§ 5036. Adjustment of payments. (a) If, at any time after entry of judgment, a judgment creditor or successor in interest can establish that the continued payment of the judgment in periodic installments will impose a hardship, the court may, in its discretion, order that the remaining payments or a portion thereof shall be made to the judgment creditor in a lump sum. The court shall, before entering such an order, find that: (i) unanticipated and substantial medical, dental or other needs have arisen that warrant the payment of the remaining payments, or a portion thereof, in a lump sum; (ii) ordering such a lump sum payment would not impose an unreasonable financial burden on the judgment debtor or debtors; (iii) ordering such a lump sum payment will accommodate the future medical and other needs of the judgment creditor; and (iv) ordering such a lump sum payment would further the interests of justice.

(b) If a lump sum payment is ordered by the court, such payment shall be made by the medical malpractice insurance association created pursuant to article fifty-five of the insurance law and shall not be the obligation of the insurer providing the initial annuity contract. Such insurer shall thereafter make all future payments due under its annuity contract to the association, except that, if the lump sum payment ordered by the court is a portion of the remaining periodic payments, such insurer shall appropriately apportion future payments due under its annuity contract between the association and the judgment creditor or successor in interest. Such lump sum payment to be paid to the judgment creditor or successor in interest by the association shall be calculated on the basis of the present value of the annuity contract, which shall be based on its cost at such time, for remaining periodic payments, or portions thereof, that are converted into a lump sum payment. In no event shall such lump sum payment be greater than the present value of the annuity contract for the remaining periodic payments.