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**TRUTH:** Pools of all sizes benefit from AI when they scale tools to meet their needs.

AI solutions come in many forms, from simple automations to more sophisticated predictive models. Pools don't need a massive technology budget or an in-house data science team to start using AI in practical ways.

Pools of all sizes use accessible AI-enabled tools in their day-to-day work, such as meeting transcription services, support for member communications and chatbots that make it easier for members to find answers to frequent questions.

Existing technology products like Microsoft and Zoom have embedded AI functionality to help with day-to-day pool work. These increasingly familiar and available tools offer a manageable starting point

for any pool to experiment with and learn about AI opportunities.

AI initiatives often start with someone at the pool who is willing to learn and be a champion for others to adopt AI practices. Find the person at your pool who is enthusiastic about AI technology and ask them to lead the way for others.

Another accessible AI resource is available through contracted service providers. Service providers are making considerable investments into AI supports for their clients, including pools. Ask your business partners about available AI functionality within claims and policy systems, actuarial analyses, investment advice, asset management, payroll auditing, reinsurance reviews, medical bill processing, enrollment and other pool

activities. Firms doing business across industries and with multiple pool clients are in an ideal position to help guide pool use of AI systems.

Pools with in-house technology resources and larger budgets may be looking to implement custom AI solutions — but with so many possibilities, it can be challenging to decide where to start.

Begin with an AI initiative your team can accomplish in three to 12 months, demonstrate early value (even if small), and build staff confidence as they incorporate AI tools into everyday work.

No matter the size of your pool or the scope of your AI implementation, the time for learning and experimentation is now, so your team's AI skills develop at the same pace as the technology.

By starting with readily available [AI resources](#) and building [internal knowledge](#), any pool can use AI in pragmatic, meaningful ways.

## MYTH: AI poses too many risks to use right now.

**TRUTH:** With the right governance, AI can be used responsibly and securely.

Concerns about AI privacy, transparency and bias deserve serious attention. Pools manage sensitive data and uphold public entity trust, so must approach AI use with strong policies and clear accountabilities. Responsible AI begins with defining how the technology will be used, establishing guidelines for data management, and assigning oversight roles to ensure accountability.

AI governance frameworks help pools anticipate challenges and respond proactively. As you seek to use AI tools and build AI capacity at your pool, be sure to:

- **Adopt an AI use policy applicable to all staff.** An effective AI use policy will define acceptable AI uses as well as when and how AI may not be used for pool purposes. Your pool needs an AI use policy even if you do not currently have approved AI use cases. Because AI resources are so readily available and easy to use, it's important to outline impermissible uses to avoid unknowing or unintended consequences.
- **Review service provider contracts for AI use.** Your pool's data, resources and decision factors may be shared with [service providers using AI](#). It's crucial to understand where and how your pool's information is stored or used in AI-enabled processes, as well as how AI influences recommendations for pool decisions.

- **Establish clear parameters for human oversight in AI-assisted decision-making, particularly in underwriting and claims management functions.** In addition, if AI assists in underwriting and claims functions, create processes for managing AI transparency, reporting errors, biases and concerning outputs.
- **Update data security and business continuity practices to reflect AI operational risks.** Data security procedures should address risks resulting from AI systems implemented by a pool or its service providers and require cybersecurity training that includes emerging threats. Pools should also be creating cyber incident response plans for threats presented by AI systems or through AI means.
- **Determine appropriate methods and timing for communicating AI use to members.** Pools operate in an environment where maintaining member trust is critical, so it's a good idea to be open about where and how your pool is using AI to support decisions.

Rather than avoiding AI altogether, pools can lean into risk-aware practices that align with the very foundation of pooling. By treating AI as a suite of tools to be governed and refined, pools strengthen their capacity to innovate while upholding their commitment to fairness, transparency and public service.

[Responsible AI use](#) is risk-aware, aligning with the very foundation of pooling.

















***Service Team***

