

Shaping Tomorrow's Provider Workforce with AI: Legal Risks and Strategic Opportunities

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Shaping Tomorrow's Provider Workforce with AI: Legal Risks and Strategic Opportunities



Agenda

1. Background of AI
2. AI use cases in Healthcare
3. AI's impact on the provider workforce, including how it's reshaping provider compensation
4. Operational efficiency and support hospital and health system workforce growth through AI-driven resources
5. Legal and compliance landscape for seamless AI integration in healthcare settings
6. AI Governance

Background of AI

What is AI?

Artificial Intelligence

Artificial Intelligence (AI) refers to technology that enables computers and machines to simulate human intelligence in order to perform tasks such as recognizing speech, making decisions, and identifying patterns. It is an umbrella term encompassing various technologies, including machine learning, deep learning, and natural language processing (NLP). AI systems are designed to interpret data, adapt to new inputs, and perform cognitive functions that traditionally required human expertise.

Generative Artificial Intelligence


Generative Artificial Intelligence (Generative AI) refers to a class of models and algorithms designed to create new content—such as text, images, code, or data—by learning patterns and structures from extensive training datasets. Unlike traditional AI systems that primarily classify or analyze existing information, generative AI produces original outputs by extrapolating from its training data. These models simulate aspects of human creativity, enabling the generation of content that is coherent, contextually relevant, and often indistinguishable from that created by humans.

Source: Chat GPT_4.0



What is AI? – Tools and Models


AI MODELS

 AI models are computational architectures that learn from training data to perform defined tasks such as prediction, classification, or content generation.



Source: ChatGPT_4.0

AI TOOLS

 AI tools are software applications or platforms that apply AI models to deliver specific user functions. They provide the interface (UI) through which users access and interact with AI capabilities

What is AI? - Agents



An AI agent is an autonomous system capable of perceiving its environment, making decisions, and executing actions in pursuit of defined goals. Unlike traditional models that respond only to direct prompts, AI agents can operate over multiple steps, process dynamic information, and adapt their behavior accordingly—often completing complex tasks with minimal human intervention.



Source: Chat GTP-4.0



Impact of AI

- "AI Development Trending = Unprecedented"¹
- "Our systems are progressing way faster than Moore's Law"²
- "AI Could eliminate up to 50% of entry-level white-collar jobs within five years"³
- "If you're not using this technology, you're not going to be relevant"⁴
- "Within 10 years, AI will replace many doctors and teachers – humans won't be needed for 'most things'"⁵

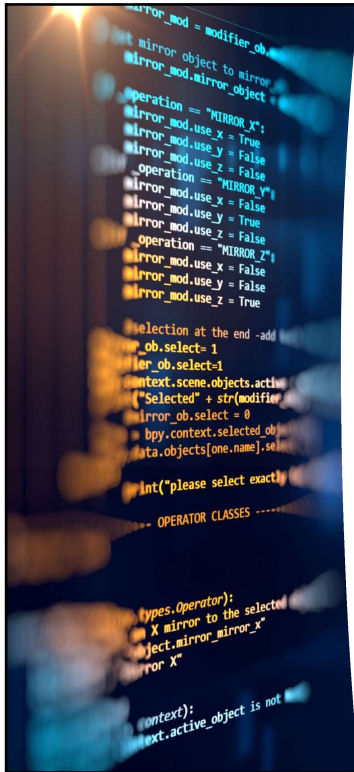
¹ Trends – Artificial Intelligence, BOND, May, 2025

² Nvidia CEO Jensen Huang, 2025 CES

³ Dario Amodei – CEO, Anthropic, Interview, February 28, 2025

⁴ Eric Schmidt, Former CEO Google, 2025 TED Interview

⁵ Bill Gates, Former CEO Microsoft, February 4, 2025, Tonight Show Interview



Concerns

- Accuracy/Reliability
- Privacy/Confidentiality
- Transparency/Auditability
- Consistency
- Bias
- Data Recency
- Security
- Ethics

AI Use Cases in Healthcare

AI in Healthcare

Clinical Care

Operational Efficiency

Financial Management

Patient Engagement

Provider Workforce

AI in Clinical Care



AI-assisted diagnostics (e.g., imaging, risk scoring) improve accuracy and speed.



Personalized treatment planning based on genetic and clinical data.



Predictive analytics to foresee adverse events and enable early intervention.



FDA Oversight.

AI in Operational Efficiency



Optimizes scheduling and patient flow via demand forecasting.



Automates administrative tasks (e.g., data entry, reminders, insurance).



Enhances resource allocation for staffing and equipment.



Requires HIPAA compliance and bias auditing in algorithms.

AI in Financial Management



Detects billing anomalies and fraudulent patterns in real time.



Automates claims coding and compliance checks.



Reduces denials and accelerates reimbursement.



Improper use may trigger False Claims Act or upcoding liability.



Assists with compliance in areas such as contracting

AI in Patient Engagement



Chatbots and virtual assistants handle FAQs, triage, and reminders.



Remote monitoring tools detect real-time health changes.



Personalized health coaching and education via apps.



HIPAA and state transparency regulations.

AI's Impact on Provider Workforce

Provider Workforce Management Lifecycle



Organizational process to optimize staffing, workflows, contributions and engagement of the provider workforce.

In short: Having the right number of providers, the right providers, in the right positions to optimize patient care.



Functions & Responsibilities

Provider Workforce Management

Planning & Analysis

- Community Needs Analysis
- Provider Network Development
- Developing Provider Compensation Plans

Sourcing & Recruiting

- Identifying & Engaging Pipeline of Candidates
- Opening & Managing of Positions
- Assessment of Candidates & Offer Management

Contracting & Onboarding

- Crafting & Executing Agreements
- Credentialing
- Training & Developing Providers

Performance & Pay Management

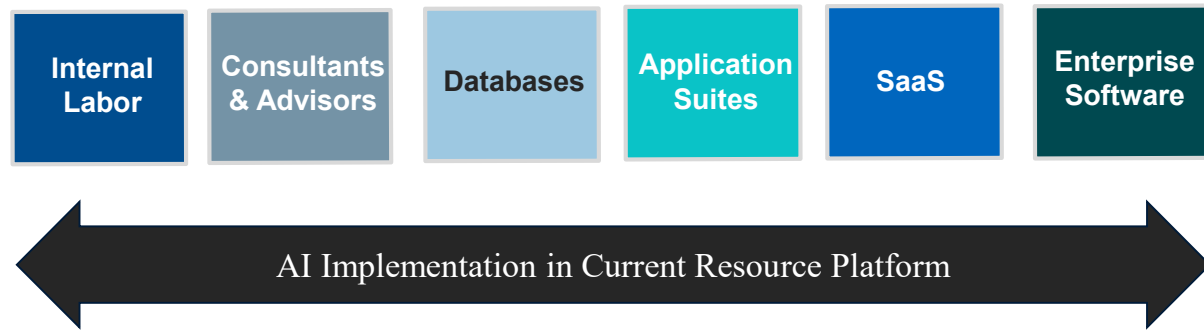
- Scheduling, Time & Effort Tracking
- Production Tracking & Calculating Pay
- Performance Evaluations

Risk Management & Monitoring

- Contract Compliance
- Credentialing & Privileging Oversight
- Workload & Burnout Monitoring

Provider Workforce Resources

AI Uses within Current Resources



Functional Areas For AI

1. Efficiency

Automate repetitive tasks and streamline workflows. Examples: Compiling market data, performing calculations, and sorting data.



2. Creation & Design

Generate new content and work. Examples: Designing new compensation plans, strategic planning, and employee engagement work plans.



3. Consultation & Advice

Ability to answer and guide users through complex decision-making. Example: Chatbots to answer provider questions and chatbots to provide "junior level" legal, accounting, or financial advice.



4. Insights & Guardrails

Analyze large data samples to identify outliers and trends, or to predict outcomes. Examples: Monitor enterprise risk to identify FMV/ CR compliance risk, predictive analytics to identify employees at risk for turnover, and flagging providers' schedules that are outside normalized levels.



Scoping AI Use Cases

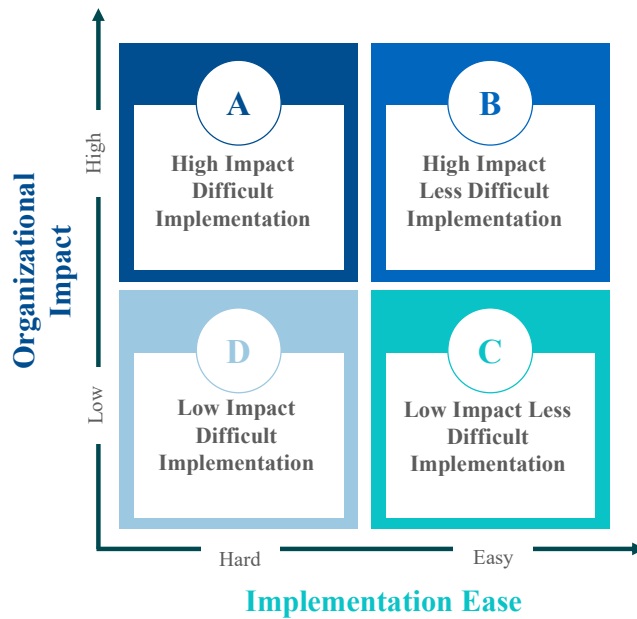
Organizational Impact

1. Revenue Improvement
2. Cost Reduction
3. Workforce Productivity
4. Enterprise Risk Mitigation
5. Strategic Alignment



Implementation Ease

1. Privacy & Security Impact
2. Access to Data
3. User Training
4. Risk Of Hallucinations
5. Strategic Alignment



Using AI in Provider Workforce Management

- Use Case #1: Design Compensation Plan
- Use Case #2: FMV Risk Management



Compensation Plan Design with AI



Compensation Plan Design Workflow (Simple Illustration)

1. Define Pay Philosophy
2. Define Goals
3. Determine Work Schedule & Duties
4. Market Research & Analysis
5. Develop Compensation Plan
6. Impact Analysis
7. Review & Approval
8. Implementation

Leveraging AI in Designing Compensation Plans

- No change in workflow; using AI tools to increase productivity.
- Use a generative AI chatbot to assist in performing market research and developing a compensation plan.
- Organizational Impact: Low-Medium (increases workforce productivity and may reduce external advisory expenses).
- Implementation Ease: Easy (some risk of privacy and security, some training on prompt design, risk of hallucination if using incorrect data).

Compensation Plan Design with AI



Prompt Design & Human Oversight

- Example: Use an AI Chatbot, such as ChatGPT, to gather market research and design compensation plans for cardiology physicians.
- Prompt Design: Use multiple prompts and be specific.
 - Please provide me with the market ranges of compensation for cardiology physicians.
 - Please include pay ranges for general cardiologists who work in a non-academic setting.
 - Please include incentive pay ranges and elements for patient productivity and call coverage.
 - Please include pay ranges for physicians who work a 1.0 FTE.
 - Please provide a sample compensation plan for a general cardiologist who is non-academic, a 1.0 FTE who performs call coverage services. Please include incentive payment for wRVUs and quality.

Compensation Plan Design with AI



Results

Market Research:

- Base Compensation for General/ Non-Invasive Cardiology \$450,000 to \$650,000 annually.
- Compensation per wRVU \$60 - \$72
- Weeknight call \$500 to \$1,500 per night, weekend call \$1,500 to \$4,000, and holiday call \$2,500 to \$6,000

Compensation Plan:

- Base salary: \$500,000
- wRVU bonus of \$68 per wRVU for each wRVU above 8,500 annually
- Quality incentive of \$40,000 annually for the performance of patient satisfaction, adherence to clinical guidelines for heart failure, documentation accuracy, and peer review quality improvements.
- Call pay of \$900 per night, \$2,500 per weekend night, and \$4,000 per holiday.
- CME allowance of \$5,000

Legal Issues and AI Governance

“The cost of really getting to know AI is at least three sleepless nights.”

-Professor Ethan Mollick
Author of “Co-Intelligence”

Tech Transactions

Data

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COMPANY DATA. Company retains sole and exclusive ownership (including copyright and other proprietary or intellectual property rights therein) in Company Data and all legally-protectable elements. Company grants to Vendor a limited, revocable, non-exclusive, non-transferable right and license during the term of this Agreement to use the Company Data only as necessary to perform the Services and as mutually agreed in the Agreement. Vendor may not use the Company Data for any purpose other than for Company's benefit and as necessary to perform the Services as mutually agreed in the Agreement. Both Parties will at all times comply with applicable privacy and security laws and regulations that apply to Data that may be processed in connection with this Agreement. ~~Company is solely responsible for obtaining all necessary consents under applicable laws and regulations in order to allow Vendor to use the Data in accordance with this Section 10.~~ Notwithstanding the foregoing, Company gives Vendor a limited right, ~~and Vendor has permission to use the Data in accordance with this Section 10, and~~ to de-identify the Data in accordance with 45 C.F.R. §164.514 (De-identified Data) and to use, compile (including creating statistical and other models), annotate and otherwise analyze the De-Identified Data to develop, train, tune, enhance and improve the speech recognition, natural language understanding and other components of the software and services utilized by Company. Vendor shall own all intellectual property rights in all enhancements and improvements to its software and services that result from such use of the De-Identified Data.

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AI Governance

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Aligning AI principles and healthcare delivery organization best practices to navigate the shifting regulatory landscape

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As artificial intelligence (AI) becomes further embedded in healthcare, healthcare delivery organizations (HDOs) must navigate a complex regulatory landscape. Health AI Partnership (HAIP) has created 31 best practice guides to inform the development, validation, and implementation of AI products. Here, we map the most common principles found in 8 key AI regulatory frameworks to HAIP recommended best practices to provide practical insights for compliance with expanding AI regulations.

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Source: Twilio

Ethics

AMERICAN BAR ASSOCIATION

STANDING COMMITTEE ON ETHICS AND PROFESSIONAL RESPONSIBILITY

Formal Opinion 512

July 29, 2024

Generative Artificial Intelligence Tools

To ensure clients are protected, lawyers using generative artificial intelligence tools must fully consider their applicable ethical obligations, including their duties to provide competent legal representation, to protect client information, to communicate with clients, to supervise their employees and agents, to advance only meritorious claims and contentions, to ensure candor toward the tribunal, and to charge reasonable fees.

I. Introduction

Many lawyers use artificial intelligence (AI) based technologies in their practices to improve the efficiency and quality of legal services to clients.¹ A well-known use is electronic discovery in litigation, in which lawyers use technology-assisted review to categorize vast quantities of documents as responsive or non-responsive and to segregate privileged documents. Another common use is contract analytics, which lawyers use to conduct due diligence in connection with mergers and acquisitions and large corporate transactions. In the realm of analytics, AI also can help lawyers predict how judges might rule on a legal question based on data about the judge's rulings; discover the summary judgment grant rate for every federal district judge; or evaluate how parties and lawyers may behave in current litigation based on their past conduct in similar litigation. And for basic legal research, AI may enhance lawyers' search results.

This opinion discusses a subset of AI technology that has more recently drawn the attention of the legal profession and the world at large – generative AI (GAI), which can create various types of new content, including text, images, audio, video, and software code in response to a user's prompts and questions.² GAI tools that produce new text are prediction tools that generate a statistically probable output when prompted. To accomplish this, these tools analyze large amounts of digital text culled from the internet or proprietary data sources. Some GAI tools are described as "self-learning," meaning they will learn from themselves as they cull more data. GAI tools may assist lawyers in tasks such as legal research, contract review, due diligence, document review, regulatory compliance, and drafting letters, contracts, briefs, and other legal documents.

¹ There is no single definition of artificial intelligence. At its essence, AI involves computer technology, software, and systems that perform tasks traditionally requiring human intelligence. The ability of a computer or computer-controlled robot to perform tasks commonly associated with intelligent beings is one definition. The term is frequently applied to the project of developing systems that appear to employ or replicate intellectual processes characteristic of humans, such as the ability to reason, discover meaning, generalize, or learn from past experience. BRITANNICA, <https://www.britannica.com/technology/artificial-intelligence> (last visited July 12, 2024).
² George Lawton, *What is Generative AI? Everything You Need to Know*, TECHTARGET (July 12, 2024), <https://www.techtarget.com/searchengine/definition/generative-ai/>.

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“The biggest rate limiter to the potential of AI isn’t technological– it is how we evolve our legal infrastructure”

-Satya Nadella, Microsoft CEO
Dwarkesh Podcast 2.19.25

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Q & A

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