

STATE OF NEW YORK

9013

IN SENATE

April 9, 2024

Introduced by Sen. WEBB -- read twice and ordered printed, and when printed to be committed 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.

LBD14117-02-4

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.