PROGRAM MATERIALS
Program #36119
May 5, 2026

AI Governance in the US: Key Regulations, Policies, and Global Insights

Celesq® AttorneysEd Center
www.celesq.com

5301 North Federal Highway, Suite 150, Boca Raton, FL 33487
Phone 561-241-1919

AI Governance in the US: Key Regulations, Policies, and Global Insights

BY PROFESSOR BRUCE L. ADELSON, ESQ.

Governance and AI

AI Can Translate for Hospital Patients. Should It? AIM Network, 3/16/26

Hospitals are deploying AI tools across dozens of languages while performance data exist for only a subset of them.

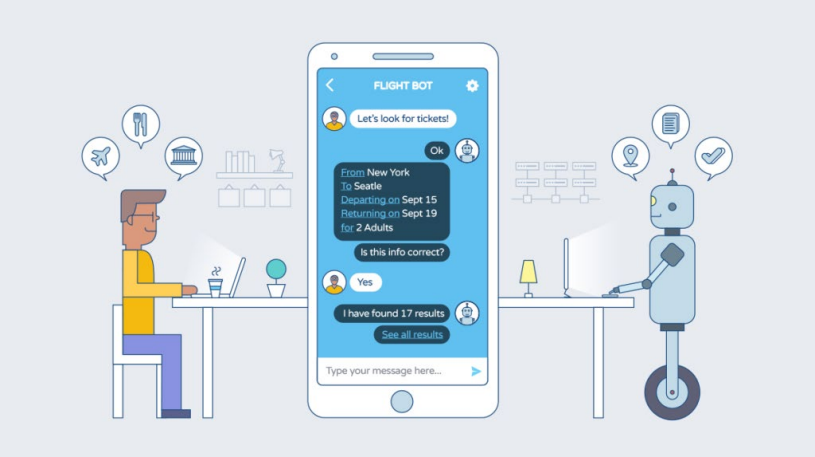
Underlying all of it, researchers say, is a governance problem that the industry has yet to confront.

Stephen Ma, medical informatics director of analytics and evaluation at Stanford Medicine: "The current situation is problematic because people are using it despite the fact that they're not supposed to and we have no idea what the actual impact is on downstream care. **There needs to be a regulatory path forward so that the need can be met in a way where we understand the impact, the potential failures, and can set up guardrails, iterate and improve."**

Mobile Health News – April 27, 2026

The American Medical Association (AMA) sent three letters to members of the U.S. House of Representatives and the U.S. Senate, requesting that better safeguards be put in place for the use of AI chatbots in mental healthcare and citing four key areas for consideration.

"The AMA warned that the rapid rise of mental health chatbots– along with reports of risks such as encouraging self-harm and privacy breaches – highlights the urgent need for clear guardrails to protect patients and maintain public trust," the announcement reads.



Mobile Health News – April 27, 2026

"While AI technologies present meaningful opportunities to improve access to care and support innovation in health care delivery, the hearings made clear that immediate attention is required to ensure these tools do not inadvertently harm individuals seeking mental health support or companionship."

The AMA is calling on Congress to require greater transparency, including ensuring that users clearly understand when they are interacting with an AI system rather than a human being. The association said chatbots should not present themselves as licensed clinicians or as humans, and federal regulators should be given the authority to enforce standards and take action against deceptive practices.

The association said developers should also be required to build safeguards, such as crisis-detection capabilities that can identify potential self-harm risk and direct users to appropriate resources.

New AI Lawsuits in Healthcare Allege privacy breaches and no informed consent

Two more California health systems have been accused of violating patient privacy and disclosure laws by allegedly using an AI scribe tool to record patient-clinician conversations during medical visits without consent.

In a lawsuit filed April 8 in federal court in Northern California, patients seeking class action status allege that clinicians at Sutter Health and MemorialCare “intercepted, recorded, and processed” audio during their visits without informed consent.

Medscape, 4/16/26

Sutter Health & Memorial Health Services Class Action Complaint: 4:26-cv-03012-HSG, N.D. CA, April 8, 2026

"Defendants also failed to ensure that patients received clear and conspicuous notice prior to their medical visits that their conversations might be recorded.

Defendants did not require clinicians to follow standardized procedures or scripts to obtain express consent before activating the recording system, nor did Defendants provide reliable visual or auditory indicators notifying patients that recording was occurring during the clinical encounter."

New AI Lawsuits in Healthcare Allege privacy breaches and no informed consent

AI tool used was Abridge, an ambient documentation platform that generates clinical notes from audio recordings. Abridge is not named as a defendant in the lawsuit. According to its website, Abridge adheres to industry-standard privacy and security practices and also recommends that clinicians follow their organization's disclosure and consent policies.

Ambient AI tools use a microphone-enabled device, such as the provider's smartphone or tablet, to capture visit interactions and generate editable clinical notes that **may improve physician productivity and earnings.**

New AI Lawsuits in Healthcare Allege privacy breaches and no informed consent

Among physicians who adopted an AI scribe, weekly productivity — measured by relative value units (RVUs) and encounter volume — rose after adoption. Compared with physicians who never adopted the technology, physicians using AI scribes generated an additional 1.81 weekly RVUs and completed about 0.8 more outpatient visits per week.

The authors estimated that the productivity gain per physician translated into $3044 more in annual Medicare revenue based on the 2025 physician fee schedule.

Medscape, 1/15/26

New AI Lawsuits in Healthcare Allege privacy breaches and no informed consent

"We now have quantitative evidence that ambient AI scribes can enhance financial productivity without compromising billing integrity," the editorial authors, Shreya Shah, MD, and Patricia Garcia, MD, told *Medscape Medical News*.

Still, they cautioned that viewing ambient AI scribes "solely as revenue enablers" may overlook other equally important ROI, including "the indirect gains from reduced burnout and retention risk and the longer-term benefit of building an AI-ready care ecosystem."

New AI Lawsuits in Healthcare Allege privacy breaches and no informed consent

AI scribe's ability to capture a greater number and severity of diagnoses may be particularly advantageous in value-based payment arrangements, translating into higher reimbursements for participating health organizations.

However, the researchers acknowledged that the additional spending driven by AI-generated documentation **may not necessarily improve patient care, instead potentially leading to "simply justifying a more lucrative service code for an otherwise-identical office visit."**

New AI Lawsuits in Healthcare Allege privacy breaches and no informed consent

As health systems and insurers adopt AI-driven tools to improve efficiency and reduce administrative burden, **legislators and courts must determine how those technologies align with patients' rights and existing privacy laws.**

For example, California has been an early adopter of laws restricting AI systems from posing as licensed medical providers.

New AI Lawsuits in Healthcare Allege privacy breaches and no informed consent

Deirdre Mulligan, JD, professor at the University of California, Berkeley School of Information, who researches responsible AI and technology governance, told *Medscape Medical News* that **health systems are still figuring out how to integrate these tools into clinical workflows while meeting existing consent and disclosure requirements.**

"If appropriately evaluated, tested, and monitored, and if privacy issues are addressed, these tools can provide more space for interactions between patients and clinicians," she said. "**But to get that process right, organizations must really understand the data flows and have contractual provisions in place to handle patient data and disclosures, especially when the technology is offered by third parties."**

Saucedo v. Sharp HealthCare, San Diego Superior Court, December 2025

A state court lawsuit seeking class-action status alleges that San Diego-based Sharp HealthCare used an artificial intelligence dictation tool to record patient conversations in secret, in violation of state and federal privacy laws.

According to the complaint, use of the tool—called Abridge—would not be an issue if Sharp sought consent from patients. However, the clinic is accused of marking down that patients consented instead of actually asking.

Staff at the facility have been using the technology since April, the complaint alleges. In covering the story, local KPBS said Sharp HealthCare was using the system to record conversations between patients and clinicians, from which the AI would automatically generate clinical notes for the encounter.

Plaintiffs allege that, in order to perform the note-taking task, the tool must capture everything said in an exam room, including sensitive details on diagnosis and treatment plans—all of which is protected information under the Health Insurance Portability and Accountability Act (HIPAA).

These audio recordings are also allegedly stored by Abridge after use to improve its AI.

Saucedo v. Sharp HealthCare, San Diego Superior Court, December 2025

When Jose Saucedo, the primary plaintiff in the case, noticed his medical record appeared to be written by AI, he said he contacted Sharp who confirmed the use of the tool and apologized for the issue.

Perhaps most concerning, **Saucedo said the notes contain confirmations that patients were advised about the recordings and consented—affirmations that appear to have been added by the AI itself.**

KPBS said Sharp declined to comment on pending litigation. Attorneys representing the plaintiff said they estimate 100,000 patient encounters have been recorded since the rollout of Abridge.

New AI Lawsuits in Healthcare Allege privacy breaches and no informed consent

Audio recordings central to both lawsuits might raise specific concerns because they collect patients' biometric data. "A full audio recording is very different from a physician's notes," she [Mulligan] said. "Some patients may want to turn it off, and they should have the ability to say no."

New AI Lawsuits in Healthcare Allege privacy breaches and no informed consent

Introducing Abridge to your patients

Obtaining patient consent and discussing Abridge with your patient is an important part in the process. **Make sure you follow your organization's recommended guidelines for patient consent.**

Here is a sample talk track you can use, when introducing Abridge:

"I will be using a tool that records our conversation to help me write my clinical note, so I can pay more attention to our conversation and less time on the computer. Is that okay with you?"

Abridge Online

AI In Health Care: UK and EU

Healthcare providers using AI in a clinical context will need to be aware of how AI is being used and what it is being used for as this will likely help to determine where liability could lie.

Having policies and operating procedures in place providing guidance over the role of AI in reaching a diagnosis may help as could training from the AI developers so that healthcare providers can understand the ways that AI can help and how it works.

Consideration may need to be given to documenting in the medical records whether AI was used in a diagnosis and how it was used as this may help if something does go wrong and these questions need to be answered.

AI In Health Care: UK and EU

It is important to say that, despite instances of AI being used in healthcare, it is currently still a qualified human who makes the final diagnosis and discusses/consents their patient about the treatment journey (although AI may assist with that process, by providing information about likely treatment outcomes and the risks associated with the options under discussion etc).

The NHS England Transformation Directive from 30 April 2025 in particular states that *"the final decision about the care that people receive should be made in consultation with the patient or service user, using your professional judgment"*. This may change as the use of AI becomes more prevalent and where liability lies when things go wrong may similarly evolve.

EU Artificial Intelligence Act

Act Proscribes AI Depending Upon Risks of Usage

Unacceptable risk is prohibited (e.g. social scoring systems and manipulative AI).

Most of the text addresses high-risk AI systems, which are regulated.

A smaller section handles limited risk AI systems, subject to lighter transparency obligations: developers and deployers must ensure that end-users are aware that they are interacting with AI (chatbots and deepfakes).

Minimal risk is unregulated (including the majority of AI applications currently available on the EU single market, such as AI enabled video games and spam filters – at least in 2021; this is changing with generative AI).

Prohibited AI Systems: Ch. 2, Art. 5

deploying **subliminal, manipulative, or deceptive techniques** to distort behaviour and impair informed decision-making, causing significant harm.

exploiting vulnerabilities related to age, disability, or socio-economic circumstances to distort behaviour, causing significant harm.

biometric categorisation systems inferring sensitive attributes (race, political opinions, trade union membership, religious or philosophical beliefs, sex life, or sexual orientation), except labelling or filtering of lawfully acquired biometric datasets or when law enforcement categorises biometric data.

social scoring, i.e., evaluating or classifying individuals or groups based on social behaviour or personal traits, causing detrimental or unfavourable treatment of those people.

assessing the risk of an individual committing criminal offenses solely based on profiling or personality traits, except when used to augment human assessments based on objective, verifiable facts directly linked to criminal activity.

EU Artificial Intelligence Act

The European Commission has established a new EU level regulator, the European AI Office, which will sit within the Directorate-General for Communication Networks, Content and Technology (DG CNECT) in the European Commission.

The AI Office will monitor, supervise, and enforce the AI Act requirements on general purpose AI (GPAI) models and systems across the 27 EU Member States. This includes analysing emerging unforeseen systemic risks stemming from GPAI development and deployment, as well as developing capabilities evaluations, conducting model evaluations and investigating incidents of potential infringement and non-compliance. To facilitate the compliance of GPAI model providers and consider their perspectives, the AI Office will produce voluntary codes of practice, adherence to which would create a presumption of conformity.

AI Regulation in Asia – Emerging Pathways, Divergent Models, and Global Implications Computer Law and Security Review, 1/26

The global regulatory landscape for artificial intelligence (AI) is undergoing unprecedented transformation, marked by the EU AI Act's pioneering and comprehensive legislative framework. This landmark regulation has set a benchmark for AI governance worldwide, prompting many jurisdictions to consider similar approaches. However, a growing body of critical scholarship warns against overstating the so-called "Brussels Effect" in this domain.

AI Regulation in Asia – Emerging Pathways, Divergent Models, and Global Implications Computer Law and Security Review, 1/26

China adopts a cautious yet assertive approach characterised by strong state direction, swift regulatory promulgation, and a balance between innovation and security imperatives. Many smaller and emerging economies/jurisdictions—including Indonesia, Malaysia, Thailand, Vietnam, the Philippines—tend toward rule-taking strategies, adopting or adapting regulatory frameworks from neighbouring countries or global standards, often under conditions of lower policy autonomy.

International Trade Administration

Nations are embracing and legislating artificial intelligence. At last count, 54 countries' governments, ranging from China, India, and the United States to Uganda, Armenia, and Latvia, have published their own national AI plans. These plans have run the gamut from plans that are highly focused on defense-related initiatives (e.g., China) to those who are more focused on societal betterment (e.g., Switzerland).

International Trade Administration

South Korea's recently enacted Act on the Development of Artificial Intelligence and Establishment of Trust (AI Basic Act)—set to take effect in January 2026—marks a pivotal development for U.S. companies operating in or entering the Korean Artificial Intelligence (AI) market. As the second country after the European Union to adopt a comprehensive AI regulatory framework, Korea is positioning itself as a global leader in trustworthy and innovative AI, while creating both opportunities and new compliance requirements for U.S. companies.

South Korea passed the AI Basic Act in December 2024, intended to provide a legal framework to advance Korea's national competitiveness in AI while ensuring ethical standards and public trust. The act establishes legal grounds for establishing a national AI control tower, an AI safety institute, and various governmental initiatives in R&D, standardization, and policies.

International Trade Administration

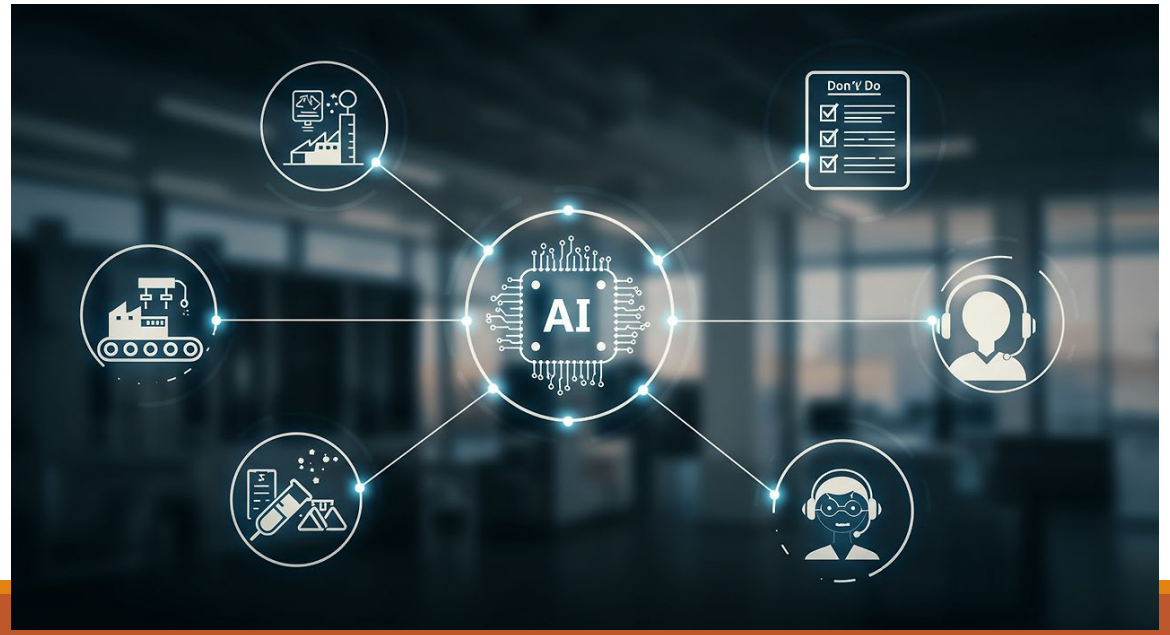
The act assigns transparency and safety responsibilities to businesses that develop and deploy “high impact” AI and generative AI.

For example, the law requires businesses to implement AI risk assessment, a set of safety measures, and the designation of a local representative.

AI & Governance

AI agents are gradually becoming embedded in an increasing number of tasks, workflows and use cases that span cloud and edge computing, leading the way to more widespread adoption. As the transition from prototyping to deployment accelerates, current adoption remains concentrated among early adopters.

World Economic Forum, 11/25



AI & Governance

Almost all survey respondents say their organizations are using AI, and many have begun to use AI agents. But most are still in the early stages of scaling AI and capturing enterprise-level value.

McKinsey, 11/25

AI & Governance

Many organizations are already experimenting with AI agents

Organizations are also beginning to explore opportunities with AI agents—systems based on foundation models capable of acting in the real world, planning and executing multiple steps in a workflow. Twenty-three percent of respondents report their organizations are scaling an agentic AI system somewhere in their enterprises (that is, expanding the deployment and adoption of the technology within a least one business function), and an additional 39 percent say they have begun experimenting with AI agents.

But use of agents is not yet widespread: Most of those who are scaling agents say they're only doing so in one or two functions. In any given business function, no more than 10 percent of respondents say their organizations are scaling AI agents

AI & Governance

1. Most organizations are still in the experimentation or piloting phase: Nearly two-thirds of respondents say their organizations have not yet begun scaling AI across the enterprise.

2. High curiosity in AI agents: Sixty-two percent of survey respondents say their organizations are at least experimenting with AI agents.

3. Positive leading indicators on impact of AI: Respondents report use-case level cost and revenue benefits, and 64 percent say that AI is enabling their innovation. However, just 39 percent report EBIT impact at the enterprise level.

McKinsey, 11/25

AI & Governance

High performers use AI to drive growth, innovation, and cost: Eighty percent of respondents say their companies set efficiency as an objective of their AI initiatives, but the companies seeing the most value from AI often set growth or innovation as additional objectives.

Redesigning workflows is a key success factor: Half of those AI high performers intend to use AI to transform their businesses, and most are redesigning workflows.

Differing perspectives on employment impact: Respondents vary in their expectations of AI's impact on the overall workforce size of their organizations in the coming year: 32 percent expect decreases, 43 percent no change, and 13 percent increases.

AI & Governance

AI use continues to broaden but remains primarily in pilot phases

Our latest survey shows a larger share of respondents reporting AI use by their organizations, though most have yet to scale the technologies. The share of respondents saying their organizations are using AI in at least one business function has increased since our research last year: 88 percent report regular AI use in at least one business function, compared with 78 percent a year ago.

But at the enterprise level, the majority are still in the experimenting or piloting stages with approximately one-third reporting that their companies have begun to scale their AI programs.

AI & Governance

For most organizations, AI use remains in pilot phases

The use of AI overall is broadening within organizations. Respondents increasingly report that their organizations are using AI in more business functions.

More than two-thirds of respondents now say their organizations are using AI in more than one function, and half report using AI in three or more functions (for a breakdown by industry, see sidebar, “Reported AI use ticks upward in nearly every industry”

AI & Governance

AI as a catalyst for innovation

Responses suggest that for most organizations, the use of AI has not yet significantly affected enterprise-wide EBIT (Earnings Before Interest and Taxes is a measure of a company's core operational profitability.

Thirty-nine percent of respondents attribute any level of EBIT impact to AI, and most of those respondents say that less than 5 percent of their organization’s EBIT is attributable to AI use. However, respondents see other company-wide qualitative outcomes: A majority say that their organizations’ use of AI has improved innovation, and nearly half report improvement in customer satisfaction and competitive differentiation

AI & Governance

April 28 (Reuters) - Members of Congress from both major U.S. political parties joined to propose new legislation this week related to artificial intelligence, as they aimed to tackle safety concerns without blocking innovation. **Some Republicans and Democrats are moving to regulate AI amid concerns about the technology's effect on children, workers and cybersecurity.**

AI & Governance

OpenAI faces several lawsuits claiming the company violated product liability laws, including parents of a teen who died by suicide after ChatGPT allegedly coached him on methods of self-harm. The bill received support from tech accountability and child safety groups.

A different bill that would require chatbot companies to make certain disclosures when they know the user is a child passed through a committee in the U.S. House of Representatives in March.

AI & Governance

States across the country are legislating on AI, and an analysis of bills reveals some areas of bipartisan interest and other diverging approaches. There are some major themes bills from this year seek to address, including deepfakes, government use of AI, nonconsensual intimate imagery, and automated decision making.

Though bills vary, there is an underlying effort to protect citizens from the overreach of AI, but efforts at the federal level may threaten this progress.

Brookings, 2025

AI & Governance

The race to implement AI has now shifted to the states and, at present, 34 states are studying AI, including 24 states that have created a group to study AI and another 10 states have delegated the task to a standing committee. In addition, according to tracking by the Brookings Center for Technology Innovation, 47 states have introduced AI-related legislation in 2025.

New York has introduced the most legislation, but Texas has passed the most. As such, we believe the time has come to analyze the state of the states as it relates to AI, and this is our first of a multi-part series of papers on the topic.

Brookings, 2025

AI & Governance

Just as artificial intelligence is rapidly evolving, so is the legislative landscape. During the 118th Congress, lawmakers introduced over 150 bills concerning AI. None of these bills were passed into law. The 119th Congress promises new and reintroduced bills.

Brennan Center, 9/26/25

Policies and Procedures

Decision to implement AI in the workplace should be deliberate and careful one.

Risks are too great to rush into adoption of any AI-powered technology simply because competitors are using it or customers are asking about it.

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AI is Part of Our World

Humans Create AI – Humans Must Oversee and Manage AI

Despite some media accounts to the contrary, AI cannot create fully interactive “human” holographic images and projections – Perhaps some day, Star Trek and Star wars WILL BE REALITY

Policies, Training, and Plans that Address AI Rules of the Road

Vet and select good technology partners

Be alert to bias infused responses and productions

Delaware Law School: 2026 Law Review AI Forum

Justices from Delaware Supreme Court, and Judges from Court of Chancery, and New Castle County Superior Court:

Familiar with judges and courts using AI to PREDICT recidivism rates for incarcerated people.

AI's Conclusion: Incarcerated Black people commit crimes again at a greater rate than other racial groups.

Judicial Investigation: Inaccurate Conclusions, caused by biases built into program

AI

Professor Bruce L. Adelson, Esq.

bruceadelson@comcast.net

301-762-5272