SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2575 (Ortega) - Health care services: artificial intelligence

Version: June 18, 2026
Policy Vote: HEALTH 8 - 2, L., P.E. & R. 4 - 1, P., D.T., & C.P. 6 - 2
Urgency: No
Mandate: Yes
Hearing Date: August 3, 2026
Consultant: Agnes Lee

Bill Summary: AB 2575 would impose requirements on health care providers that use or deploy a "clinical decision support system" for patient care, as specified.

Fiscal Impact:

- The California Department of Public Health (CDPH) estimates annual ongoing costs ranging between $1,787,000 to $3,612,000 for state administration (Licensing and Certification Fund). Costs would cover staffing resources needed to verify health facilities and clinics are disclosing all the required technical information related to the written disclosure about the clinical decision support system.

- The Labor Commissioner's Office estimates costs ranging from $3.1 million in the first year and $3 million ongoing thereafter, to $6.9 million in the first year and $6.7 million ongoing thereafter for state administration (Labor Enforcement and Compliance Fund). The actual costs would depend on a number of factors, including, but not limited to, the volume and nature of the complaints filed.

- The Osteopathic Medical Board of California anticipates minor and absorbable costs to oversee complaints.

- The Medical Board of California (MBC) estimates a fiscal impact of between $28,000 and $43,000 per year (Medical Board Contingent Fund) resulting from an increase in complaints. The MBC would need to update enforcement guidance, train staff, and revise public materials.

- The University of California (UC) estimates approximately $26 million in ongoing costs for compliance which would require a cross-departmental effort from enterprise information technology, legal, human resources, and clinical operations at each UC Health location and across the system. Costs would principally arise from the requirements to audit, track, and extract highly specific proprietary data from third-party vendors for every clinical decision support system in use. The fund source would be from UC health center revenues, which would increase UC health center costs and also reduce their ability to support the Schools of Medicine.

- The California Department of Justice indicates no significant fiscal impact to the department.

- Unknown, potential workload costs to the courts related to enforcement of civil penalties (Trial Court Trust Fund, General Fund). While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to increase the amount appropriated for trial court operations.

Background: According to the National Academy of Medicine, generative artificial intelligence (AI) in health care holds the potential to transform the practice of medicine, the work and experiences of health care providers, and the health and well-being of patients. Generative AI can support clinical decision making and streamline workflows, promote patients and their support networks' engagement in care processes, and support clinical research. However, successful and ethical implementation of generative AI requires careful consideration of the associated risks, particularly those concerning data privacy, bias, transparency, and infrastructure limitations.

In 2024, as part of the final rule implementing the Electronic Health Record Reporting Program provision of the 21st Century Cures Act, the Office of the National Coordinator for Health Information Technology (ONC) of the federal Department of Health and Human Services adopted certification requirements for “decision support interventions,” which revised criterion for “clinical decision support.” According to the ONC, this final rule directly responds to the emergence of AI and machine learning-based predictive algorithms used to aid decision-making in health care. The final rule establishes a definition for “predictive decision support intervention” to mean “technology that supports decision-making based on algorithms or models that derive relationships from training data and then produce an output that results in prediction, classification, recommendation, evaluation, or analysis.” The ONC requirements apply to predictive decision support interventions that are supplied by certified health IT developers. While the certification program is a voluntary program, health providers would need to use health IT that reflects the decision support interventions criterion to meet requirements for certain federal incentive programs.

Proposed Law: Specific provisions of the bill would:

- Define “clinical decision support system” to mean an automated decision system or generative artificial intelligence system whose outputs produce a prediction, classification, recommendation, evaluation, or analysis that is used to inform clinical decisionmaking with respect to the provision, timing, or course of patient care.

- Require a health facility, clinic, physician’s office, or office of a group practice that uses or deploys a clinical decision support system for patient care to make available, upon request from a licensed health care professional or other person using a clinical decision support system or viewing outputs from a clinical decision support system, an inventory of all clinical decision support systems currently in use or deployed for patient care.

- Require a health facility, clinic, physician’s office, or office of a group practice that uses or deploys a clinical decision support system for patient care to make available, upon request from a licensed health care professional or other person using a clinical decision support system or viewing outputs from a clinical decision support system, information about the clinical decision support system, as specified.

- Require a health facility, clinic, physician's office, or office of a group practice that uses or deploys a clinical decision support system for patient care to notify a licensed health care professional or other person whose duties include using a clinical decision support system or viewing outputs from a clinical decision support system, upon hire and annually, of their right to request the inventory of all clinical decision support systems currently in use or deployed for patient care.

- Provide that violations of these provisions by a licensed health facility or licensed clinic are subject to existing enforcement mechanisms available to the CDPH, including administrative and civil penalties.

- Provide that violations of these provisions by a physician are subject to the jurisdiction of the Medical Board of California or the Osteopathic Medical Board of California, as appropriate.

- Provide that in a civil action against a defendant who developed, modified, selected, or deployed a clinical decision support system that is alleged to have caused harm to the plaintiff, it cannot be a defense, and the defendant may not assert, that the failure of a licensed health care professional or other health care worker to override an output of the clinical decision support system is a superseding cause severing the defendant's liability for the alleged harm.

- Prohibit an employer from retaliating or discriminating against a worker providing direct patient care using their professional judgment to make an assessment or decision within their appropriate scope of practice based solely on the worker's override of, or reliance on, the output of a clinical decision support system; and provide that a worker who is subject to retaliation or discrimination in violation of this provision has the right to file a complaint with the Labor Commissioner against an employer who retaliates or discriminates against the worker.

Related Legislation: AB 1979 (Bonta) would require a health facility, clinic, physician's office, or office of a group practice to take reasonable steps to ensure that a licensed health care professional, acting within their scope of practice, retains the ability to exercise independent professional judgment in their care of a patient whenever that care is informed by the output of a clinical decision support system. The bill is scheduled to be heard August 3, 2026 in this committee.

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