# Make AI Meaningful

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# Agenda

01 AI for Behavioral Health Landscape

02 AI in Practice

03 National Survey Results

04 Real Examples in Public Sector

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*Headquarters in Overland Park, KS*

# Netsmart

Founded in 1968, Netsmart is the leading provider of **software and technology solutions for community-based healthcare.**

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# PUBLIC SECTOR

## STATES AND COUNTIES

- Inpatient/Outpatient Behavioral Health Hospitals
- Addiction Treatment
- Public/Population Health
- Intellectual and Developmental Disabilities
- State Veteran Homes
- Vital Records



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# AI for Behavioral Health Landscape

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AI is putting the **human** back at the **center** of **healthcare**.

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# A lot has happened in a year…



250+ Orgs Using Bells AI driven capabilities



Clinician use of AI for documentation is rapidly becoming mainstream



Surveys show 33% of consumers admit to using some form of AI for mental health **(bi-partisan policy center.org**



Roughly 90-150 new AI Startups have been formed focusing on BH in the last year, **(therapystack.com)**



More “point” solutions available, ranging from intake, therapy, clinician co-pilot, assessment, measurement, monitoring & RCM



Regulation and compliance focus is rising. In 2025 250+ AI related bills introduced across 47 states. 243 introduced across 43 states already in 2026 **(Mannat Health: Health AI Policy Tracker)**

**A shift from should we use AI to a focus on how and where do we use AI and how do we measure the impact**

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# Denials Are Born Upstream

*Root cause*

*By the time a claim reaches billing, most of the denial risk is already baked in.*

| Patient access | Clinical & docs | Coding | Billing |
|---|---|---|---|
|  |  |  |  |
| Registration errors, eligibility not verified, missing prior authorization. | Incomplete charting, unsigned orders, face-to-face gaps. | Wrong codes, missed modifiers, medical-necessity mismatch. | Late filing, clerical slips — where we usually start looking. |

*The further upstream the error,* **the bigger the downstream denial.**

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# The Impact of Denials Falls on Your People

*The human cost*



## Skilled staff, stuck in rework

Every denial pulls someone off higher-value work to research, correct, resubmit, and appeal a claim that should have paid the first time.



## Firefighting fuels burnout

Constant denial cleanup makes targets feel unreachable — driving stress, turnover, and lower morale in an already short-staffed field.

**100%**

of providers in a 2024 survey say staffing shortages are hurting claim accuracy.

**90%**

of claims-processing costs are labor-related.

***Denial prevention is also a workforce strategy — doing more with the staff you already have.***

*Sources: Premier Inc. (2025). Full citations in appendix.*

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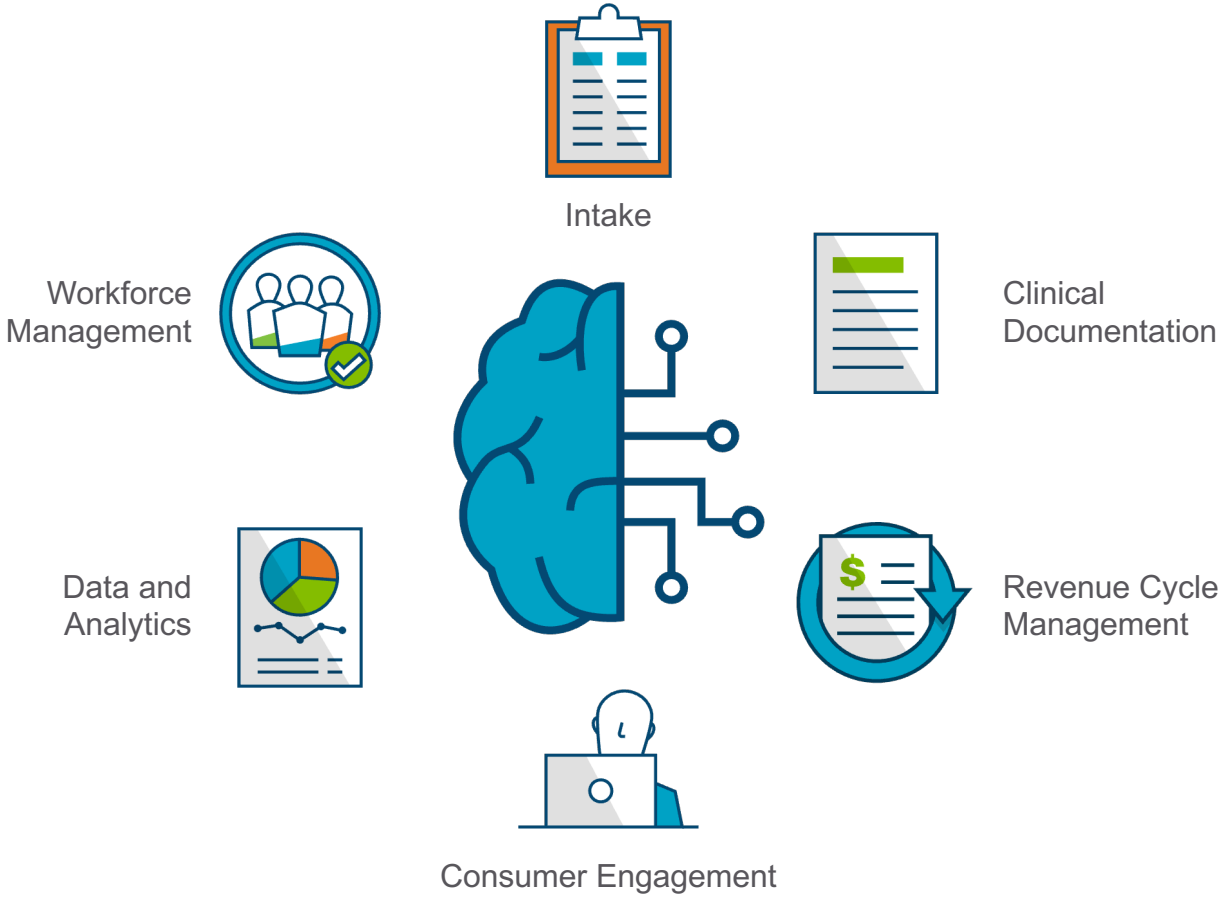
# AI THROUGHOUT THE CARE JOURNEY




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# AI is Driving Innovation Across Functions



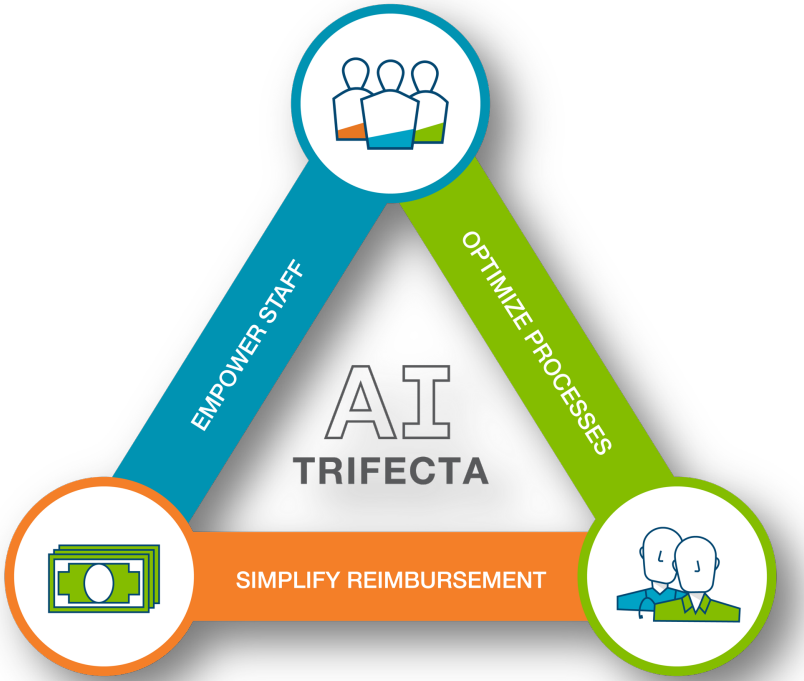

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# What is Meaningful AI?

*The AI Trifecta*

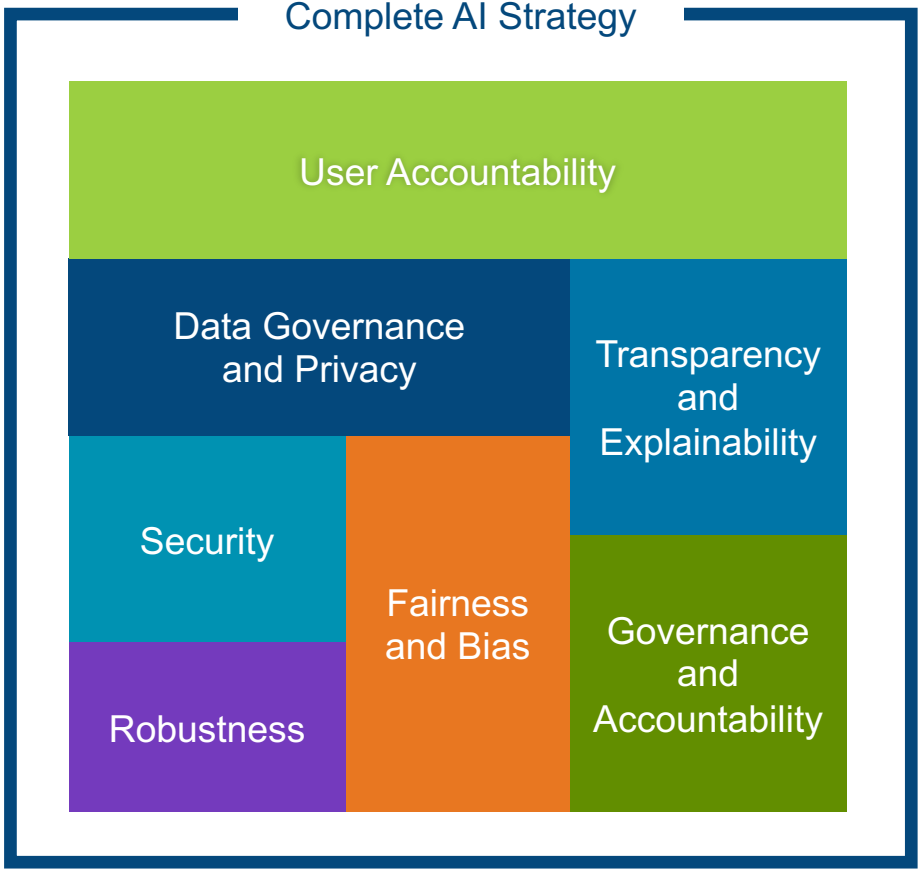
- We don't just automate processes; we develop personalized, effective automation plans tailored to community- and inpatient-based providers' unique needs.
  - Empower Staff
  - Optimize Processes
  - Simplify Reimbursement
- **Augmented Intelligence** - rather than artificial intelligence - relies on the skills of your team, elevating human potential to empower staff, optimize processes and simplify reimbursement.




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# The Key Principles of Responsible AI

*What foundational standards should AI follow?*




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# AI Governance Program Objectives

*What are the Key Strategic Objectives we are trying to achieve?*

## *Responsible AI: Enabling Trustworthy AI*

### AI Governance Program Objectives

#### Principles & Governance

Define and articulate a Responsible AI mission and principles, while establishing a transparent governance framework across the organization that builds confidence and trust in AI technologies.

#### Risk, Policy & Controls

Enhance compliance with current laws and regulations while monitoring future regulatory developments. Develop policies to mitigate risks and operationalize those policies through a risk management framework with regular reporting and monitoring.

#### Technology & Process Enablers

Develop tools and techniques to support principles such as fairness, explainability, traceability and privacy within AI systems. Integrate these techniques into the design, development, and deployment processes into AI systems that are used.

#### Culture & Training

Empower leadership to prioritize Responsible AI as a fundamental business imperative and mandate training for all associate to ensure a clear understanding of Responsible AI principles and approved AI usage.

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# Bells Clinical Assistant

*Augmented Intelligence throughout the Clinical Workflow*



**Documentation Assistant**

**Clinical coaching features:**

- Data capture
- Assessments + templates
- Language recommendations
- Offline capabilities



**Virtual Scribe**

**Clinical document generation**

- Ambient technology
- Provider dictation
- Transcription
- Note generation



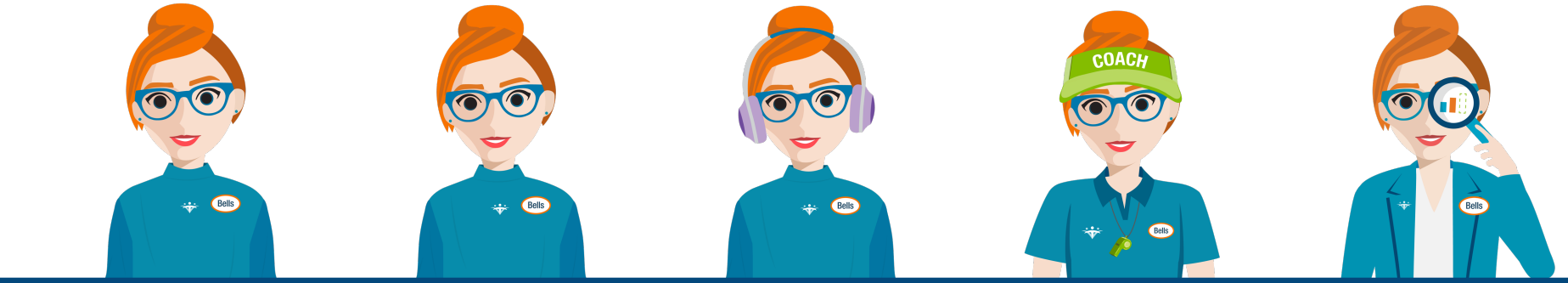

**Quality Coach**

**Quality assurance and improvement features:**

- Note auditing
- Validation + review + QA
- Training + coaching

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# AI for Clinicians – Bells®




| 2022 | 2023 | 2024 | 2025 | 2026 |
|---|---|---|---|---|
| Documentation Assistant | Group Notes | Virtual Scribe | Quality Coach | Predictive Analyst |

## Voice of the Clinician

| | | | | |
|---|---|---|---|---|
| Help me write a note | Help me follow best practices to document complex care | Listen with me and propose a note for review | Help me provide timely documentation coaching | Help me make more informed care decisions |

*Predictive Analyst: Functionality currently testing with early adopters.*

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# National Survey Results

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# Goal Of The National Survey

**Assess organizational readiness and adoption of AI:** Understanding where organizations are in their AI journey, including current use, leadership alignment, and perceived preparedness.

**Identify barriers and enablers to AI implementation:** Exploring what's driving or hindering adoption, such as ROI considerations, infrastructure challenges, or strategic priorities.

**Gauge perceptions of AI's future impact on funding and operations:** Evaluating how organizations believe AI will influence their ability to secure contracts, manage funding, and deliver value in the next few years.

**In its second year, the survey also tracks what changed since 2025.**

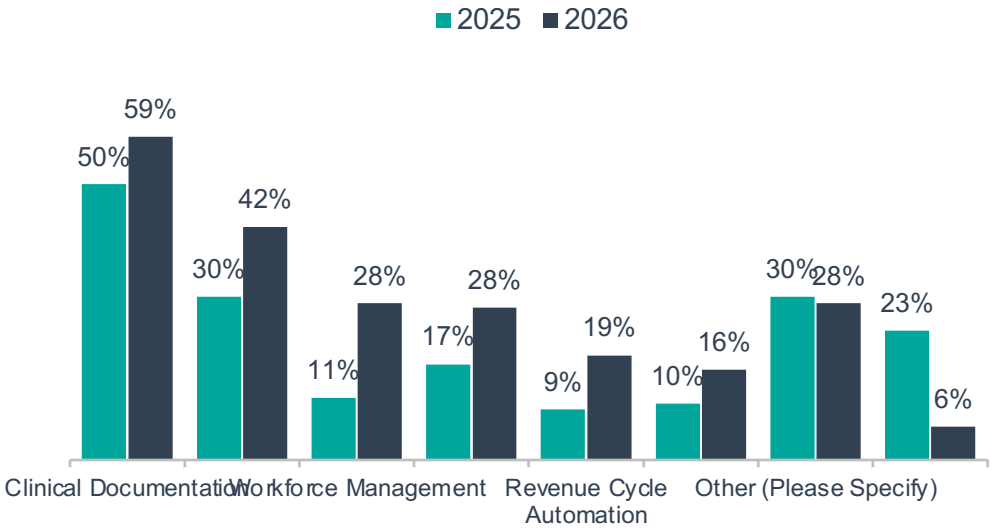



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# In Which Of The Following Areas Is Your Organization Currently Using Or Piloting AI Tools?

Clinical documentation is still the top use at 59%. Workforce management more than doubled, from 11% to 28% (p = 0.002), as did revenue cycle automation, from 9% to 19% (p = 0.043). "Not Currently Using" fell from 23% to 6% (p < 0.001).

*Share of organizations selecting each answer, 2025 (98) vs 2026 (116)*




## Insider Insights

- **The average organization now uses AI in 1.9 areas,** up from 1.3 (p < 0.001).
- **Documentation use climbs with size.** 74% over $50 million, 56% at $10 to $50 million, and 35% under $10 million (2026) (p = 0.013).
- **CCBHCs and rural organizations lead on documentation.** 84% of CCBHCs vs 52% of other organizations (p = 0.004). 88% of the 16 rural organizations vs 54% of non-rural ones (p = 0.012).
- **For-profits put AI to work on revenue.** 57% of the 14 for-profits use it for revenue cycle automation, vs 14% of nonprofits (2026) (p < 0.001). The gap was there in 2025 too: 30% vs 7% (p = 0.020, suggestive: 10 for-profits).

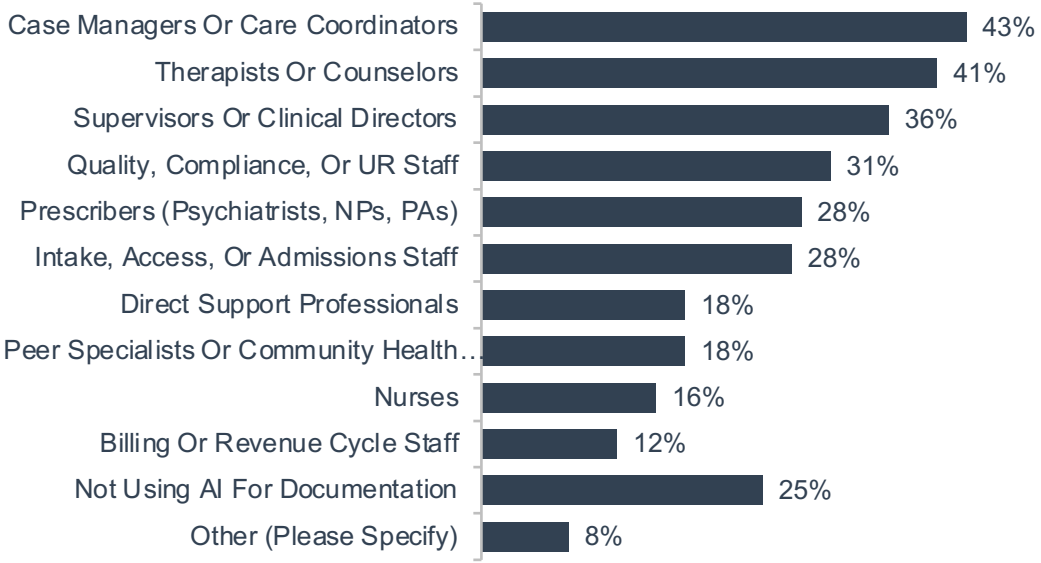
**Percentage exceeds 100% due to respondents' ability to select more than one option.*


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# Which Roles Use AI Tools For Clinical Documentation Or Note Generation? (New In 2026)

Case managers (43%) and therapists or counselors (41%) use AI for documentation most often, followed by supervisors (36%). One in four organizations doesn't use AI for documentation.

*Share of organizations, 2026 (116). New question in 2026*




## Insider Insights

- **AI documentation reaches more roles as organizations advance.** At the multiple-functions stage:
  - 50% use it with intake staff, vs 8% to 28% at earlier stages ($p = 0.012$).
  - 39% use it with direct support professionals, vs 0% to 14% ($p = 0.006$).
- **CCBHCs extend it to prescribers.** 52% of the 25 CCBHCs use it with psychiatrists, nurse practitioners, or physician assistants, vs 22% of other organizations ($p = 0.003$).
- **Rural organizations put it in therapists' hands.** 75% of the 16 rural organizations vs 35% of non-rural ones ($p = 0.002$).
- **For-profits extend it to billing staff.** 36% of the 14 for-profits vs 9% of nonprofits ($p = 0.004$).

**Percentage exceeds 100% due to respondents' ability to select more than one option.*


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# One Year Later: Use Spread, Privacy Overtook Budget, Views On AI Held

Finance teams also joined AI leadership. Three 2025 findings no longer hold, because trailing groups in 2025 did a lot of catching up quickly.

## What Changed

- **Exploring fell from 28% to 10%** (p = 0.001).
- **Under $10 million caught up.** The share still exploring fell from 53% to 0% (p < 0.001). These organizations trailed larger ones in 2025 (p = 0.009) and sit level in 2026 (p = 0.21).
- **Privacy overtook budget as the top barrier;** budget fell from 60% to 41% (p = 0.004).
- **Finance or strategy now leads AI at 15%,** up from 4% (p = 0.010).
- **Workforce AI spread beyond IDD and LTSS:**
  - Behavioral health: 4% to 28% (p < 0.001)
  - Child services: 8% to 30% (p = 0.056, suggestive)
  - IDD and LTSS: steady near a third (33% to 31%)

## What Held Steady

- AI as a strategic priority: 52% to 53% (p = 0.94)
- Concern about data and ethics: 35% both years (p = 0.92)
- Expecting to win value-based contracts: 27% to 26% (p = 0.91)
- A dedicated AI team: 7% both years
- Feeling very prepared: 17% to 14% (p = 0.47)

## 2025 Findings That No Longer Hold

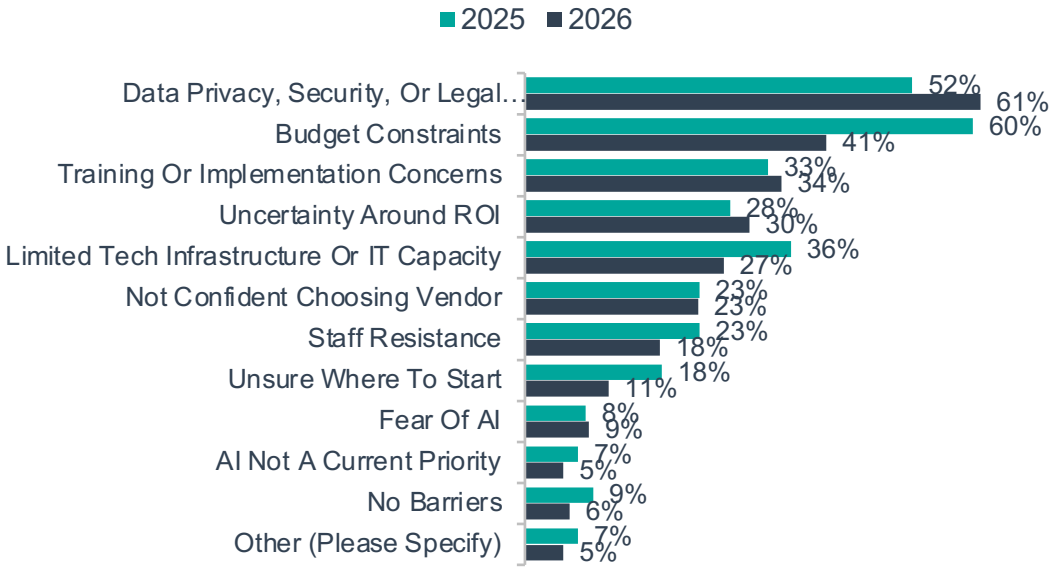
- For-profits further along than nonprofits (2026 p = 0.77)
- Smaller organizations less likely to use AI at all (2026 p = 0.80)
- IDD and LTSS ahead on workforce AI (2026 p = 0.96)


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# Which Barriers Are Most Limiting Your Organization's Ability To Implement AI Tools?

Data privacy, security, or legal compliance is now the most cited barrier (61%), while budget constraints fell from 60% to 41% (p = 0.004).

*Share of organizations selecting each answer, 2025 (98) vs 2026 (116)*




## Insider Insights

- **Budget eased most where cash is tightest.** Among nonprofits with fewer days of cash than the typical respondent, budget as a barrier fell from 76% to 36% (p < 0.001). For those with more cash, it held at 48% both years (p = 0.98).
- **CEOs are catching up to their teams on privacy.** In 2025, 32% of CEOs cited it vs 62% of other leaders (p = 0.006). In 2026: 51% vs 68% (p = 0.087, suggestive).
- **Budget pressure splits by service line.** 15% of IDD and LTSS organizations cite budget, vs 41% in behavioral health and 63% in child services (2026) (p = 0.002).
- **State AI laws don't explain privacy concern.** 59% in states with AI health laws vs 62% without (2026) (p = 0.77).

**Percentage exceeds 100% due to respondents' ability to select more than one option.*


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# What Keeps Healthcare Leaders Up at Night?

*The trust barrier to AI for Clinicians*

**Security and privacy concerns are ultimately concerns about control, safety and accountability.**

### 01 PATIENT PRIVACY

Will PHI be exposed, reused or shared beyond its intended purpose?

### 02 CYBERSECURITY

Could AI integrations create new attack paths, breaches or data leakage?

### 03 REGULATORY COMPLIANCE

Can we demonstrate HIPAA-aligned safeguards, access controls and auditability?

### 04 DATA OWNERSHIP & USE

Who controls our data and can it be used to train third-party models?

### 05 CLINICAL RELIABILITY

How do we prevent inaccurate outputs from becoming unsafe decisions?

### 06 VENDOR ACCOUNTABILITY

Who is responsible when an AI system fails or a subcontractor mishandles data?

**2026: 27 STATES • 46 HEALTHCARE AI BILLS INTRODUCED • 7 ENACTED**

Source: Manatt Health, Q2 2026 AI Policy and Health Care | 27 states introduced 46 bills; 6 states enacted 7 laws

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# Addressing the biggest barrier to AI adoption in Human Services

*Creating a strong AI Security and Privacy organizational posture*

**01**

**PATIENT DATA CONTROL**

## Where does PHI go?

External AI tools create additional locations where patient data may be processed, retained, shared or used.

**02**

**EXPANDED SECURITY EXPOSURE**

## Who can access it?

Each integration adds APIs, credentials, vendor infrastructure, and potential pathways back into the EHR.

**03**

**FRAGMENTED GOVERNANCE**

## Who is accountable?

Disconnected tools can complicate HIPAA oversight, audit trails, policy enforcement, and clinical accountability.

**The challenge is not simply securing AI — it is maintaining consistent control across every AI connection to your organization.**

**Before adding any AI solution, ask the vendor to show you the data flow, access controls and accountability across every connection.**

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# Clinical AI ROI Outcomes

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# Impact on Organization's Culture



Gives high performers an opportunity to excel



Provides the data to identify and coach lower performers



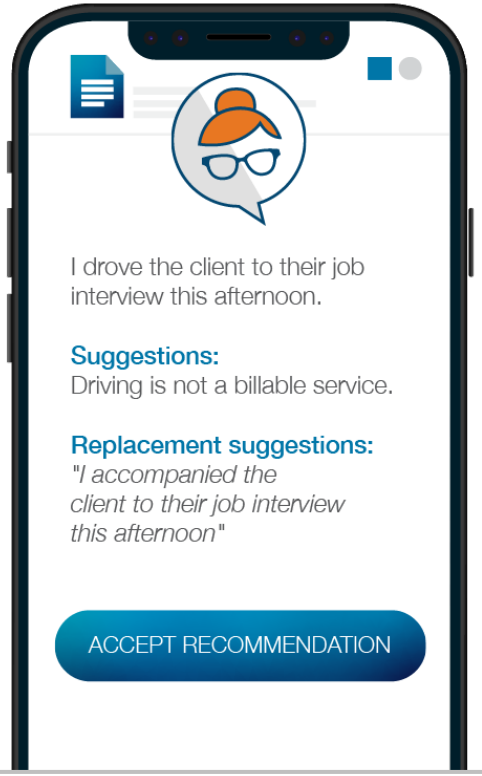
Facilitates cross-organizational communication

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# Benefits of AI in Clinical Documentation

## Benefits

- Improve consistency across service providers and multiple offices
- Increase job satisfaction
- Eliminate common errors proactively and reduce multiple rounds of reviews
- Decrease time from session to claim to payments
- Reduce staff turnover
- Add clients and increase revenue
- Capture more billable client interactions
- Enable a quicker ramp-up to billing for new hires




**2.2**
Days faster reimbursement submission

**67%**
Average note writing speed

**84%**
Average time gained from session to sign

**16%**
Average claims increase per staff

**5.2**
Hours saved per staff week

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# Johnson County Mental Health Center

- Located in Johnson County, Kansas (Kansas City Area)
- 560 employees, 500 clinical
- Certified CCBHC and CARF Accredited
- Three main outpatient locations; Four residential settings
- Services provided:
  - Outpatient mental health services to children and adults
  - Outpatient SUD services
  - Intensive outpatient programming
  - Adolescent inpatient SUD treatment
  - Adult alcohol social detox
  - Medication services
  - Crisis stabilization for adults and teens
  - Clinic for chronic condition care
  - Mobile Crisis Services

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# AI Implementation and Adoption

- End User support is key to success
- Explain why use of AI is valuable
- Plan for support during first couple of weeks of go-live so staff embrace the tool
  - Productivity
- Ongoing Training
  - Plan for new hires and ongoing changes
  - Live and video
- Provide feedback mechanism so staff feels heard

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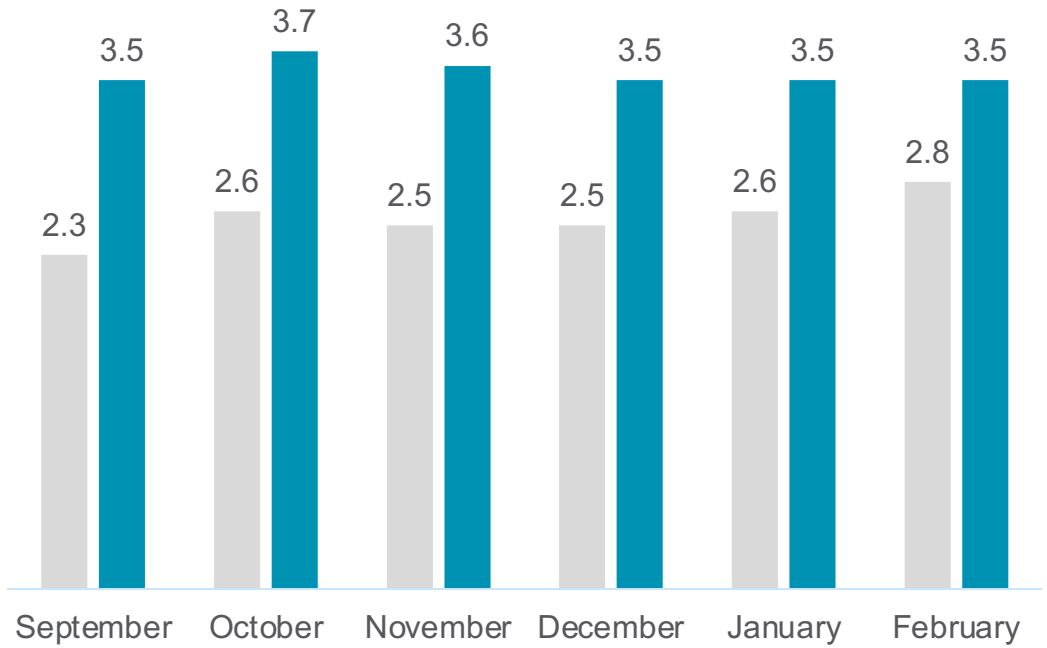
# Year After Implementation

- 78% of active users utilizing Bells
- Used across all programs including crisis/co-responders, medical clinic, therapy, case management
- **Notes are done within a day of session**
- ROI - people and money
- Spend time helping staff get comfortable - Scribe and Mobile
- AI governance - Defined strategy needed
- Prepare for AI mistrust - this will come up during implementation

JOHNSON COUNTY KANSAS

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# **Result #1:** Increased Documentation Capacity




**1 additional note per client per month**

Average number of notes per clinician using a standard note

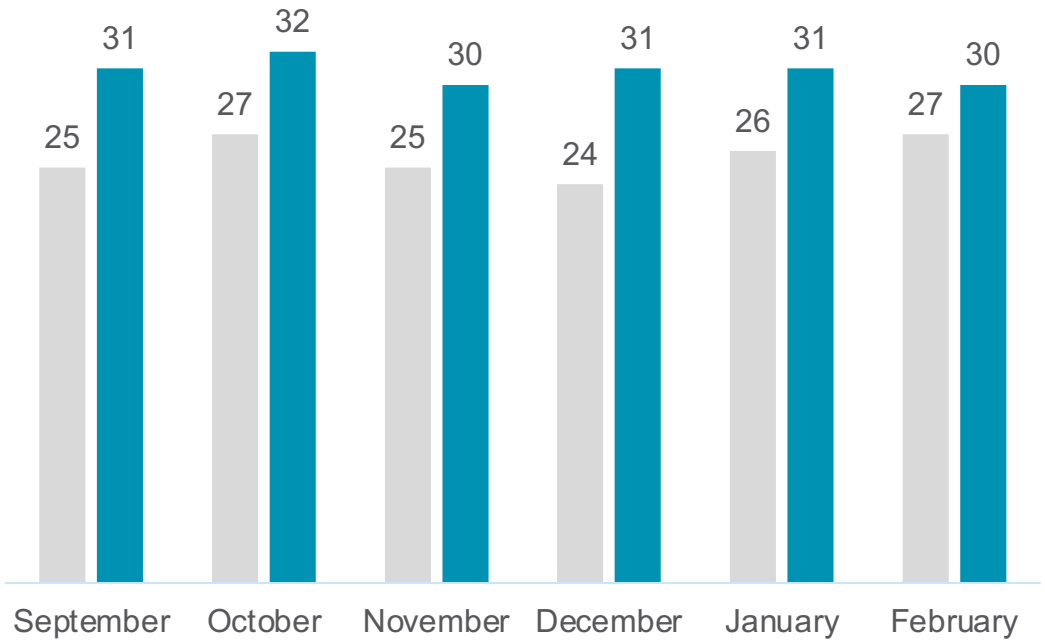
**Average number of notes per clinician using AI**

*Data derived from the same month in two separate years for a more accurate comparison*

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# **Result #2:** Increased Client Volume




**5 additional clients per month per provider**

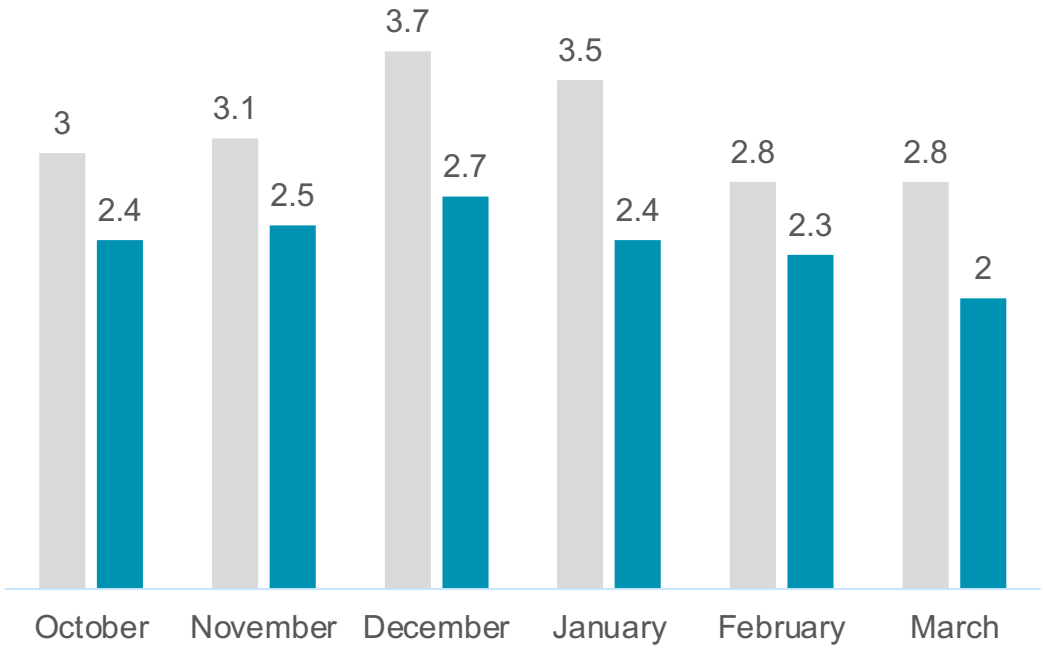
Average client count per staff using a standard note

**Average client count per staff using AI**

*Data derived from the same month in two separate years for a more accurate comparison*

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# **Result #3:** Faster Session-to-Sign Time




**AI-enabled notes processed 17 hours sooner**

Average days to document using a standard note

**Average days to document using AI**

*Data derived from the same month in two separate years for a more accurate comparison*

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# North Dakota AI Adoption Strategies

*Supporting staff through adoption & ongoing improvements*

- Choosing the right AI partner 🤝
- Overcome reluctance with cheerleaders 📣
  - Have staff tell their stories – impact + improvements
- Understand the benefits ✨
  - Staff turnover -> documentation is the biggest grievance
- Focus on the real-world use cases 🌍
  - Work in the community – primarily rural
  - Start on mobile, finish on desktop
  - Works in offline mode, syncs with reconnection
  - Better engage with clients
    - Information at your fingertips (past notes, problems, goals)
    - Utilize quick-text features to take notes on the fly (ex. scribbles, expansions)

NORTH Dakota | Health & Human Services
Be Legendary.

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DIGITIZING YOUR ORGANIZATION

# AI Won't Replace Humans – But *Humans With AI* Will Replace Humans Without AI

https://hbr.org/2023/08/ai-wont-replace-humans-but-humans-with-ai-will-replace-humans-without-ai#:~:text=Business%20and%20society-,AI%20Won't%20Replace%20Humans%20%E2%80%94%20But%20Humans%20With%20AI%20Will,workers%2C%20but%20for%20all%20employees.

# Questions?

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