

STATE OF NEW YORK

2371--A

2025-2026 Regular Sessions

IN ASSEMBLY

January 16, 2025

Introduced by M. of A. PAULIN -- read once and referred to the Committee on Insurance -- recommitted to the Committee on Insurance in accordance with Assembly Rule 3, sec. 2 -- 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.