

# STATE OF NEW YORK

6650--A

2025-2026 Regular Sessions

## IN SENATE

March 19, 2025

Introduced by Sen. WEBB -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance -- recommitted to the Committee on Insurance in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, the public health law, the civil service law and the social services 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 (D) to read as  
3 follows:

4 (D)(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-six, each insurer  
11 shall enter into value-based arrangements with hospitals, federally  
12 qualified health centers providing maternity services, and/or birthing  
13 centers that provide at least eighty-five percent of the maternity care  
14 for enrollees of such insurer.

15 (iii) By December thirty-first, two thousand twenty-seven, each insur-  
16 er shall enter into value-based arrangements with hospitals, federally  
17 qualified health centers providing maternity services, and/or birthing  
18 centers that provide at least ninety-five percent of the maternity care  
19 for enrollees of such insurer.

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

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

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

7 (ii) By December thirty-first, two thousand twenty-six, each insurer  
8 shall enter into value-based arrangements with hospitals, federally  
9 qualified health centers providing maternity services, and/or birthing  
10 centers that provide at least eighty-five percent of the maternity care  
11 of enrollees of such insurer.

12 (iii) By December thirty-first, two thousand twenty-seven, each insurer  
13 shall enter into value-based arrangements with hospitals, federally  
14 qualified health centers providing maternity services, and/or birthing  
15 centers that provide at least ninety-five percent of the maternity care  
16 of enrollees of such insurer.

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

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

25 (ii) By December thirty-first, two thousand twenty-six, each insurer  
26 shall enter into value-based arrangements with hospitals, federally  
27 qualified health centers providing maternity services, and/or birthing  
28 centers that provide at least eighty-five percent of the maternity care  
29 of enrollees of such insurer.

30 (iii) By December thirty-first, two thousand twenty-seven, each insurer  
31 shall enter into value-based arrangements with hospitals, federally  
32 qualified health centers providing maternity services, and/or birthing  
33 centers that provide at least ninety-five percent of the maternity care  
34 of enrollees of such insurer.

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

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

44 (b) By December thirty-first, two thousand twenty-six, each health  
45 maintenance organization shall enter into contracts with hospitals,  
46 federally qualified health centers providing maternity care, and/or  
47 birthing centers that provide value-based arrangements that provide at  
48 least eighty-five percent of the maternity care for enrollees of such  
49 organization.

50 (c) By December thirty-first, two thousand twenty-seven, each health  
51 maintenance organization shall enter into contracts with hospitals,  
52 federally qualified health centers providing maternity care, and/or  
53 birthing centers that provide value-based arrangements that provide at  
54 least ninety-five percent of the maternity care of enrollees of such  
55 organization.

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

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

11 (b) By December thirty-first, two thousand twenty-six, each insurer  
12 shall enter into value-based arrangements with hospitals, federally  
13 qualified health centers providing maternity services, and/or birthing  
14 centers that provide at least eighty-five percent of the maternity care  
15 of enrollees of such insurer.

16 (c) By December thirty-first, two thousand twenty-seven, each insurer  
17 shall enter into value-based arrangements with hospitals, federally  
18 qualified health centers providing maternity services, and/or birthing  
19 centers that provide at least ninety-five percent of the maternity care  
20 of enrollees of such insurer.

21 § 6. Section 364-j of the social services law is amended by adding a  
22 new subdivision 41 to read as follows:

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

30 (b) By December thirty-first, two thousand twenty-six, each managed  
31 care provider shall enter into value-based arrangements with hospitals,  
32 federally qualified health centers providing maternity services, and/or  
33 birthing centers that provide at least eighty-five percent of the mater-  
34 nity care of enrollees of the managed care provider.

35 (c) By December thirty-first, two thousand twenty-seven, each managed  
36 care provider shall enter into value-based arrangements with hospitals,  
37 federally qualified health centers providing maternity services, and/or  
38 birthing centers that provide at least ninety-five percent of the mater-  
39 nity care of enrollees of the managed care provider.

40 § 7. This act shall take effect on the forty-fifth day after it shall  
41 have become a law; provided, however, that the amendments to section  
42 364-j of the social services law made by section six of this act shall  
43 not affect the repeal of such section and shall be deemed repealed ther-  
44 ewith. Effective immediately the addition, amendment and/or repeal of  
45 any rule or regulation necessary for the implementation of this act on  
46 its effective date are authorized to be made and completed on or before  
47 such effective date.