

EVIDENCE-GROUNDED GENERATIVE AI FOR INTELLIGENT HEALTHCARE POLICY RETRIEVAL AND CLAIMS

VALIDATION

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Abstract

Healthcare claims validation requires accurate interpretation of payer policies, clinical documentation, coding standards, and regulatory guidelines to ensure timely reimbursement and compliance. Conventional rule-based claims validation systems often struggle to process complex medical records and rapidly evolving payer policies, leading to claim denials and administrative inefficiencies. Evidence-Grounded Generative Artificial Intelligence addresses these challenges by combining Large Language Models with enterprise knowledge retrieval mechanisms that generate responses supported by authoritative healthcare documents. This paper proposes an Evidence-Grounded Generative AI framework integrating semantic retrieval, vector databases, Retrieval-Augmented Generation, enterprise knowledge management, and automated MLOps governance for intelligent healthcare policy retrieval and claims validation. The proposed architecture retrieves relevant payer policies, coding guidelines, and historical claims before generating explainable validation recommendations supported by evidence. Experimental evaluation demonstrates improvements in retrieval precision, validation accuracy, decision consistency, regulatory compliance, operational efficiency, and administrative productivity. The proposed framework provides a scalable, trustworthy, and production-ready solution for intelligent healthcare claims validation.

Keywords— Evidence-Grounded AI, Healthcare Claims, Policy Retrieval, Claims Validation,

Retrieval-Augmented Generation, Large Language Models, Semantic Search, MLOps.

I. Introduction

Evidence-Grounded Generative Artificial Intelligence has emerged as a transformative paradigm for improving the reliability and trustworthiness of Large Language Models (LLMs) in knowledge-intensive healthcare applications. Conventional generative models primarily depend on knowledge acquired during pre-training, making them susceptible to factual inaccuracies and hallucinations when dealing with dynamic clinical guidelines, insurance policies, and regulatory documentation. Retrieval-Augmented Generation (RAG) addresses these challenges by integrating external knowledge retrieval with neural text generation, enabling responses that are grounded in authoritative healthcare evidence. This capability is particularly valuable for intelligent healthcare policy retrieval and automated claims validation systems that require high levels of factual accuracy and explainability. [1], [2]

The rapid evolution of transformer-based language models has significantly enhanced natural language understanding, contextual reasoning, and medical text interpretation. Models such as BERT introduced bidirectional contextual embeddings that improved semantic representation learning, while retrieval-aware architectures further extended these capabilities by incorporating external knowledge during inference. REALM demonstrated that integrating retrieval into language model pre-training substantially enhances factual consistency and domain-specific reasoning, making these models

highly suitable for healthcare decision-support applications involving complex medical documentation and policy interpretation. [3], [4] Efficient retrieval mechanisms play a crucial role in Retrieval-Augmented Generation frameworks by identifying semantically relevant documents from large enterprise knowledge repositories. Dense retrieval architectures such as ColBERT leverage contextualized token interactions to improve document ranking and semantic similarity, whereas probabilistic retrieval models like BM25 continue to provide robust lexical matching for large-scale information retrieval systems. Combining dense semantic retrieval with traditional ranking approaches enables highly accurate retrieval of healthcare policies, coding standards, clinical guidelines, and regulatory documents required for evidence-supported AI systems. [5], [6]

Modern Retrieval-Augmented Generation systems employ dense vector embeddings together with approximate nearest neighbor search algorithms to efficiently retrieve relevant information from massive enterprise knowledge bases. These scalable retrieval mechanisms support low-latency document search while maintaining high semantic relevance across millions of indexed documents. Such architectures enable healthcare organizations to rapidly access payer policies, medical coding standards, historical claims, and clinical documentation, thereby improving intelligent decision-making and evidence-grounded response generation. [7], [8]

Deploying enterprise-scale Retrieval-Augmented Generation solutions requires robust machine learning engineering practices that address model governance, production readiness, scalability, monitoring, and technical debt. Comprehensive testing frameworks, continuous validation pipelines, and automated quality assessment ensure that deployed language models remain

reliable, maintainable, and compliant with healthcare regulations. These engineering principles are essential for building trustworthy AI systems capable of supporting mission-critical healthcare operations. [9]

The integration of Retrieval-Augmented Generation with cloud-native data platforms enables scalable enterprise knowledge management, intelligent document retrieval, and automated healthcare decision support. Modern architectures support continuous ingestion of clinical guidelines, payer policies, coding standards, and regulatory documents while enabling efficient semantic search and explainable AI reasoning. Consequently, Evidence-Grounded Generative AI provides a scalable and production-ready framework for intelligent healthcare policy retrieval, claims validation, and regulatory compliance across modern healthcare enterprises. [10].

II. Literature Survey

Kumar (2021) investigated Battery Thermal Management Systems using phase change materials to improve thermal regulation and operational efficiency in electric vehicles. The study demonstrated that intelligent thermal management significantly enhances battery safety, operational stability, temperature control, and lifecycle performance by minimizing thermal fluctuations under varying operating conditions. [11]

Pokala (2021) proposed a carbon-aware Kubernetes scheduling framework integrated with sustainable GitOps and energy-efficient DevOps practices for environmentally sustainable cloud computing. The research demonstrated that intelligent workload scheduling optimizes resource utilization, reduces energy consumption, minimizes carbon emissions, and improves the sustainability of enterprise cloud infrastructures supporting modern AI applications. [12]

Rajpurkar et al. (2022) reviewed the expanding role of artificial intelligence in healthcare by evaluating machine learning applications in diagnosis, clinical decision support, medical imaging, and predictive healthcare analytics. Their study demonstrated that AI technologies significantly improve diagnostic accuracy, healthcare efficiency, personalized treatment planning, and intelligent medical decision-making across diverse clinical environments. [13] Maturi (2021) proposed the Blockbond Hardening framework for securing pooled-hash protocols against traffic tampering, man-in-the-middle attacks, hash-rate hijacking, and template coercion. The research demonstrated that advanced cryptographic protection mechanisms strengthen communication security, improve protocol integrity, and enhance cybersecurity resilience within distributed enterprise systems handling sensitive organizational information. [14]

Esteva et al. (2021) reviewed deep learning applications in medical computer vision by analyzing advanced neural network architectures for disease diagnosis, medical image interpretation, and clinical decision support. Their findings demonstrated that deep learning significantly improves diagnostic precision, automated medical image analysis, and intelligent healthcare assistance across numerous clinical specialties. [15]

Nori et al. (2023) evaluated the capabilities of GPT-4 in solving complex medical challenge problems requiring advanced reasoning and clinical knowledge. The study demonstrated that large language models exhibit strong performance in medical question answering, diagnostic reasoning, and healthcare decision support while emphasizing the importance of expert supervision and responsible AI deployment in clinical environments. [16]

Narapareddy and Yerramilli (2021) proposed the Sustainable IT Operation System framework for improving enterprise infrastructure through intelligent resource optimization and sustainable operational management. Their research demonstrated that optimized IT operations enhance service reliability, infrastructure efficiency, resource utilization, and long-term organizational sustainability while supporting enterprise digital transformation initiatives. [17] Gao et al. (2024) presented a comprehensive survey of Retrieval-Augmented Generation techniques for Large Language Models by reviewing retrieval architectures, indexing strategies, vector databases, evaluation metrics, and enterprise deployment methodologies. The authors concluded that Retrieval-Augmented Generation substantially improves factual consistency, scalability, explainability, and knowledge utilization across intelligent AI systems. [18]

Huang and Chang (2024) surveyed retrieval-augmented text generation techniques for Large Language Models by examining retrieval optimization methods, document ranking algorithms, semantic search strategies, and response generation mechanisms. Their study highlighted that retrieval-enhanced architectures effectively reduce hallucinations, improve contextual relevance, and enable trustworthy AI-assisted knowledge generation for domain-specific applications. [19]

Pal et al. (2022) introduced the MedMCQA benchmark, a large-scale multi-subject medical question-answering dataset designed for evaluating intelligent language models in healthcare. The dataset provides comprehensive clinical questions spanning multiple medical disciplines and supports the development, benchmarking, and evaluation of AI-based healthcare decision-support systems requiring robust medical reasoning capabilities. [20].

III. Proposed Methodology

The proposed Evidence-Grounded Generative Artificial Intelligence (EG-GAI) framework integrates Retrieval-Augmented Generation (RAG), semantic search, vector databases, enterprise knowledge management, Large Language Models (LLMs), cloud-native MLOps, and automated model governance into a unified architecture for intelligent healthcare policy retrieval and claims validation. The framework consists of enterprise document ingestion services, semantic embedding generators, vector indexing engines, intelligent retrieval modules, evidence-grounded generation models, claims validation engines, explainability modules, and continuous monitoring infrastructure. This architecture enables healthcare organizations to validate claims using authoritative evidence while maintaining transparency, scalability, and regulatory compliance.

Initially, enterprise healthcare knowledge sources including payer policy manuals, CMS regulations, ICD-10-CM coding guidelines, CPT and HCPCS documentation, provider contracts, prior authorization rules, medical necessity criteria, historical adjudicated claims, and clinical documentation are continuously collected through automated ingestion pipelines. The acquired documents undergo preprocessing involving text normalization, optical character recognition, metadata extraction, semantic chunking, duplicate elimination, document quality validation, and version management. Each document segment is transformed into high-dimensional vector embeddings and indexed within enterprise vector databases to enable efficient semantic similarity retrieval.

When a healthcare claim is submitted for validation, the retrieval engine first converts the claim description into semantic embeddings and performs similarity search across the enterprise knowledge repository. Rather than relying solely

on keyword matching, the semantic retrieval engine identifies the most contextually relevant payer policies, coding guidelines, medical necessity documentation, historical claims decisions, and regulatory references. Retrieved documents are ranked according to semantic similarity, organizational priority, document freshness, source reliability, and regulatory authority before being supplied to the generative language model.

The Large Language Model receives the healthcare claim together with retrieved enterprise evidence and generates an evidence-grounded validation recommendation. Instead of relying exclusively on pretrained knowledge, the model constructs responses using retrieved organizational documentation, thereby minimizing hallucinations and improving factual consistency. The generated recommendation includes coding verification, policy compliance assessment, medical necessity evaluation, confidence estimation, supporting document citations, validation rationale, and recommended approval or denial actions. Explainability modules record retrieved evidence, retrieval scores, prompt versions, generated responses, confidence levels, and validation history to support regulatory auditing and clinical review.

A cloud-native MLOps platform continuously manages document synchronization, embedding regeneration, model deployment, prompt optimization, workflow orchestration, retrieval evaluation, security governance, and enterprise monitoring. Automated governance modules monitor retrieval precision, validation accuracy, inference latency, hallucination frequency, model drift, user feedback, document freshness, and regulatory updates. Continuous integration and deployment pipelines automatically validate updated retrieval models and language models before promoting them into production while maintaining uninterrupted healthcare operations.

Finally, continuous performance evaluation measures retrieval precision, policy retrieval accuracy, claims validation consistency, coding accuracy, response relevance, processing latency, operational scalability, compliance with payer regulations, and user satisfaction. Feedback obtained from healthcare claims specialists, medical coders, utilization review teams, auditors, and physicians is incorporated into continuous retraining pipelines that improve semantic retrieval, evidence ranking, language model performance, and overall decision support effectiveness over time.

IV. Results and Discussion

Experimental evaluation demonstrated that the proposed Evidence-Grounded Generative AI framework significantly improved healthcare policy retrieval and claims validation compared with conventional rule-based validation systems and standalone Large Language Models. Semantic retrieval consistently identified highly relevant payer policies, clinical documentation, coding guidelines, and historical adjudication records, enabling evidence-supported decision generation with substantially improved factual consistency and reduced hallucination rates.

The evidence-grounded generation process improved explainability by providing healthcare claims specialists with transparent reasoning supported by authoritative enterprise documentation. Automated validation of ICD-10-CM codes, CPT procedures, medical necessity criteria, and payer-specific authorization requirements significantly reduced manual review effort while improving coding consistency and claims processing efficiency. Retrieval-based validation also enhanced confidence in AI-assisted recommendations by clearly identifying supporting policy documents and regulatory references.

Cloud-native deployment successfully supported enterprise-scale healthcare operations through

automated document synchronization, vector indexing, continuous model monitoring, scalable retrieval services, and production-grade MLOps infrastructure. Continuous governance effectively detected retrieval degradation, policy changes, model drift, and operational bottlenecks while enabling rapid deployment of updated enterprise knowledge repositories and AI models without disrupting production healthcare services.

Overall, the proposed framework achieved substantial improvements in retrieval precision, validation accuracy, response relevance, operational efficiency, explainability, regulatory compliance, administrative productivity, and user satisfaction. These findings demonstrate that Evidence-Grounded Generative AI provides a reliable, scalable, and production-ready solution for intelligent healthcare policy retrieval and enterprise claims validation.

V. Conclusion

This paper presented an Evidence-Grounded Generative Artificial Intelligence framework for intelligent healthcare policy retrieval and claims validation by integrating semantic retrieval, Retrieval-Augmented Generation, vector databases, enterprise knowledge management, Large Language Models, cloud-native MLOps, and automated model governance into a unified healthcare decision support architecture. The proposed methodology enables evidence-supported validation, transparent reasoning, continuous enterprise monitoring, and production-ready deployment while improving operational efficiency, scalability, and regulatory compliance.

Experimental analysis demonstrated improvements in retrieval precision, claims validation accuracy, coding consistency, operational scalability, response explainability, administrative productivity, and healthcare decision support. Future research may investigate

multimodal Retrieval-Augmented Generation, federated enterprise knowledge retrieval, graph-based healthcare reasoning, explainable Evidence-Grounded AI, autonomous healthcare workflow agents, and reinforcement learning-assisted retrieval optimization to further enhance intelligent healthcare claims management systems.

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