

TOPICAL WEBINAR FOR APA MEMBERS

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AI Ethics & Liability in Psychology: Essential Risk Mitigation Guide

June 12, 2026

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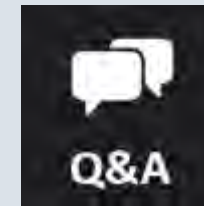
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Objectives



Identify core ethical principles (e.g., transparency, bias mitigation) from APA and industry policies.



Recognize liability pitfalls while using AI in the practice of psychology.



Apply mitigation strategies including tool validation and oversight protocols

Background

Artificial intelligence (AI) has become a significant catalyst for change across various domains, including psychology.

Its capacity to analyze data, recognize trends, and generate forecasts, positions AI to potentially transform the practice within the field of psychology.

As AI technology advances, it is essential to address risk management considerations, privacy issues, and the necessity for oversight to fully leverage its capabilities, while also safeguarding the core values and ethical principles of the psychology profession.

Definitions

Artificial Intelligence (AI)

- Encompasses any system that performs tasks that typically require human intelligence.

Generative AI

- A specific type of AI that can learn from and mimic large amounts of data to create content such as text, images, code, and more based upon inputs and prompts.¹

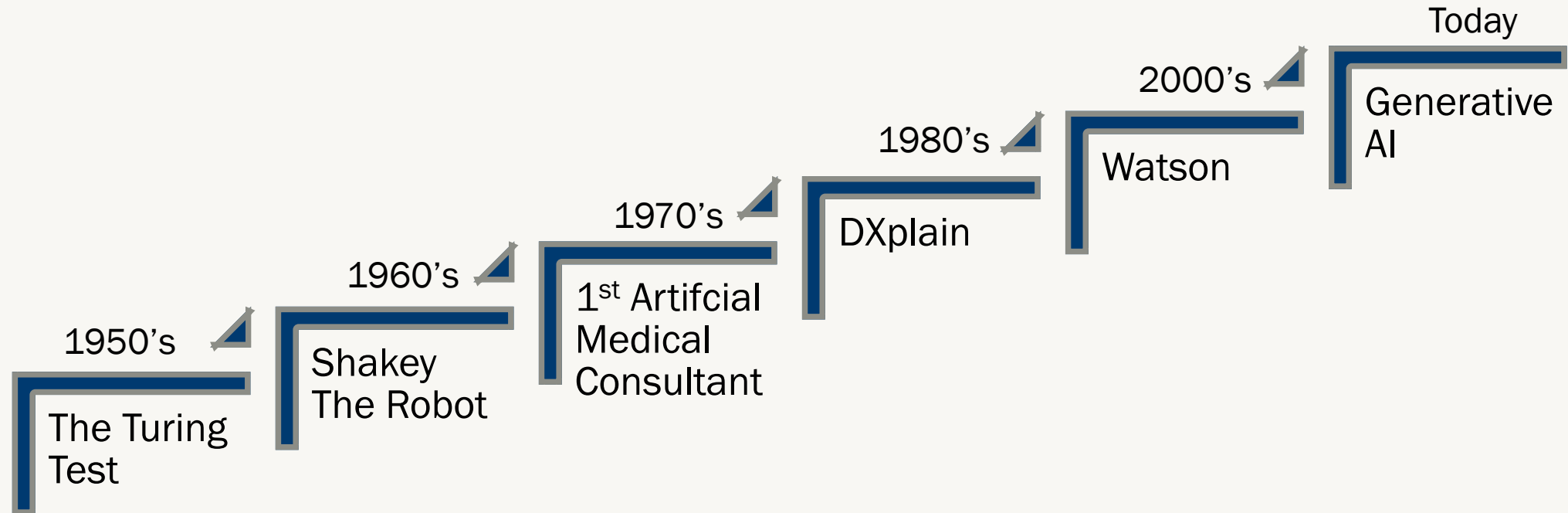


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Key Differences

Feature	Traditional AI	Generative AI
Function	Analyzing, predicting or providing insights based on existing data	Creates new content or data from existing data patterns
Output	Predictions, classifications or recommendations	New text, images, code
Approach	Reactive (Responds to Data)	Proactive (creates new content)
Examples	Machine learning: fraud detection, chatbots, system recommendations	Tools for text, image, code generation, chatbots

Artificial Intelligence Through the Years



Source: National Library of Medicine. Artificial Intelligence and Healthcare: A Journey through History, Present Innovations, and Future Possibilities
April 2024. <https://pmc.ncbi.nlm.nih.gov/articles/PMC11122160/>

Types of AI Used in Psychology



Administrative Tools



Therapeutic Chatbots



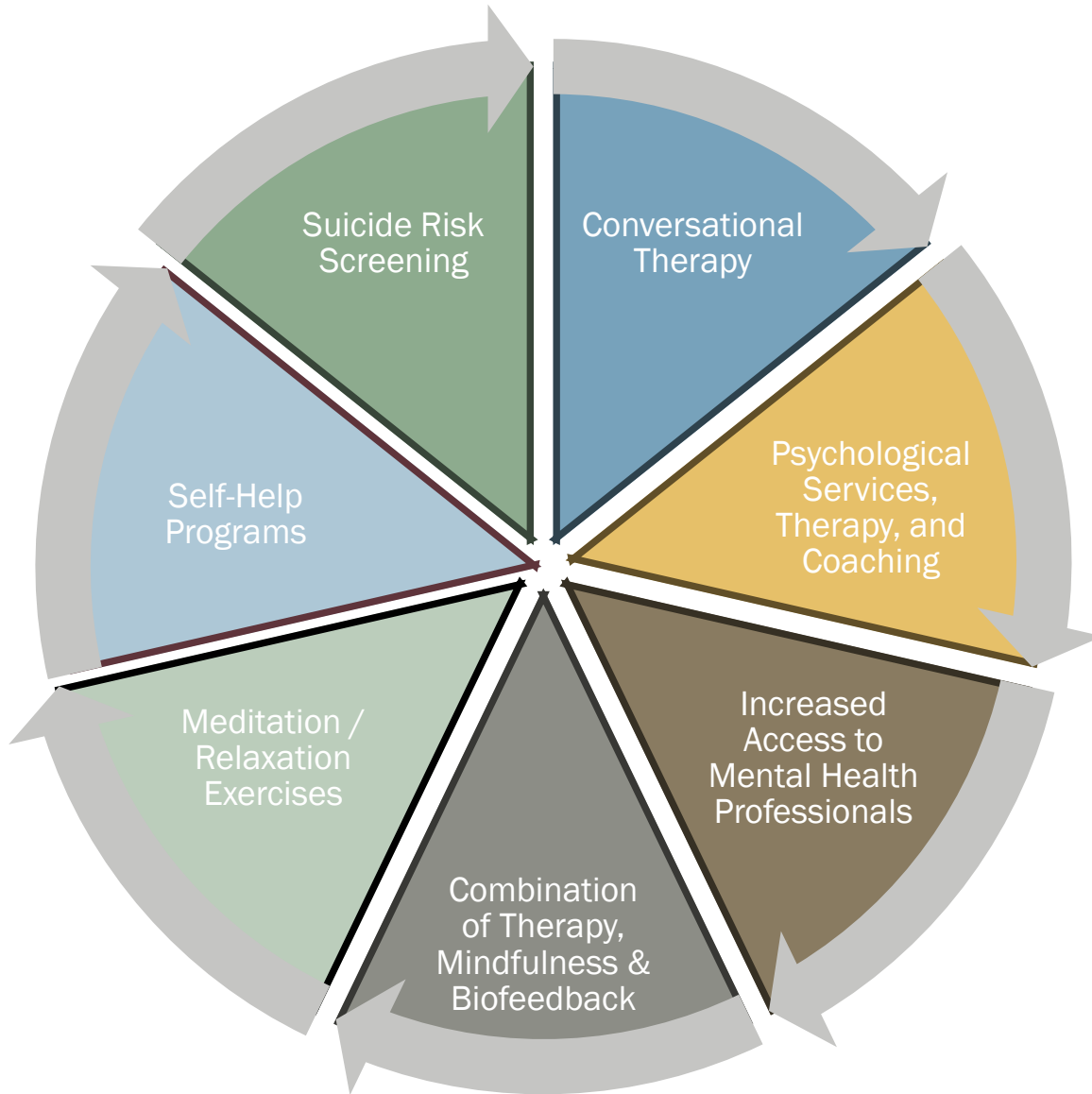
On-Demand Mental Health Care



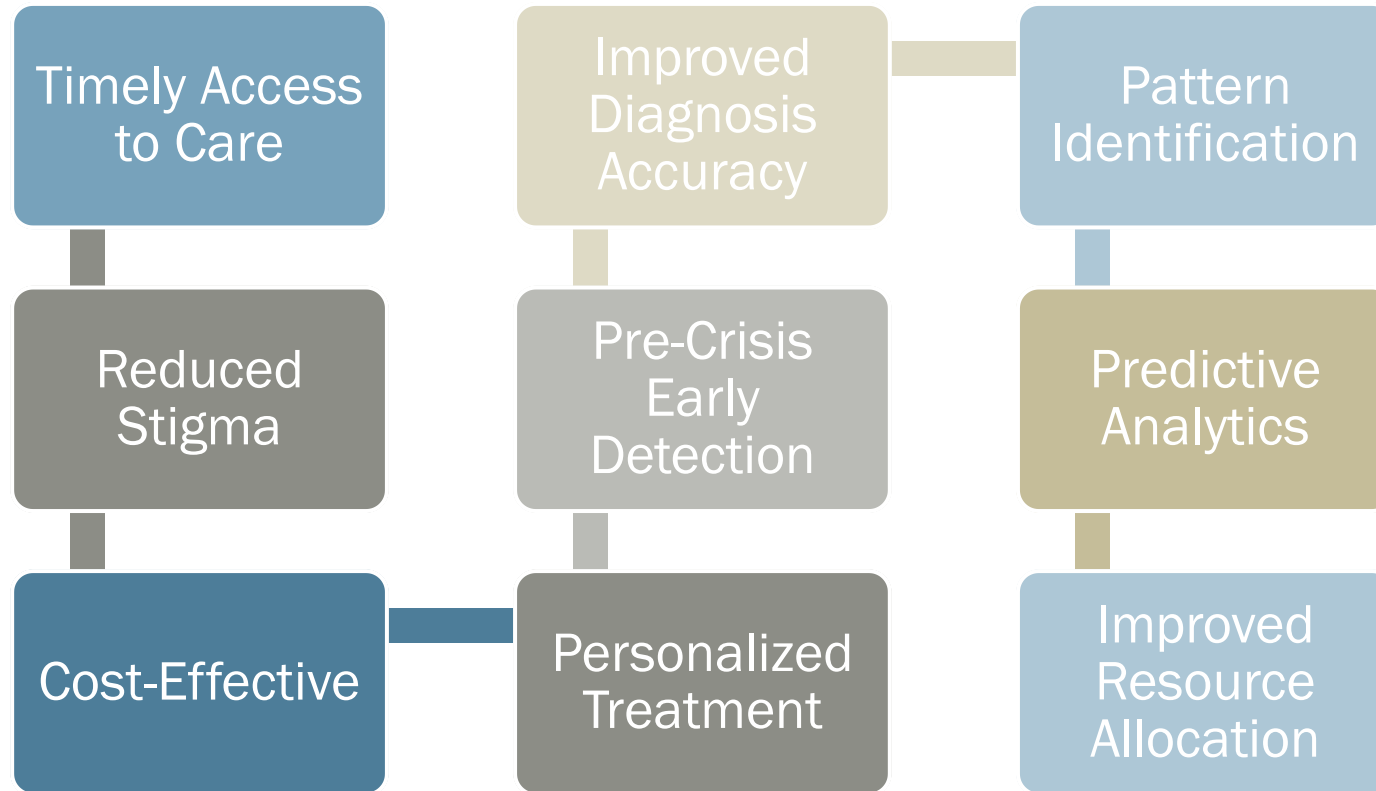
Voice-Based Mental Health Companion Software



Research



Uses of AI in A Psychology Practice – Patient Focused



Benefits For Patients Using AI For Care and Treatment

Risks To Patients When Using AI For Care And Treatment

Response to Crises / Suicidality

Potential Isolation

Harmful or Incorrect Suggestions

Transparency and Trust

Responsibility and Accountability



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Risks To Patients When Using AI For Care And Treatment



Empathy



Bias



Privacy /
HIPAA



Data
Breaches



Effectiveness



Uses of AI in a Psychology Practice – Provider Focused

- Documentation
- Treatment Plans / Diagnosis / Screening
- Writing Tools – Content / Grammar
- Research
- Networking
- Billing
- Tasks / To-Do Lists
- Productivity Analysis

Benefits for Psychologists Using AI



Clinical
Documentation



Report Writing



Treatment
Recommendations
/ Data-Driven
Insights



Identification of
High-Risk Patient



Scheduling



Enhance Patient
Engagement



Billing and
Insurance
Processing



Assistance with
Training and
Professional
Development

Risks for Psychologists Using AI in an Office Practice Setting

Data Privacy and Security

HIPAA-Compliant / Patient Consent

Algorithmic Bias

Documentation Accuracy, Misinformation,
and Repetitiveness

Over-Reliance / Loss of Human Contact

Legal and Ethical Responsibility

Examples of AI Related Federal Legal Landscape

- HHS OCR issued letter requiring providers use of AI is non-discriminatory (effective July 5, 2024)
- Senate Bill 1399 – Health Tech Investment Act
- Executive Order 14179 – Removing barriers to American Leadership in Artificial Intelligence

Regulatory Compliance



Health Insurance Portability and Accountability Act (HIPAA)



HHS/ONC



Federal Drug Administration (FDA)



Federal Trade Commission (FTC)



State Law Regulations

Examples of AI Driven Federal Legislation

Final Rule - Health Data, Technology and Interoperability: Certification Program Updates, Algorithm Transparency and Information Sharing Effective (2024)

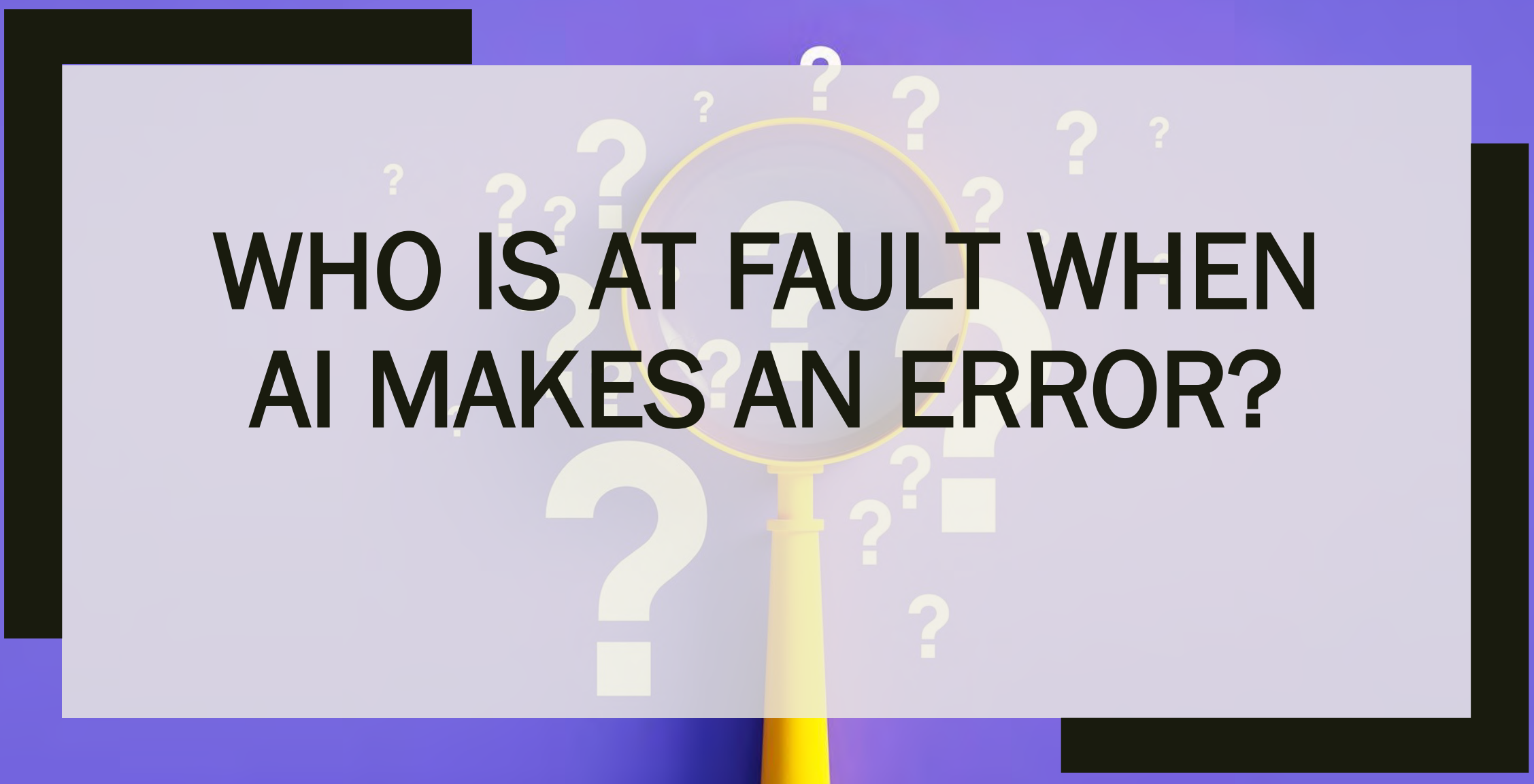
S. 3205 - National Institute of Standards and Technology (NIST) AI Risk Management Framework (2023)

H.R. 6216 - The National Artificial Intelligence Initiative Act of 2020 (NAIIA)

State by State View Snapshot on Legislation

43 states introduced over 250 bills impacting AI and health care stakeholders. As of April 7, 2026, seven bills have been passed into law in seven states.





**WHO IS AT FAULT WHEN
AI MAKES AN ERROR?**

AI Related Allegations in Professional Liability

- Failure/Delay in Diagnosis
- Incorrect Diagnosis
- Incorrect Treatment Recommendations
- Failure of Provider to Override/Question AI-generated Suggestions
- Product-Related Liability
- Privacy Breach/Cyber Security
- Algorithmic Bias

Insurance Considerations



PROFESSIONAL
LIABILITY



CYBER
LIABILITY



ERRORS &
OMISSIONS



PRODUCT
LIABILITY

Examples of AI-Related Healthcare Lawsuits

AI companies with chatbot software claiming to patients they were speaking with a live therapist

Chatbot company allegedly encouraged a teen's suicide

Claims against health insurers denying care or failing to pay claims

Source: <https://www.maynardnexsen.com/publication-the-legal-landscape-for-ai-enabled-decisions-for-health-care-claims-and-coverage-continues-to-evolve-from-litigation-to-emerging-legislation>

<https://apnews.com/article/chatbot-ai-lawsuit-suicide-teen-artificial-intelligence-9d48adc572100822fdb3c90d1456bd0>

Examples of AI-Related Healthcare Lawsuits

Two California healthcare systems sued for using an AI-based scribe tool without patient consent in violation of state privacy and confidentiality laws, unfair competition law, Federal Wiretapping Act and invasion of privacy

Source: <https://www.hipaajournal.com/lawsuit-ai-platform-illegally-recorded-patient-clinician-conversations/>

<https://www.mobihealthnews.com/news/patient-files-lawsuit-against-sharp-healthcare-ambient-ai-use#:~:text=A%20proposed%20class%20action%20lawsuit%20has%20been,Sharp%20Healthcare%20%22lacked%20a%20functional%20deletion%20Don%20demand%20process%22>

Medical Malpractice Defenses

AI Met Standard of Care and Legal Standards

Provider's Judgment Played a Role

AI's Decisions were Reasonable

Thorough, Supportive Documentation

Informed Consent Obtained

Business Associate Agreements/Vendor Contracts Address Responsibility

Risk Management Review

Protect Autonomy

Promote Human Well-Being

Ensure Transparency

Foster Accountability

Ensure Inclusiveness and Equity

Uphold Ethics and Privacy

Use Appropriate AI tools

Integrate AI with Human Contact/Supervision

Avoid Over-Reliance

Risk Management Review

Use Good Documentation Techniques

Avoid Inconsistencies

Use Sound Judgment

Protect Patient Privacy

Consider Ethical Considerations when Incorporating AI into Practice Policies and Procedures

Obtain Vendor Business Associate Agreements

Consult with Broker to Insure Adequate Coverage

Follow and Stay Abreast of State and Federal Guidelines and Changes

Consult an Attorney and Risk Management

In Closing



Resources

- American Psychological Association. “Artificial intelligence in mental health care. How AI can be used in psychological practice to streamline administrative tasks, make workflows more efficient, and aid in clinical decision-making.” November 21, 2024. <https://www.apa.org/practice/artificial-intelligence-mental-health-care>
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<https://www.apaservices.org/practice/business/technology/tech-101/evaluating-artificial-intelligence-tool>

AUDIENCE Q&A

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