Leading Radiology Forward
10461 Mill Run Circle, Suite 1020
Owings Mills, MD 21117

TO: The Honorable Pamela Beidle, Chair
The Honorable Antonio Hayes, Vice Chair
Members, Senate Finance Committee

FROM: Steve Forthuber, President Eastern Operations

DATE: February 25, 2025

RE: **Unfavorable**: Senate Bill (SB) 987: *Artificial Intelligence – Health Software and Health Insurance Decision Making*

RadNet leads the nation in outpatient diagnostic imaging services with nearly 400 centers in eight states. RadNet has a major presence in Maryland and our Eastern Operations are headquartered in Baltimore. You may know us locally as Advanced Radiology, Community Radiology Associates, and American Radiology Associates with over 60 imaging centers throughout the state. RadNet's digital health division, DeepHealth, is a global leader in breast, lung, and prostate cancer screening artificial intelligence (AI)-enabled software.

SB987 would: (1) require the Maryland Health Care Commission to maintain a registry of AI health software that may be distributed or operated in the State, (2) prohibit a person from distributing or operating AI health software unless the software is registered with the Commission, and (3) prohibit a health insurance carrier from using AI to decide or directly influence a health care decision or a decision directly related to health care.

AI will be a "game-changer" in radiology; perhaps the greatest opportunity for value-based care in our specialty. AI technologies are enabling the earlier detecting diseases, like cancer, than traditional methods. Screening exams are the force behind radiology's contribution to population health. AI-enabled imaging-based cancer screening will further enhance diagnostic accuracy, detect cancer sooner, and lower costs. When cancer is detected at its earliest stage, diagnostic and treatment costs are greatly reduced. In our current practice, imaging AI is helping to deliver early cancer detection while reducing costly false-positive exams and subsequent follow-up imaging ("call-backs"). Every stakeholder in the screening process -- patient, provider, and health system -- wins.

Healthcare AI in medical devices is sufficiently regulated. AI-enabled clinical technologies intended for patient use require approval by the Food and Drug Administration (FDA) just like any other medical device. The FDA has reasonable safeguards in place to ensure that clinical AI solutions perform as intended for all patients. To date, the FDA has approved over 1,000 AI-enabled medical technologies. With the AI-enabled clinical technologies in use today, there is a clinician in the "loop" who decides how to utilize the information in that patient's care. SB987's proposed registry and penalties could have a chilling effect on AI innovation and clinical adoption in Maryland.

In conclusion, Maryland is leading the nation in ensuring that all Marylanders have access to innovative cancer screenings and preventive health services, many of which utilize AI technology. SB987's proposed registry and penalties could stifle this innovation. RadNet appreciates the opportunity to provide this statement before Senate Finance Committee.