

# STATE OF NEW YORK

6435

2025-2026 Regular Sessions

## IN ASSEMBLY

March 4, 2025

Introduced by M. of A. R. CARROLL, SEAWRIGHT, SIMON, BORES -- read once  
and referred to the Committee on Alcoholism and Drug Abuse

AN ACT to amend the mental hygiene law and the social services law, in  
relation to establishing contingency management services for certain  
persons with substance use disorders

The People of the State of New York, represented in Senate and Assem-  
bly, do enact as follows:

1 Section 1. Section 19.03 of the mental hygiene law is amended by  
2 adding two new subdivisions 3 and 4 to read as follows:

3 3. "Contingency management services" means addiction disorder  
4 services, including prescription and non-prescription digital therapeu-  
5 tics overseen by a healthcare professional, for persons with a substance  
6 use disorder that provides individuals with non-cash rewards to abstain  
7 from substance use, by incentivizing specified behaviors, including, but  
8 not limited to continued evidence of negative substance test results,  
9 engagement in treatment, and other behavior which adheres to treatment  
10 goals.

11 4. "Non-cash rewards" means financial incentives for healthy behavior  
12 given to a contingency management services program participant that are  
13 not in the form of United States currency, including but not limited to  
14 gift cards, reloadable debit cards, vouchers, and other similar elec-  
15 tronic or physical mediums that cannot be converted into cash.

16 § 2. Section 19.17 of the mental hygiene law is amended by adding a  
17 new subdivision (h) to read as follows:

18 (h) (1) The office shall, in coordination with the department of  
19 health and the New York state conference of local mental hygiene direc-  
20 tors, establish a program to provide contingency management services, as  
21 defined in subdivision three of section 19.03 of this article for  
22 persons eligible for medical assistance under title eleven of article  
23 five of the social services law for individuals in recovery for  
24 substance use disorder.

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

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1 (2) Notwithstanding any contrary provision of law, non-cash rewards  
2 for contingency management services received by an individual pursuant  
3 to this subdivision shall not be considered income or resources of an  
4 individual for the purposes of any determinations of eligibility for any  
5 other state program or benefit, including but not limited to the medical  
6 assistance program, any state or federal program, or any other means-  
7 tested program or benefit.

8 (3) In developing the program under paragraph one of this subdivision,  
9 the office shall:

10 (A) develop a plan to monitor the program for fraud and misuse of  
11 contingency management rewards; and

12 (B) establish a delivery mechanism for non-cash rewards with measures  
13 designed to prevent program participants from:

14 (I) converting the rewards into U.S. currency (cash);

15 (II) redeeming the rewards for drugs or alcohol; or

16 (III) using or spending the rewards at casinos, gambling/betting  
17 services, gun shops, or escort services.

18 (4) In developing the program under paragraph one of this subdivision,  
19 the office may:

20 (A) issue guidance on the use of contingency management services for  
21 beneficiaries who access substance use disorder services under the  
22 medical assistance program; and

23 (B) establish limits on the number, and value, of non-cash rewards  
24 available to beneficiaries who receive services pursuant to contingency  
25 management services.

26 (5) Notwithstanding any contrary provision of law, the commissioner,  
27 in collaboration with the commissioner of health, shall, to the extent  
28 necessary, develop and submit any appropriate waivers for implementation  
29 of this program, including, but not limited to, those authorized pursu-  
30 ant to sections eleven hundred fifteen and nineteen hundred fifteen of  
31 the federal social security act, or successor provisions, and any other  
32 waivers necessary to achieve the purposes of high quality, integrated,  
33 and cost effective care and integrated financial eligibility policies  
34 under the medical assistance program or pursuant to title XVIII of the  
35 federal social security act. Copies of such original waiver applications  
36 shall be provided to the chair of the senate finance committee and the  
37 chair of the assembly ways and means committee simultaneously with their  
38 submission to the federal government.

39 § 3. Subdivision 2 of section 365-a of the social services law is  
40 amended by adding a new paragraph (nn) to read as follows:

41 (nn) contingency management services and supports provided pursuant to  
42 article nineteen of the mental hygiene law.

43 § 4. This act shall take effect on the one hundred eightieth day after  
44 it shall have become a law. Effective immediately, the addition, amend-  
45 ment and/or repeal of any rule or regulation necessary for the implemen-  
46 tation of this act on its effective date are authorized to be made and  
47 completed on or before such effective date.