He Kaupare. He Manaaki. He Whakaora.
Prevention. Care. Recovery.

Working with AI in healthcare

A position statement for ACC - health providers

March 2026

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Who is this position statement for?

This position statement applies to all service providers who provide health and rehabilitation services to ACC clients. This includes all ACC-registered health providers[1] and their organisations (health providers) who provide health services or undertake assessments of ACC clients under contract, under Regulations[2] or under any other arrangement. It sets out ACC's expectations for safe and ethical use of AI to support service delivery, and is designed to guide health provider staff, clinicians and others using AI tools in providing treatment, assessment and rehabilitation services.

It should be used in conjunction with other relevant ACC operational guidelines and contract provisions, as well as with guidelines from your Responsible Authority[3] and/or professional body. While this position statement is not a substitute for these documents, ACC expects all organisations to have effective risk management controls and measures for AI when working with ACC clients. This includes systems to manage adverse events and near-misses that result from AI-based treatment solutions. This means it is your responsibility to ensure that any use of AI must comply with legal requirements.

This position statement does not apply to ICT vendors and developers. ICT vendors and developers not involved in treating or assessing ACC clients but seeking guidance on working on developing AI-based solutions with ACC should consult ACC for guidance on AI-based product development, projects and research in the first instance.

This position statement will be reviewed and updated regularly to reflect developments in AI.

[1] ACC-registered health provider information.
[2] Accident Compensation (Liability to Pay or Contribute to Cost of Treatment) Regulations 2003.
[3] As defined under the Health Practitioners Competence Assurance Act 2003.

Terms used in this document

Artificial Intelligence (AI)

AI is broadly defined as the ability of computers to perform tasks that typically require human intelligence. This includes functions such as perceiving, learning, interacting, problem-solving, and being creative.

Generative AI

Generative AI is a type of AI system that can create or generate new content such as text, images, and video based off models and patterns detected in existing datasets.

Automation bias

Automation bias is the tendency to over-rely on automated recommendations from AI, and perceiving them as inherently reliable. It is a specific class of cognitive errors that people are prone to make when operating within highly automated environments, and it describes the propensity for people to over-rely on automated systems, often leading to a failure to detect or correct errors made by the automation itself. This over-reliance in automation involves users not verifying or critically engaging with AI output and can be driven by factors like attention, AI literacy and task complexity.

Confabulation

Confabulation in AI refers to when an AI system, generates information that sounds plausible but is factually incorrect or fabricated, without an intent to deceive. This occurs because models predict text, based on patterns in its training data rather than verifying truthfulness.

Hallucination

Hallucinations occur when AI systems produce output that seems reasonable but is factually wrong, due to factors such as data bias and incomplete context. It can generate fake facts, invented citations and fabricated entities.

Introduction

Artificial Intelligence (AI) is growing in use in healthcare settings and has the potential to bring many benefits to health providers and to ACC clients. AI in healthcare has a range of applications including

- Improved diagnostics and treatment
- Enhanced patient care
- Operational efficiency and
- Predictive analytics.

There are risks with using AI in healthcare

AI has been utilised in healthcare for many years. However, it presents unique challenges compared to other information and communication technologies. There are associated risks that can be categorised into three key areas

- **Data quality:** inaccurate outputs, confabulation or hallucination, poor data quality, insufficient algorithm validation, lack of transparency, and population bias.
- **Human factors:** automation bias leading to diminished critical thinking and clinical reasoning.
- **Health information:** privacy, client safety, data security and data sovereignty.

These risks may lead to ethical and equity implications, as well as introduce clinical risk for ACC clients. While non-therapeutic applications of AI (for example administrative tools) generally differ in their risk profile from therapeutic applications (diagnostic or treatment tools) the distinction between the two types of uses is not always clear, and we can expect that boundaries between different uses will blur over time as advances in technology continue. Robust risk management is therefore essential wherever AI is used.

With the rapid pace of AI innovation occurring and known breaches in patient safety and privacy also occurring with AI-based solutions globally, taking a precautionary approach ensures we minimise those risks until safeguards and governance arrangements around AI in healthcare become more established.

Any AI solution must be used safely, effectively and ethically when working with ACC clients and their information. This position statement applies to both therapeutic and non-therapeutic tools.

A framework of key principles

Health providers should consider the following principles when working with AI

- Meeting legal, and regulatory requirements, as well as ACC position statement requirements
- Maintaining human oversight and accountability
- Informed consent
- Transparency
- Māori data
- Equity and
- Testing and monitoring.

Meeting legal, and regulatory requirements, as well as ACC position statement requirements

All Health providers must ensure that AI tools comply with existing legislative and regulatory requirements, and ACC policy requirements (as outlined in the contract for services). As well as meeting professional obligations when using AI, health practitioners should also understand ACC's client privacy notice which explains how ACC handles client information across all our services.

Key legislative and regulatory obligations, and other relevant guidelines that health providers should consider include

Relevant Legislation	• Health Practitioners Competence Assurance Act 2003 • Privacy Act 2020 (especially the Health Information Privacy Code 2020) • Code of Health and Disability Services Consumers' Rights • Accident Compensation Act 2001 • Medicines Act 1981 • Children's Act 2014 • Human Rights Act 1993
Kawa Whakaruruhau (ACC Cultural Safety Policy)	• Drawing on matauranga Māori and Te Tiriti o Waitangi, Kawa Whakaruruhau applies to all health providers and ensures we deliver culturally safe care to all clients who access ACC funded services.
Responsible authority[4] requirements	• Standards and guidance issued by professional bodies and associations (though not all professional bodies have guidelines in place for AI).
Other relevant government guidelines	• Health Information Governance Guidelines (HISO 10064:2017) • Responsible AI Guidance for the Public Service: GenAI • Artificial Intelligence and the Information Privacy Principles • Responsible Guidance for the Public Service GenAI • Ministry of Health guiding principles for precision health technologies including AI
Domestic and international guidelines	• Te Kāhui Raraunga Māori Data Governance Model • OECD AI principles • World Health Organization: AI ethics and governance guidance for large multi-modal models

[4] Responsible authorities are bodies corporate that are legislated for by the Health Practitioners Competence Assurance Act 2003.

Maintaining human oversight and accountability

Health providers remain responsible for ensuring safe and quality care for ACC clients. Health providers should apply human oversight and judgement to any AI output.

When considering an AI tool's intended use, health providers should also consider whether it is appropriate to use the content generated by the AI and the associated risks and limitations including diagnostic accuracy, data privacy, and ethical considerations.

Health providers are responsible for checking the accuracy and relevance of the output generated by AI tools. AI should augment and not replace clinical judgement. Final decisions on diagnosis, care and treatment should be made by the health provider based on their professional judgement rather than AI tools. This means that health providers must retain accountability for client care.

Informed consent

Health providers should seek informed consent from clients before AI tools are used in their care in accordance with standards issued by the relevant responsible authority and the requirements of the Code of Health and Disability Services Consumers' Rights.

Transparency

Health providers should inform clients about their use of AI and consider any concerns raised. The level of information a health provider needs to provide will depend on how and when AI is being used. For example, if AI is being used as part of software to improve the accuracy of interpreting diagnostic images, the provider may not be expected to provide technical detail about how the software works. However, if a health provider is using an AI tool to record consultations, they should provide information about how the AI works and how it may impact the client in terms of collection and use of their personal information. Secondary use of client data, for algorithm training purposes for example, should not occur.

Māori data

Māori data refers broadly to digital or digitisable data, information or knowledge that is about, from or connected to Māori. It includes data about people, language, population, place, culture and environment.[5] Producing, using or handling Māori data in your organisation may require special considerations. AI systems can enable misrepresentation, misappropriation or misuse of data and mātauranga Māori and other indigenous knowledge.

[5] Digital.Govt.NZ Sharing Māori data | NZ Digital government (Te Kāhui Raraunga Māori Data Governance Model)

This can mean inappropriate commodification of that data, disregard for indigenous protocols around that data, or reinforcement of stereotypes which perpetuate inequality and harm. When sharing personal information which includes Māori data, you may wish to consider how data access, sharing and protection practices reflect Māori rights over their information.

Equity

AI solutions must be used in a way that is fair and does not result in unjust outcomes or discrimination. It is important to ensure that AI-based tools do not perpetuate systemic bias or contribute to inequitable health outcomes, including for Māori. Health providers should be aware of the risk of bias when AI tools have not been tested on New Zealand-based, ethnically representative datasets. They should monitor this risk for equity impacts.

Testing and monitoring

All AI tools and software should be tested to ensure they are fit for purpose and safe for use before being used when working with ACC clients. This also includes monitoring of AI-based solutions on an ongoing basis to ensure such tools are operating as intended.

Health providers should never use client and/or ACC data with freely available public AI tools[6]. When using client and/or ACC data, health providers should only use tools that have been assessed, are purchased and that comply with this position statement.

Health providers should have a basic understanding of AI tools being used in their practice to ensure that these are adopted safely in a way that meets their professional obligations. At a minimum, the practitioner should review the product information about an AI tool including how it is trained and tested on populations, its intended use and limitations and clinical contexts where it should not be used. Once installed in your organisation, updates to AI tools may not always be obvious and may affect downstream service delivery functions and systems. In addition, the functional scope of AI tools may change or 'creep' over time through software updates or upgrades.

Health providers need to consider whether the AI tools they use when treating ACC clients will retain or disclose personal information and, if so, whether using the tool is consistent with privacy obligations.

[6] Public AI are those AI systems that anyone can use, often through a website or portal to answer questions or prompts. They gather information from various sources to create responses. Users do not control the system's setup, data or limits, and cannot easily check where the information comes from or how it's used.

It is important to understand how the tool collects, stores, and uses data; and whether personal information is disclosed to or used by third parties such as the software provider and whether this is consistent with relevant privacy obligations. Where adverse events arise, health providers must have risk management strategies in place including for security and data protection[7].

Training and education

AI is a rapidly evolving field and health providers should ensure they stay up to date with the latest developments. This will require undertaking regular training and education to ensure registered health providers are using best practice monitoring, and risk management methods when working with AI in both therapeutic and non-therapeutic settings.

Fulfilling the requirements of this position statement

Being open and transparent about how personal information is collected, used, and shared is a critical part of building trust in the way your organisation handles personal information. This position statement helps ACC's clients have trust and confidence when you are working with AI responsibly.

This position statement is not an exhaustive list of all factors that need to be considered when working with AI but we encourage you to self-assess your compliance with this position statement regularly. We also encourage you to work with your regulatory authority and your profession to understand and continually improve safe and ethical use of AI within your practice.

It is your responsibility to determine whether any proposed use of AI complies with relevant legal requirements. ACC is not responsible for ensuring compliance.

[7]Responsible AI Guidance for the Public Service Responsible AI Guidance for the Public Service: GenAI. While this guidance has been developed primarily for the Public Service, it provides useful guidance for other parties.