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:

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.