



Together makes progress

HealthIntelligence: Advancing Medicaid AI

**A governed approach to AI-enabled
Medicaid operations**



**MAKING AN
IMPACT THAT
MATTERS**
since 1845

HealthIntelligence: Advancing Medicaid AI

A governed approach to AI-enabled Medicaid operations

Medicaid organizations operate at the intersection of scale, complexity, and changes in policy. Teams often manage high volumes of claims, authorizations, appeals, provider interactions, and other policy-driven processes while navigating evolving requirements, legacy platforms, and growing expectations for transparency, security, and program integrity.

An effective AI strategy in Medicaid is not full automation, but a governed, human-in-the-loop approach that helps teams apply policy more consistently, reduces manual research, and supports faster and clearer decisions across high-volume workflows.

Why Medicaid needs a different AI model

Many Medicaid processes are not fully solvable through hard-coded rules alone. They require a mix of deterministic validation, document review, policy interpretation, exception handling, and judgment-based support, which makes coded AI without human review and leadership the wrong fit for operationally sensitive work.

An effective model uses trusted knowledge, structured business playbooks, and

available operational data to help staff move from policy to action. This supports more consistent execution while preserving the reasoning, controls, and review points needed in Medicaid operations.

What HealthIntelligence is designed to do

HealthIntelligence is designed as an AI-enabled operational productivity layer for complex, rules-heavy, judgment-heavy work. Its purpose is to improve speed, consistency, defensibility, and workforce efficiency by helping caseworkers apply reason to policies, procedures, and case-specific facts in a more guided way.

Rather than replacing core systems, it works within or alongside existing environments to strengthen the work being performed. That matters in Medicaid, where modernization often depends as much on improving operations as it does on upgrading platforms.

How the model works

The model brings together four elements: trusted knowledge, operational data, business-authored playbooks, and decision

support. In practice, that means grounding outputs in approved policies and guidance, using available case or transactional data, and applying structured playbooks to support reasoning, recommendations, and documentation.

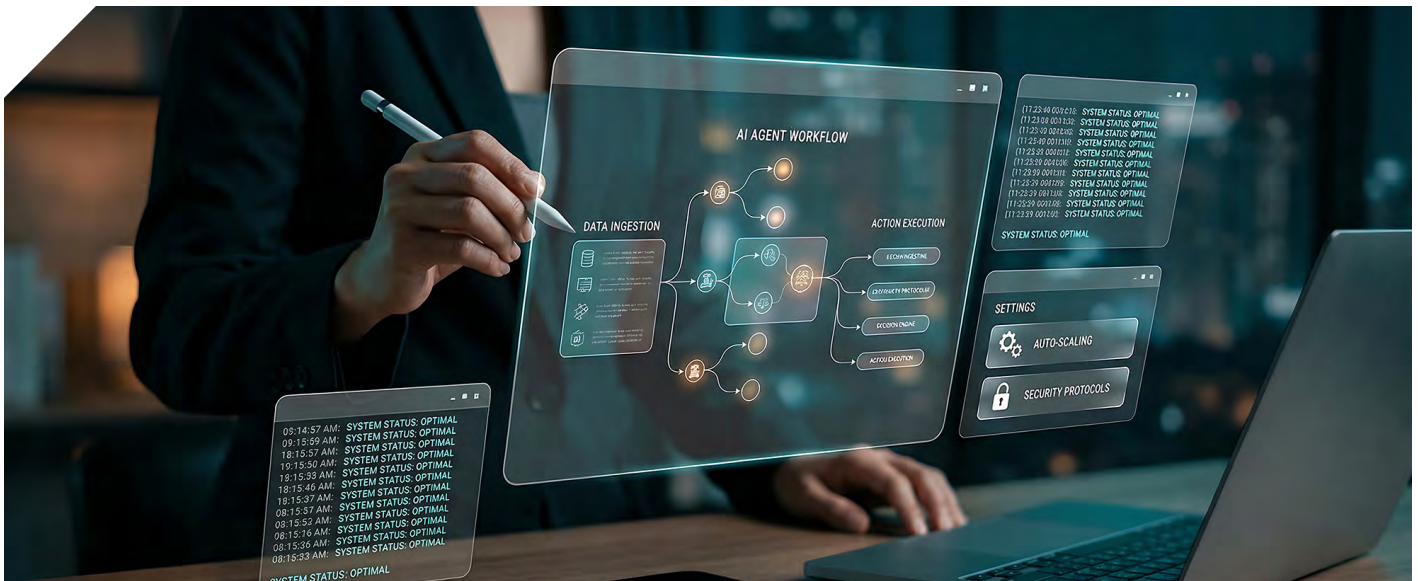
This approach is designed to help staff fully understand context, identify missing information, surface relevant guidance, and generate draft rationale for review. It combines deterministic checks with judgment-based support instead of forcing one technique onto every problem.

Built to fit real operating environments

AI adoption in Medicaid depends on fit as much as functionality. Because organizations vary in system maturity, integration readiness, and implementation appetite, a practical model must support multiple deployment approaches rather than assume deep integration from day one.

HealthIntelligence is built to support three modes: in-workflow, where assistance is embedded into day-to-day processing to support workers; pre-workflow, where it performs triage,





summarization, or case assembly before a worker begins; and on-demand, where it acts as an analyst or assistant outside tightly integrated flows.

Potential applications across Medicaid operations

This model is well suited to workflows where staff must interpret policy, review documentation, compare information across sources, and produce defensible outputs quickly. Representative use cases include claims research, prior authorization support, appeals support, provider operations, program integrity support, and third-party liability workflows.

Across these areas, the objective is consistent: reduce administrative burden, improve consistency, accelerate turnaround, and strengthen documentation for oversight, appeals, and audit readiness.

What makes the approach different

A practical Medicaid AI strategy should not be framed as a generic chatbot, a black-box adjudication engine, or a replacement for human decision-makers. The differentiator is a governed operating model that brings policy, procedure, and case data together in one guided experience while preserving and supporting human accountability and

better supporting program applicants and beneficiaries.

That difference shows up in a few important ways: knowledge-first design, playbook-driven execution, flexible deployment modes, human-in-the-loop controls, and a productized but configurable implementation approach. In short, it is designed for operational reality, not just technical possibility.

Governance, explainability, and trust

In Medicaid services, AI value must be paired with defensibility. A governed approach should include source-grounded outputs, role-based access controls, audit logging, traceability, policy version control, and human review points – especially for sensitive actions.

That matters because operational systems often capture the beginning or end state of work, but not the full reasoning path behind it. A stronger model helps make that reasoning more visible, structured, and reviewable through playbooks, decision support, and source-linked rationale.

What outcomes organizations may target

A governed operational intelligence model can help organizations pursue measurable improvements such as less

manual research, faster turnaround, more consistent decisions, less professional time on routine work, and better auditability and documentation.

The point is not to automate everything. The point is to make the work faster to perform, easier to scale, and more defensible when reviewed by internal stakeholders, oversight bodies, or appeals functions.

A path forward

For Medicaid leaders, the most effective starting point is usually not enterprise-wide disruption. It is targeted deployment in workflows where teams face heavy research burdens, recurring exceptions, policy-sensitive decisions, and significant documentation demands.

A practical blueprint starts with trusted knowledge, adds structured playbooks, supports workers before or during workflow, preserves human review, and expands over time as operational confidence grows. That is how organizations can improve performance while maintaining trust, control, and program integrity.



Get in touch



Don Hoag

Principal | Government & Public Services

Deloitte Consulting LLP

dhoag@deloitte.com

+14124025292



Geetika Tandon

Managing Director | Government & Public Services

Deloitte Consulting LLP

getandon@deloitte.com

+15714387871



Ankan Mitra

Associate Vice President | Government & Public Services

Deloitte Consulting LLP

ankmitra@deloitte.com

+17172159694

Deloitte.

Together makes progress

This article contains general information only and Deloitte is not, by means of this article, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This article is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this article.