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STATEMENT
of the
Federation of American Hospitals
to the U.S. Senate Committee on Health, Education, Labor and Pensions
Hearing "Transforming Health Care with Data:
Improving Patient Outcomes Through Next-Generation Care"
March 5th, 2026

The Federation of American Hospitals (FAH) submits the following statement for the record in advance of the U.S. Senate Committee on Health, Education, Labor and Pensions (HELP) Hearing "Transforming Health Care with Data: Improving Patient Outcomes Through Next-Generation Care." As the national representative of over 1,000 leading tax-paying hospitals and health systems throughout the United States – accounting for approximately 20 percent of community hospitals nationally – FAH appreciates the opportunity to provide this statement as the Senate HELP Committee examines how next-generation health care technologies can improve patient outcomes.

FAH and our member hospitals are leaders in innovation, actively advancing and responsibly adopting the technologies shaping modern health care. We view artificial intelligence (AI) as a powerful workforce multiplier—one that, when thoughtfully deployed, can strengthen patient safety, reduce administrative burden, and improve clinician satisfaction. When developed, implemented and regulated responsibly, AI holds significant promise to enhance care delivery, improve health outcomes, increase efficiency, lower costs, and accelerate meaningful advancements across the health care system. Accordingly, we offer the following comments for consideration:

FAH Member Hospitals at the Forefront of AI Integration

FAH hospitals are harnessing innovative AI technologies to support clinical care teams, enabling health care professionals to spend more time at the bedside and less time on paperwork, ultimately improving the patient care experience. For example, our hospitals are using AI to improve the efficiency of the nurse-to-nurse handoff during shift changes. These tools can integrate with electronic health records (EHRs) to generate concise shift summaries that allow nurses to quickly review the patient record alongside a streamlined, accurate synopsis — simplifying shift preparation, reducing documentation time, improving communication, and ultimately refocusing attention on patients during a critical transition period.

FAH hospitals also have seen firsthand how AI, when deployed responsibly and effectively, can improve patient safety. A proprietary tool that identifies patients at the highest risk of a fall, as well as deployment of similar systems to detect early signs of clinical deterioration in the post-acute setting, is improving outcomes among some of the most vulnerable patients treated by our member hospitals.

Innovation should be recognized as an essential extension of the health care workforce. These technologies do not replace the central role of nurses, physicians, and other clinicians — they strengthen it. Our members are using AI and related tools not as a substitute for the critical workforce that powers our hospitals, but as clinical force multipliers that help nurses and physicians operate at the top of their license and devote their attention where it matters most: delivering high-quality patient care. As AI continues to advance, our hospitals remain committed to responsible adoption that enhances quality, improves outcomes, supports caregivers, and ensures patients receive the safest, most effective care possible.

Appropriate Regulation of AI to Encourage Innovation

Our hospitals are invested in AI use cases and believe federal policymakers should strike a careful balance when it comes to AI regulation and oversight to ensure safe and appropriate development while fostering innovation and advancement of this transformational technology. FAH encourages the Committee – as well as the Administration – to collaborate with providers, including hospitals and health care systems, when developing an AI framework and regulations and to consider the following principles when approaching the regulation of AI:

Uniform Regulatory Framework*:* The United States has the opportunity to establish a uniform and practical framework to promote AI in health care at the federal level. A single national standard that preempts a patchwork of state laws is crucial to facilitating compliance while enhancing innovation. The health care sector already faces a complex matrix of federal and state health information privacy laws that create confusion and inefficiencies, while increasing costs. It would be unfortunate and unnecessary to repeat the same problem in the AI space.

Risk Management Approach*:* Risk management is central to ensuring AI tools, both generative and rules-based, are developed, deployed and monitored appropriately. A risk-based framework allows developers and providers to direct safeguards to higher-risk uses.

Hospitals already operate within mature risk management systems embedded in clinical workflows and federal oversight. Providers manage patient safety, privacy and security every day under the Medicare Conditions of Participation and the HIPAA Privacy and Security Rules. EHRs and other health technologies are likewise governed by established controls. New AI requirements should align with these existing frameworks. Duplicative or conflicting mandates would slow innovation and could weaken effective oversight in complex care environments.

Transparency and accountability must also be balanced with clinical realities. Physicians and nurses cannot independently evaluate AI tools in the middle of patient treatment. Policymakers should ensure that necessary information is integrated into care workflows without disrupting patient care or imposing unnecessary burden.

Flexible AI Model Development and Accountability*:* We recommend policies that promote flexible, industry-led AI development rather than prescriptive government-imposed technical constraints. Governance frameworks for hospitals and other providers should emphasize transparency, explainability and appropriate monitoring. For example, AI tools that support clinical decision-making should provide sufficient visibility into the data or sources underlying their recommendations, enabling a meaningful "human in the loop" and preserving clinician judgment.

At the same time, policymakers should avoid rigid limits on model adaptation that would prevent systems from learning and improving over time, or blanket requirements that all models be fully interpretable in every instance. Some advanced approaches, including deep learning, are inherently complex and cannot always be reduced to simple explanations without sacrificing performance.

Open-Source Development*:* We urge support for open-source AI development as a driver of innovation and establishment of guidelines for responsible use, including open-source or otherwise publicly available guidelines for how AI systems should be developed, implemented, and monitored.

Security Against AI Model Attacks*:* We recommend industry-driven AI security standards that can respond quickly to emerging threats. These standards should scale with risk, applying stronger safeguards to AI systems that handle sensitive personal data while allowing greater flexibility for lower-risk applications.

Data Privacy and Security Throughout the AI Lifecycle: AI developers should integrate privacy-preserving techniques (such as differential privacy and data minimization) throughout the entire AI lifecycle.

Shared Responsibility and Developer Accountability: There is a shared responsibility between the developers and end-users of AI tools to build and deploy them in a way that is safe, effective, and secure. While health care providers bear responsibility for the care they provide, the developers of commercial AI products must be accountable for the safety and reliability of their products and required to be truthful in marketing their products, especially since safety, bias, privacy and security, or other harms may be caused by a flaw in the tool itself.

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The FAH and its members embrace AI's transformative potential and recognize the need for a thoughtful balance between innovation and responsible oversight. We stand ready to work closely with you to advance policies that ensure patients and clinicians alike benefit from the potential of technological breakthroughs.