

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:

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

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

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

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

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

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

26 (ii) By December thirty-first, two thousand twenty-five each insurer
27 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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1 arrangements that cover at least eighty-five percent of the maternity
2 cases of such insurer.

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

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

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

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

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

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

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

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

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

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

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

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

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

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