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Healthcare AI Vendor Contracts: Customer and Vendor Negotiation Strategies, Risk Assessment, Key Provisions

Webinar 07.15.2025 | 1:00-2:30 PM EDT Event Sponsor: Strafford

This CLE webinar will examine the process for negotiating healthcare AI vendor contracts. The panel will discuss relevant regulatory considerations impacting product choice and risk assessment, advise on best practices for pre-negotiation and due diligence strategies, and address strategic considerations in negotiating key contractual provisions for AI vendors and healthcare AI customers.

Description

Artificial intelligence has the potential to revolutionize the healthcare industry, offering a wide range of applications to increase efficiency including patient monitoring, note-taking, and treatment recommendations. Many healthcare organizations are grappling in real time with how to develop governance and oversight strategies that protect patients' privacy and ensure the organizations can deploy new technology safely while still encouraging innovation among their stakeholders. Healthcare organizations can support their internal goals and stakeholders by **developing creative and sophisticated approaches to negotiating with Al vendors**.

Even for very experienced healthcare attorneys, negotiating a vendor contract for a third-party AI tool requires a fulsome understanding of the tool's application, implementation, and risks across the full lifecycle of the AI product. Having a working understanding of the tool informs an attorney's risk analysis for a given vendor arrangement, which includes understanding the **impact to operations, the effect on patient care and quality and safety goals, the handling of sensitive data**, and the degree of control the organization has over its data, the AI tool, and its outputs.

Counsel must also understand the **evolving regulatory landscape** surrounding the use of AI that lays the groundwork for vendor and product due diligence and selection, and contract negotiation and drafting, some of which varies from state to state.

Listen as our expert panel outlines best-in-class strategies for negotiating healthcare AI vendor contracts. The panel will address crucial strategic and practical considerations for AI vendors and healthcare AI customers, AI-related risk assessment, and key contractual provisions for both parties, along with best practices for successfully guiding clients through this complex process.

Outline

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- Introduction
- Al's expanding role in healthcare
- Regulatory considerations
- Pre-negotiation strategies
 - Al vendor
 - Use assessment
 - Documentation
 - Customer communication
 - Healthcare AI customer
 - Ethical and privacy considerations
 - Data governance
 - Systems monitoring
 - Vendor due diligence
- Al governance and risk assessment (HEAT Map, NIST, third-party certifications)
- Drafting the agreement
 - Key provisions
 - Data use and IP issues
- Practitioner takeaways

Benefits

The panel will review these and other important considerations:

- How does the evolving AI regulatory landscape impact a healthcare company's choice of third-party AI tools?
- What matters most for performance of vendor due diligence?
- What is involved in the risk assessment of third-party AI tools, particularly with respect to rights for data?
- What are key contractual provisions to best protect the healthcare AI customer? The vendor?

Speakers:

- Carolyn Metnick, Partner, Sheppard Mullin
- Kathleen O'Neill, Associate, Sheppard Mullin

Click here to register.

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