The information in this document is intended to provide a general overview of the topics and services contained herein. Brown & Brown, Inc. and all its affiliates, make no representation or warranty as to the accuracy or completeness of the document and undertakes no obligation to update or revise the document based upon new information or future changes.

©2024 Brown & Brown. All rights reserved.