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ACCELERATE

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How to win the legal and compliance game

Navigating the landscape of AI

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Who said lawyers can't be fun?

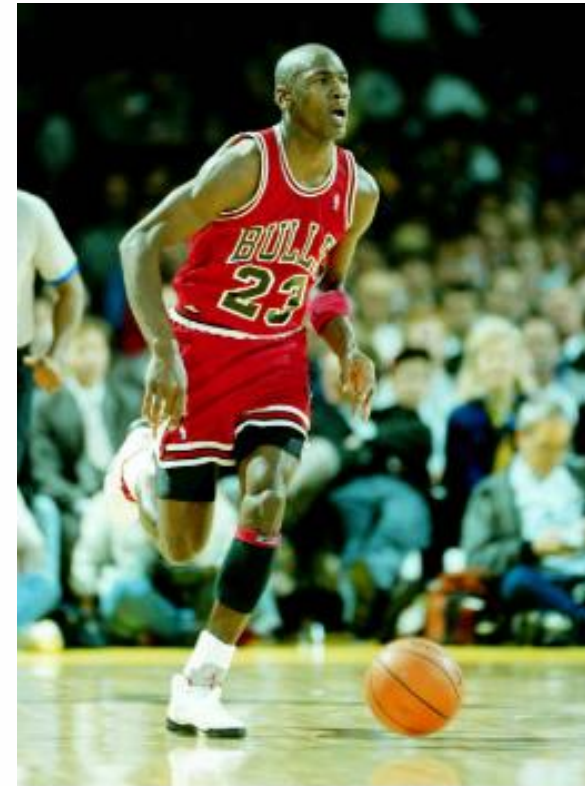
I asked ChatGPT...

"Who is the greatest basketball player of all time?"

Chat GPT's response...

"The title of "greatest basketball player of all time" is subjective and often the subject of much debate among basketball fans. Different people have different criteria for greatness, and opinions may vary based on personal preferences, eras, and playing styles.

As of my last knowledge update in January 2022, Michael Jordan is widely regarded as one of the greatest basketball players of all time. His career with the Chicago Bulls in the NBA was marked by numerous accomplishments, including six NBA championships and five MVP awards...



Who said lawyers can't be fun?

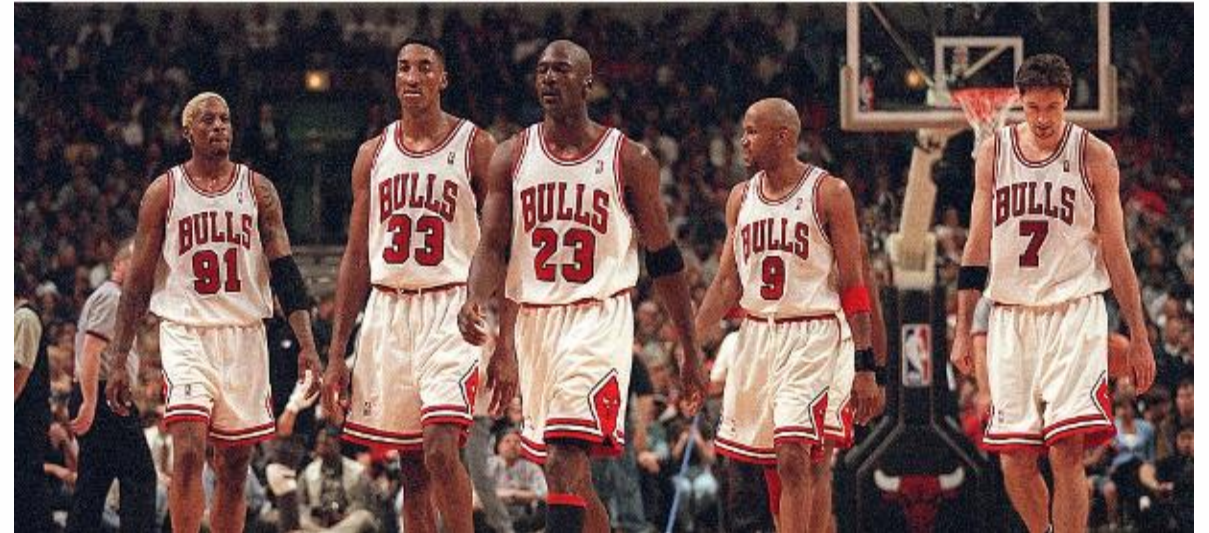
I asked ChatGPT...

"What is the greatest basketball team of all time?"

Chat GPT's response...

"Similar to the debate over the greatest basketball player, determining the greatest basketball team of all time is subjective and often depends on personal preferences, eras, and criteria for greatness. Different teams have achieved dominance in various eras, making it challenging to declare a single team as the absolute greatest. Here are a few teams that are frequently mentioned in discussions about the greatest basketball teams:

1. 1995-1996 Chicago Bulls
2. 2016-2017 Golden State Warriors
3. 1985-1986 Boston Celtics



So, why am I here today?

To help navigate the landscape of AI is it related to legal/compliance

- Although the advancement of AI has an undeniably significant impact on innovation and competitiveness in the industry, it also raises various legal and compliance concerns and challenges
- Understanding AI can be metaphorically compared to winning a basketball game in various aspects

Agenda

The elements of winning the game

- **Practice**
 - Understanding the fundamentals and basic components of AI
- **The lineup – starting 5**
 - Examples of 5 types of AI technologies that are often considered
- **Strategizing and choosing the right plays**
 - Determining which type of AI technologies fit within your business model and strategy
- **Defense and avoiding foul trouble**
 - Understanding potential risks to mitigate negative impact

Practice

Understanding the fundamentals and basic components of AI

“Not the game that I go out there and die for and play every game like it's my last. Not the game. We talkin' 'bout practice, man!”

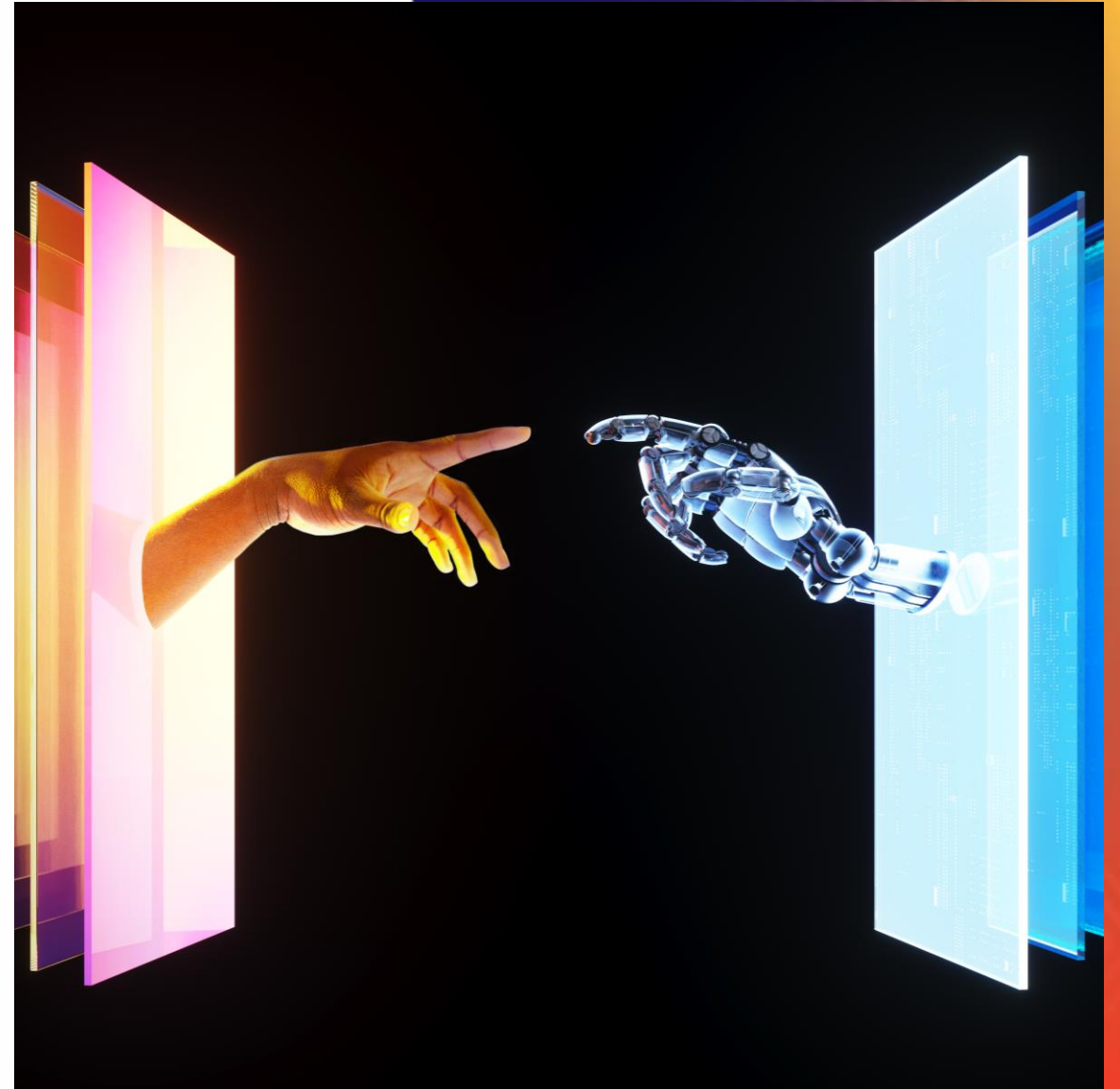
- AI (Allen Iverson)



The lineup – starting 5

Examples of 5 types of AI technologies that are often considered

- Machine Learning
- Predictive Analytics
- Natural Language Processing (NLP)
- Chatbots
- Speech Recognition



The lineup – starting 5

Can you spot the possible legal and compliance trouble?

▪ Machine Learning

- Is like that rookie player who learns from every game
- It's the AI's way of saying, "Hey, I might have air-balled that prediction, but I'll nail it next time!"



The lineup – starting 5

Can you spot the possible legal and compliance trouble?

- **Predictive Analytics:**
 - Is the AI's version of a basketball psychic
 - "I predict your opponent will attempt a three-pointer"
 - "Bet on it!"
 - It's the Nostradamus of the basketball court



The lineup – starting 5

Can you spot the possible legal and compliance trouble?

- **Natural Language Processing (NLP):**
 - Is the AI's attempt at understanding language
 - It's like the player who thinks they've mastered all the basketball jargon but occasionally mixes up "slam dunk" with "ham sandwich"



The lineup – starting 5

Can you spot the possible legal and compliance trouble?

- **Chatbots:**
 - Chatbots are like the AI version of that overly enthusiastic basketball mascot
 - They're there to chat, entertain, and occasionally shoot t-shirts into the crowd instead of answering your questions



The lineup – starting 5

Can you spot the possible legal and compliance trouble?

- **Speech Recognition:**
 - Speech recognition is like having an AI referee during a game
 - Sometimes it perfectly understands your commands, and other times it calls a foul when you just asked for the score



The lineup – starting 5



“When it’s right, it’s great! When it’s not, it ain’t!”

- Delilah P. Jenkins

How using AI can go wrong

Cigna — class action lawsuit 2023

- The second amended complaint alleges that Cigna relies on an algorithm known as PXDX, which instantly rejects claims on medical grounds without ever opening patient files
- Over a period of two months in 2022, Cigna doctors denied over 300,000 requests for payments using this method
- AI time spent reviewing each claim was only 1.2 seconds
- Under the parties' most recent stipulation, Cigna must file a response to the plaintiff's second amended complaint by no later than 2/1/2024

How using AI can go wrong

UnitedHealth Group — class action lawsuit 2023

- Sued for allegedly deploying an AI system, known as “nH Predict,” in place of medical professionals to wrongfully deny elderly patients care owed to them under Medicare Advantage Plans
- The 25-count complaint asserts claims for breach of contract, breach of the implied covenant of good faith and fair dealing, unjust enrichment, violation of the Wisconsin insurance claim settlement practices law, and insurance bad faith (under multiple state laws)
- No responsive pleading or motion to dismiss has been filed yet

Strategizing and choosing the right plays

Determining which type of AI technologies fit within your business model and strategy

- Executing a well-thought-out game plan
 - Implementing strategies
 - Designing algorithms
 - Deploying AI applications effectively to achieve desired outcomes



Strategizing and choosing the right plays cont.

Determining which type of AI technologies fit within your business model and strategy

- Learning from past mistakes and bad play calling
 - Errors
 - Biases
 - Unintended consequences
 - Iterating on models and algorithms to improve their functionality and ethical considerations



Strategizing and choosing the right plays cont.

Determining which type of AI technologies fit within your business model and strategy

- Teamwork
 - Collaboration to navigate its complexities and ensure responsible use and development
 - Includes researchers, developers, policymakers, and legal and compliance teams in addition to business stakeholders and IT



Defense wins games

Understanding potential risks to mitigate negative impact

- Privacy case law
- Employment guidance
- Insurance specific case law/guidance



Avoiding foul trouble

Best practices for producers

- Implementing robust data protection measures
- Regular training for employees on AI ethics and compliance
- Establishing clear policies on AI usage and disclosure
- Engaging legal and compliance early on



You win!!

Key takeaways

- You must be aware of potential legal and compliance pitfalls
- Getting enough practice to understand the fundamentals, becoming knowledgeable in the leading lineup of AI technologies, adapting strategies, and mitigating risks are key components of success
- Victory is not just about the win, but the continuous journey of improvement, collaboration, and responsible play in this dynamic and evolving game



Thank you!

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How'd
we do?

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