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 Assembly, do enact as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

§ 4. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.