STATE OF NEW YORK

9249

IN ASSEMBLY

February 22, 2024

Introduced by M. of A. PAULIN -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, the public health law and the civil service law, in relation to value-based care for maternity coverage

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Paragraph 10 of subsection (i) of section 3216 of the insurance law is amended by adding a new subparagraph (C) to read as follows:

(C)(i) Coverage provided by this paragraph shall be organized and paid for through a value-based arrangement pursuant to the schedule set forth in this subparagraph. "Value-based arrangement" shall mean an arrangement that financially rewards certain positive outcomes and financially penalizes certain negative outcomes. For the purposes of this section, a negative outcome shall include a c-section on a low risk individual.

(ii) By December thirty-first, two thousand twenty-five each insurer and hospital and/or birthing center shall enter into value-based arrangements that cover at least eighty-five percent of the maternity cases of such insurer.

(iii) By December thirty-first, two thousand twenty-six each insurer and hospital and/or birthing center shall enter into value-based arrangements that cover at least ninety-five percent of the maternity cases of such insurer.

§ 2. Paragraph 5 of subsection (k) of section 3221 of the insurance law is amended by adding a new subparagraph (C) to read as follows:

(C)(i) Coverage provided by this paragraph shall be organized and paid for through a value-based arrangement pursuant to the schedule set forth in this subparagraph. "Value-based arrangement" shall mean an arrangement that financially rewards certain positive outcomes and financially penalizes certain negative outcomes. For the purposes of this section, a negative outcome shall include a c-section on a low risk individual.

(ii) By December thirty-first, two thousand twenty-five each insurer and hospital and/or birthing center shall enter into value-based

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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arrangements that cover at least eighty-five percent of the maternity cases of such insurer.

(iii) By December thirty-first, two thousand twenty-six each insurer and hospital and/or birthing center shall enter into value-based arrangements that cover at least ninety-five percent of the maternity cases of such insurer.

§ 3. Paragraph 1 of subsection (c) of section 4303 of the insurance law is amended by adding a new subparagraph (D) to read as follows:

(D)(i) Coverage provided by this paragraph shall be organized and paid for through a value-based arrangement pursuant to the schedule set forth in this subparagraph. "Value-based arrangement" shall mean an arrangement that financially rewards certain positive outcomes and financially penalizes certain negative outcomes. For the purposes of this section, a negative outcome shall include a c-section on a low risk individual.

(ii) By December thirty-first, two thousand twenty-five each insurer and hospital and/or birthing center shall enter into value-based arrangements that cover at least eighty-five percent of the maternity cases of such insurer.

(iii) By December thirty-first, two thousand twenty-six each insurer and hospital and/or birthing center shall enter into value-based arrangements that cover at least ninety-five percent of the maternity cases of such insurer.

§ 4. Section 4406 of the public health law is amended by adding a new subdivision 6 to read as follows:

6. (a) A health maintenance organization which provides coverage for maternity care shall reimburse and pay for such coverage through a value-based arrangement pursuant to the schedule contained in this subdivision. "Value-based arrangement" shall mean an arrangement that financially rewards certain positive outcomes and financially penalizes certain negative outcomes. For the purposes of this section, a negative outcome shall include a c-section on a low risk individual.

(b) By December thirty-first, two thousand twenty-five, each health maintenance organization shall enter into contracts with hospitals and/or birthing centers that provide value-based arrangements that cover at least eighty-five percent of the maternity cases of such organization.

(c) By December thirty-first, two thousand twenty-six, each health maintenance organization shall enter into contracts with hospitals and/or birthing centers that provide value-based arrangements that cover at least ninety-five percent of the maternity cases of such organization.

§ 5. Section 162 of the civil service law is amended by adding a new subdivision 10 to read as follows:

10. (a) Any contract entered into under this section shall require that coverage for maternity care shall be organized and paid for through a value-based arrangement pursuant to the schedule contained in paragraphs (b) and (c) of this subdivision. "Value-based arrangement" shall mean an arrangement that financially rewards certain positive outcomes and financially penalizes certain negative outcomes. For the purposes of this section a negative outcome shall include a c-section on a low risk individual.

(b) By December thirty-first, two thousand twenty-five, each insurer and hospital and/or birthing center shall enter into value-based arrangements that cover at least eighty-five percent of the maternity cases of each insurer.

(c) By December thirty-first, two thousand twenty-six each insurer and hospital and/or birthing center shall enter into value-based arrangements that cover at least ninety-five percent of the maternity cases of such insurer.

§ 6. This act shall take effect on the forty-fifth day after it shall have become a law. Effective immediately the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such date.