

NAIRO Position on Artificial Intelligence in the Independent Review Industry

National Association of Independent Review Organizations – May 29, 2026

Position. NAIRO supports the responsible adoption of artificial intelligence across the independent review value chain and holds the unambiguous position that the final determination in every independent review must rest with a qualified human reviewer. **AI accelerates the work. Humans own the decision.** This position is consistent with the direction set by HHS, CMS, and a growing majority of state legislatures. NAIRO fully supports that direction and, as the review industry's thought leader, will promote it to our members and to all review stakeholders. AI in independent review will be a key theme of the 2027 NAIRO Conference from March 23-25, 2027, in San Antonio, Texas.

The federal floor is already set. On June 23, 2025, HHS Secretary Robert F. Kennedy, Jr. and CMS Administrator Dr. Mehmet Oz secured a public pledge from the nation's largest health insurers, covering nearly eight in ten Americans, to commit to six reforms of the prior authorization system.¹ The first among them is unambiguous: **medical professionals will review all clinical denials.**¹ CMS's own AI-driven WISer utilization-review pilot, live January 2026 in six states, applies the same principle: AI may flag, but a qualified clinician must affirm before a non-affirmation determination is issued.² As of May 5, 2026, prior authorization volume had fallen 11 percent across leading plans (15 percent in Medicare Advantage),³ and a coalition of payers, providers, and EHR vendors is standardizing electronic prior authorization to meet a January 1, 2027, federal deadline.⁴ NAIRO's position fully supports the recommendations and direction the federal government and the payer industry have adopted.

The state floor is rising. In 2026 alone, 43 states have introduced more than 240 healthcare AI bills, nearly matching the entirety of 2025.⁵ States with enacted laws now prohibit AI from serving as the sole basis for medical-necessity denials and require licensed clinical review, including California, Texas, Arizona, Maryland, and Colorado, with more in active consideration.⁶ Beginning March 31, 2026, CMS requires health plans to publicly report prior authorization turnaround times, denial rates, appeal rates, and overturn rates,³ exposing, in public, exactly the gap that independent review exists to close.

Why independent judgment matters more than ever. Independent review was created to bring objective clinical judgment into high-stakes coverage decisions, protecting the integrity of the process and the people it affects. AI does not eliminate the inherent conflict between payer, provider, and patient regarding desired outcomes, but rather expedites an outcome. AI now operates on both sides of every coverage question at machine speed: patients and providers use AI to appeal and payers deploy AI to process claims. The speed at which AI helps process reviews is precisely why independent human judgment matters more, not less. AI can improve the review process from an administrative perspective but can never replace the importance of human intervention in rendering the final decision.

NAIRO's principles for AI-augmented independent review.

1. **Human determination is non-negotiable.** AI may ingest records, classify documents, reconstruct timelines, match guidelines, run cross-document consistency checks, and prepare first-pass synthesis. AI may not render the final determination. This is the floor set by the federal insurer pledge, by CMS's own WISer design, and by an expanding body of state law. NAIRO endorses it without qualification.
2. **Reviewers must be AI-equipped.** Keeping humans in the loop is not a license for technological complacency. NAIRO members will train reviewers to work alongside AI, to interrogate its output, and to recognize where it is competent and where it is not. AI-equipped human judgment is the standard.
3. **Independence requires defensible governance.** AI-augmented programs should align to recognized standards such as URAC AI in Health Care accreditation,⁷ the NIST AI Risk Management Framework,⁸ ISO/IEC 23894, and ISO/IEC 42001,⁹ with continuous monitoring, audit trails, and override authority documented at the case level.
4. **Speed without judgment is not review.** Matching the speed of AI-powered payers and providers is necessary; substituting that speed for independent clinical and legal judgment is not review at all. NAIRO members will compete on the integrity of their judgment, not on the latency of a rubber stamp.
5. **The industry will operate as the federal floor's enforcement layer.** Through the NAIRO ACT Committee and through active engagement with HHS, CMS, URAC, NIST, and state insurance regulators, NAIRO will help translate the federal pledge and state statutes into operational practice, so that when a denial is reviewed, a qualified human, equipped with AI, stands behind it.

The bottom line. The federal government, the largest payers in the country, and a supermajority of state legislatures have converged on a single principle: while AI enhances timeliness and accuracy of review, it cannot replace human judgment when a determination affects a patient's care. NAIRO's members are best positioned to operationalize AI-augmented review responsibly at scale, under accreditation, and with human judgment at the point of every determination. When determination carries the seal of a NAIRO member, a qualified human stands behind it, equipped with AI but never replaced by it.

References

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