§ 5046. 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 health 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, dental and other health 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 lump sum shall be calculated on the basis of the present value of remaining periodic payments, or portions thereof, that are converted into a lump sum payment. Unless specifically waived by all parties, the annuity contract executed pursuant to section five thousand forty-two of this article shall contain a provision authorizing such a lump sum payment if such payment is approved pursuant to this section. The remaining future periodic payments, if any, shall be reduced accordingly. For the purposes of this section, present value shall be calculated based on the interest rate and mortality assumptions at the time such a lump sum payment is made as determined by the insurer who has provided the annuity contract, in accordance with regulations issued by the superintendent of financial services.