RACMA Position Statement on AI in Healthcare

June 2025

Introduction

The Royal Australasian College of Medical Administrators (RACMA) recognises the transformative potential of Artificial Intelligence (AI) in healthcare. AI technologies promise to enhance patient care, improve health outcomes, and increase efficiency across the healthcare system. However, the adoption of AI in healthcare must be approached with caution to ensure it upholds the highest standards of safety, ethics, and effectiveness.

About RACMA

The Royal Australasian College of Medical Administrators – RACMA – is the only specialist medical college that trains doctors to become specialist medical leaders and managers. Our education programs, including our accredited flagship Fellowship Training Program, aim to equip doctors with the leadership and management skills needed to influence and lead Australasian healthcare systems with the explicit aim of improving health outcomes for all peoples of Australia and Aotearoa New Zealand.

RACMA has over 1500 Members across Australia, Aotearoa New Zealand, and Hong Kong. The strength of RACMA is its members, who, through the skills of system leadership, clinical governance, and workforce management, strive to lead for change and ensure the delivery of safe and quality healthcare for all. The RACMA membership is a highly regarded medical leadership group as demonstrated by our members' roles and responsibilities within those health systems across the Public Service Sector, Private Health, Primary Health Care, Medical Insurance, Tertiary Sector, Military, and beyond.

RACMA's Leadership Framework for AI Integration

1. Impact on the Patient

Privacy and Bias: AI systems rely on large datasets, often reflecting biases that disproportionately affect underrepresented populations such as ATSI communities, the elderly, and women. RACMA advocates for robust data governance frameworks to mitigate these biases and ensure equitable care.

Engagement and Consent: RACMA emphasises the need for patient-centric AI solutions that prioritise transparency, informed consent, and active patient engagement. This is essential to build trust and respect autonomy.

2. Impact on the Medical Workforce

Accuracy and Dependence: AI can enhance clinical decision-making but may foster over-reliance, potentially eroding clinicians' diagnostic skills. RACMA calls for training programmes that equip medical leaders to critically assess AI outputs and maintain core competencies.

Skill Development: RACMA highlights the importance of integrating AI literacy into medical education, ensuring the workforce adapts to technological advancements while preserving professional integrity.

3. Impact on the Organisation

System Costs and Reliability: The adoption of AI brings significant operational challenges, including cost management, IT infrastructure reliability, and system failures. RACMA underscores the importance of aligning AI investments with organisational goals and maintaining a balance between IT and clinical leadership.

Ethical and Legal Accountability: Organisations must address liability issues arising from AI errors. RACMA supports the development of clear accountability frameworks within healthcare institutions.

Differentiating Predictive and Generative AI

RACMA distinguishes between two primary AI applications:

Predictive AI (e.g., forecasting patient flow, clinical coding): Challenges include bias, accuracy, and resource allocation. RACMA calls on the government to support pilot projects to rigorously test predictive AI tools in real-world settings.

Generative AI (e.g., diagnostic assistance, medical charting): Unique risks involve evidence validation, patient trust, and empathy in care delivery. RACMA advocates for policy frameworks to regulate generative AI, ensuring it complements human expertise without replacing critical oversight.

Applying the Clinical Governance Framework

1. Leadership & Culture: RACMA supports programmes such as the "A Better Culture" initiative, advocating for sustained funding and the integration of ethical AI practices into healthcare leadership.

2. Partnering with Consumers: RACMA calls for the creation of national standards that require patient involvement in the design and implementation of AI technologies to ensure alignment with patient needs and preferences.

3. Workforce: RACMA recommends targeted funding for professional development programmes to upskill healthcare leaders in AI literacy and application.

4. Risk Management: Effective risk management includes establishing national AI oversight bodies to monitor compliance, address data breaches, and set standards for system reliability.

5. Clinical Practice: RACMA advocates for ongoing evaluation and adaptation of AI tools to align with evolving evidence-based practices, ensuring AI serves as a support tool rather than a replacement for clinical judgement.

Conclusion

RACMA urges the government and healthcare stakeholders to prioritise ethical, well-governed AI integration as a means to enhance patient care, strengthen the workforce, and improve organisational outcomes. By leveraging RACMA's clinical governance framework and leadership expertise, the healthcare sector can ensure AI adoption contributes to a safe, equitable, and efficient system.