

CAROLINA FAMILY HEALTH CENTERS, INC.

POLICY

TITLE: EXEC-208 Use of Artificial Intelligence

EFFECTIVE DATE: January 29, 2026

SECTION: EXEC

REFERENCE PROCEDURE:

RESPONSIBLE CHIEF OF STAFF: Chief Executive Officer

RESPONSIBLE COMMITTEE: Central - Executive

REVIEWED:

I. PURPOSE

The purpose of this policy is to establish standards, safeguards, and expectations for the safe, ethical, and compliant use of artificial intelligence (AI) tools within Carolina Family Health Centers, Inc. (CFHC, Inc.). This includes generative AI, clinical decision support systems, predictive analytics, automation platforms, natural language processing, and any AI solutions used in the delivery of care, operations, billing, administration, research, or workforce tasks.

II. POLICY

It is the policy of CFHC, Inc. to use AI tools only if the use of these tools supports the mission, vision, and values of the organization. Additionally, the use of AI tools must protect patient privacy and align with regulatory requirements. Any AI tool used at CFHC, Inc. must enhance, and not hinder, the patient-provider relationship.

It is also the policy of CFHC, Inc. to avoid the use of AI tools that replace clinical judgment, reduce access to necessary care, generate biased or discriminatory information, or perform surveillance without appropriate safeguards and legal review.

Approval

The use of any AI technology at CFHC, Inc. or by CFHC, Inc.'s employees or contractors in the performance of services for, on behalf of, or using the resources or information of CFHC, Inc., including protected health information of CFHC, Inc.'s patients or other confidential, sensitive, or proprietary information, must be approved by the Director of Information Technology, Chief Compliance Officer, and Chief Executive Officer.

Any AI technology approved for use at CFHC, Inc. will be implemented in accordance with this policy, other relevant CFHC, Inc. policies, and any applicable laws and regulations.

In addition to the above, AI technology vendors must demonstrate compliance with the following:

- Applicable patient privacy laws and regulations.
- Applicable electronic health information laws and regulations.
- Applicable consumer protection laws and regulations.

- Strong data security controls.

AI technology vendors must also disclose the following:

- The type of information the technology utilizes for training.
- Data storage (dedicated hardware for CFHC, Inc. data, or if multiple organizations are using the same hardware).
- Data retention practices.

It is the responsibility of the Director of Information Technology to maintain a list of approved AI technology tools for use at CFHC, Inc. Additionally, the Director of Information Technology is responsible for the ongoing monitoring for security risks associated with the use of AI technology.

CFHC, Inc. employees or contractors are prohibited from using AI technology in the performance of services for or using the resources or information of CFHC, Inc. without the appropriate approval.

Adherence to Policies

Current CFHC, Inc. policies, including but not limited to Health Information Portability and Accountability Act (HIPAA), Information Systems, and Risk Management, apply when using AI technology.

Unless an AI technology partner is a designated business associate by the Chief Compliance Officer (refer to *HIPAA-300 Business Associate Agreement*), employees and contractors are prohibited from using protected health information in the AI technology system. Additionally, employees and contractors are prohibited from including corporate confidential information in AI technology systems. Corporate information that is not publicly available may not be used in these systems.

Acceptable Use

Employees and contractors may only use AI technology at CFHC, Inc. that has the appropriate approval consistent with this policy and may only use AI technology for approved purposes. Conversely, any AI technology approved for use that will generate content in the course of treatment of patients will only be approved if the suggested content is made at the option of employees and contractors. In other words, employees and contractors have the option of choosing to use the AI technology in the course of treatment of patients.

All employees and contractors are expected to exercise sound judgment and critical thinking when using approved AI technology outputs consistent with, but not limited to, the following:

- Review and edit AI-generated content for clarity, coherence, and appropriateness.
- Align any AI-generated content with organizational standards, guidelines, and requirements.
- Verify information generated by the AI technology with verified sources to ensure factual accuracy.
- Remove or modify any potentially biased or discriminatory content generated by the AI system.

Employees or contractors who are considered healthcare professionals are expected to take full responsibility for the accuracy, legality, and appropriateness of AI technology-generated content, ensuring that it aligns with professional standards and organizational policies. Additionally, it is the responsibility of the healthcare professional to ensure that any content generated by AI technology is consistent with, and represents, the clinical judgement of the healthcare professional and is also consistent with the prevailing standards of care.

It is the responsibility of all healthcare professionals at CFHC, Inc. to adequately document decisions where AI technology was used, especially if it influenced clinical care, in the electronic health record.

Bias

As a part of the approval process, the Director of Information Technology, Chief Compliance Officer, and Chief Executive Officer will evaluate and test the AI technology vendor and the AI technology for bias. It is acknowledged that all AI technology will contain inherent bias, but the organization's approach is to conduct bias audits and performance validation prior to use. Additionally, the organization will attempt, to the extent possible, to utilize AI technology that most appropriately matches the patients and/or communities served by the organization. If there is any known bias within the AI technology, it is the responsibility of the Chief Compliance Officer to document and communicate this information to the employees and contractors who will utilize the technology.

As noted above, it is the responsibility of employees and contractors to remove or modify any potentially biased or discriminatory content generated by the AI system.

Accuracy

Any AI technology used at CFHC, Inc. is expected to maintain a high degree of accuracy. As a part of the approval process, the Director of Information Technology, Chief Compliance Officer, and Chief Executive Officer will evaluate and test the AI technology for accuracy.

Consent

AI technology directly used in the delivery of care to patients will be disclosed to patients prior to use. The patient will be provided with the AI system's role, purpose, and potential risks when used in care delivery. Patients will retain the right to opt out of AI technology use in the delivery of care without any negative impact on their treatment.

Patient consent for the use of this technology is obtained through the consent process (refer to *RM-506 Consents*).

Transparency

Any AI technology-generated text, not in the scope of care delivery, that is sent directly to patients without human review requires a disclosure to be provided along with the generated text.

CFHC, Inc. prohibits the use of any AI technology that impersonates a licensed healthcare professional or uses common healthcare professional designations (e.g., Dr., DMD, or MD).

Evaluation

It is the responsibility of all employees and contractors to report any of the following generated from the use of AI technology to the Chief Compliance Officer through the incident reporting process (refer to *RM-101 Incident Reporting*):

- Clinical errors.
- Security or privacy breaches.
- Inaccurate or biased outputs.
- Concerns regarding safety.

Additionally, it is the responsibility of all employees and contractors to report any potential misuse of AI technology to their supervisor or the Director of Human Resources.

CFHC, Inc. will perform periodic audits of the information generated from AI tools within the organization to ensure accuracy and appropriateness.

III. DEFINITIONS

- Artificial intelligence - technology capable of performing tasks that typically require human intelligence, including pattern recognition, prediction, speech recognition, data summarization, and natural language generation.