Contingency Management in Behavioral Health: What Works & Why it Matters

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About Us

The Steadman Group is a woman-owned, certified B-Corp healthcare and social services consulting company partnering with organizations to advance health and community well-being.

Presenters: JK Costello & Samantha Strobing

Agenda

1 Overview of CM
2 Regulation & Compliance
3 Funding & Sustainability
4 Operationalizing CM
5 Questions & Closing

Overview of Contingency Management

What is Contingency Management?

A healthcare intervention that uses motivational incentives to encourage meaningful behavior change

Grounded in operant conditioning principles

Purpose of reinforcement is to increase a specific target behavior

Evidence & National Recognition

Robust Research Base

50+ years of controlled research

100+ randomized controlled trials (NIH-funded)

Recognized Standard of Care

2023: ASAM & AAAP — Standard of care for stimulant use disorder

2022 White House National Drug Control Strategy endorsement

Proven & Durable Clinical Outcomes

Increases abstinence

Improves treatment attendance & retention

Enhances medication adherence

Benefits persist ~24 weeks after incentives are discontinued

Source: SAMHSA, 2025; APA, 2026

Ways CM Can be Used

Abstinence

- Reinforces verified abstinence from a targeted substance
- Commonly used in substance use treatment

Medication Adherence

- Often used to support adherence to medications for opioid use disorder (MOUD)
- Can reinforce attendance for dosing or injections

Treatment Attendance & Engagement

- Reinforces participation in treatment
- Examples: therapy, group, case management

Broad Applicability & Real-World Impact

Diverse Settings

Outpatient programs (including OTPs)

Shelters

Justice & correctional settings

Effective Across Populations

Co-occurring disorders

MOUD participants

Pregnant individuals

Youth & adolescents

Low-income populations

Across Substance Use Disorders

Most effective treatment for stimulant use disorder

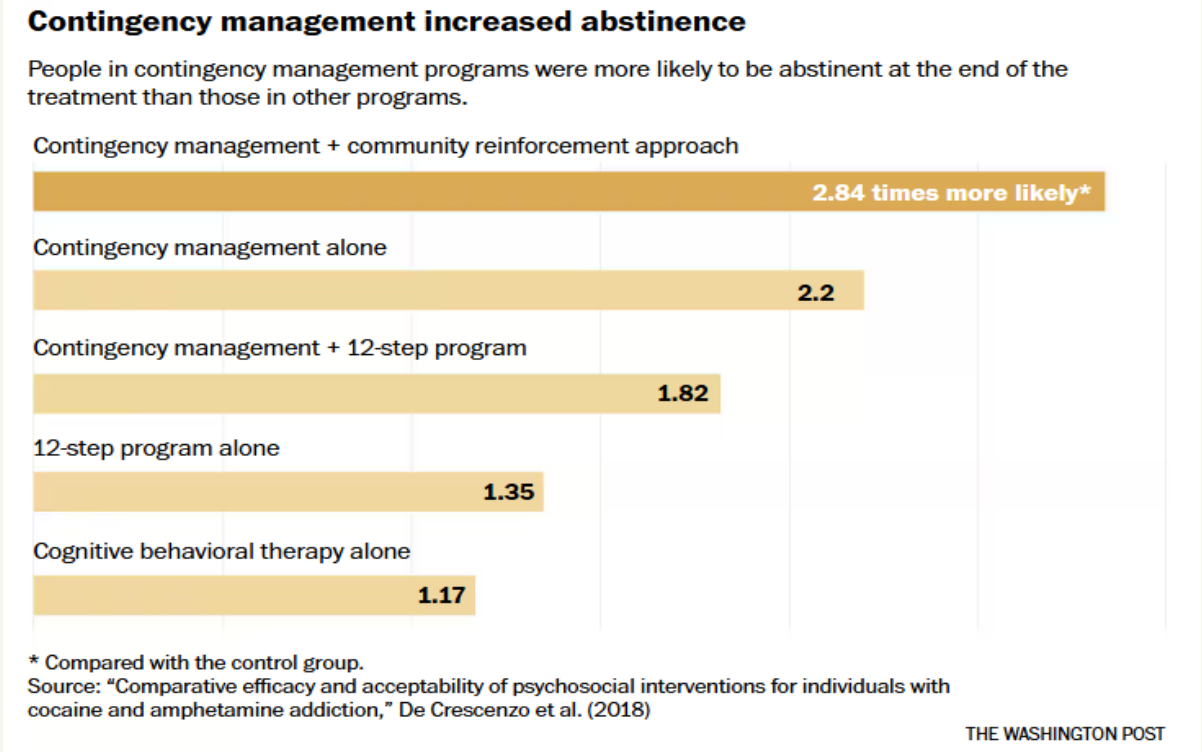
Effective across multiple substances

Source: SAMHSA, 2025; ASAM/AAAP HTA; Health Law & Policy Brief, 2026

Improved Outcomes

New: *CA's Medicaid CM demonstration (~8,500 members, 100 sites) shows higher treatment retention, improved access to care, and fewer overdose deaths in interim results.*

Source: Health Law & Policy Brief, 2026



Regulatory & Compliance Considerations

SAMHSA Guidance for CM Implementation

Why SAMHSA Guidance Matters

- SAMHSA has established guidance for implementing evidence-based CM within applicable federal funding programs.
- These guidelines are often used as a practical framework for program design and implementation.

SAMHSA Incentive Guidance

- Eligible SOR and TOR grants may support up to $750 per participant, per year.
- Programs may use less than the maximum.
- Confirm grant-specific allowability before implementation.

Implementation Guardrails

- Use an evidence-based CM model and incentive schedule.
- Track cumulative incentive totals.
- Apply incentives consistently and equitably.

Tax Note

Beginning in 2026, the federal information-reporting threshold increased to $2,000 for certain payments. This is a tax-reporting consideration—not a SAMHSA incentive limit. Consult finance or legal counsel as needed.

Substance-Specific Considerations

Stimulants	Abstinence-based CM is commonly used and well supported by the evidence.
Cannabis	May be used in eligible models, depending on program design and funding requirements.
Tobacco / Smoking	Abstinence-based CM can support smoking cessation, often using breath carbon monoxide (CO) verification.
Alcohol	Abstinence models are limited by short testing and detection windows.
Opioids	Abstinence-based CM is generally not used. CM more commonly targets medication adherence (e.g., via medication-specific urine screening) or treatment engagement when MOUD is indicated.

Specific restrictions and allowable models may vary by funding source and program framework.

Verifying Target Behaviors

Verification should match your target behavior.
Many CM programs can use attendance or adherence measures instead of urine drug screenings.

If Targeting Attendance & Adherence Verification

- EHR or session check-in logs
- Appointment or visit confirmation
- Directly observed dosing for MOUD esp. injectable
- Medication-specific urine screening confirms presence, <u>not a full substance panel</u>

If Targeting Abstinence

- Urine drug screening (UDS): FDA-approved, CLIA-waived; 2–3 day detection window, tested 2–3x/week
- Breathalyzer (alcohol) or breath CO (smoking)

Regardless of the method, incentives should be delivered <u>**immediately**</u> after the target behavior is verified.

Funding Pathways & Sustainability

Funding Pathways

Federal & State-Administered Grants

- SAMHSA Grants
- State Opioid Response (SOR) funds: 2026
- HRSA Grants

Medicaid Pathways

- State Plan Amendments
- Section 1115 demonstration waivers
- Value-based payment arrangements
- Example States: CA, DE, HI, MT, WA

Other Sources

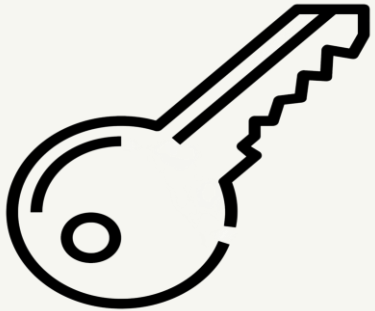
- Opioid settlement funds
- State general funds & grants
- Self-Funded
- Philanthropic, private, or foundation funding

MI & RI 1115 Waiver applications pending. Source: KFF, Section 1115 Waiver Watch, 2026.

Operationalizing Contingency Management

Designing Your CM Model

Key Design Decisions:



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Target Behavior(s)

- Abstinence (where permitted)
- Treatment attendance
- Medication adherence

2

Participant Eligibility

- Target population
- Enrollment process
- Duration of program

3

Incentive Structure

- Escalating vs. fixed
- Type (gift card)
- Amount
- Schedule
- Reset
- Cap

4

Verification of Behavior

- UDS
- Breath CO testing
- Attendance log

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Tracking & Documentation

- Participant form
- Treatment plan
- Progress notes
- Incentive tracker

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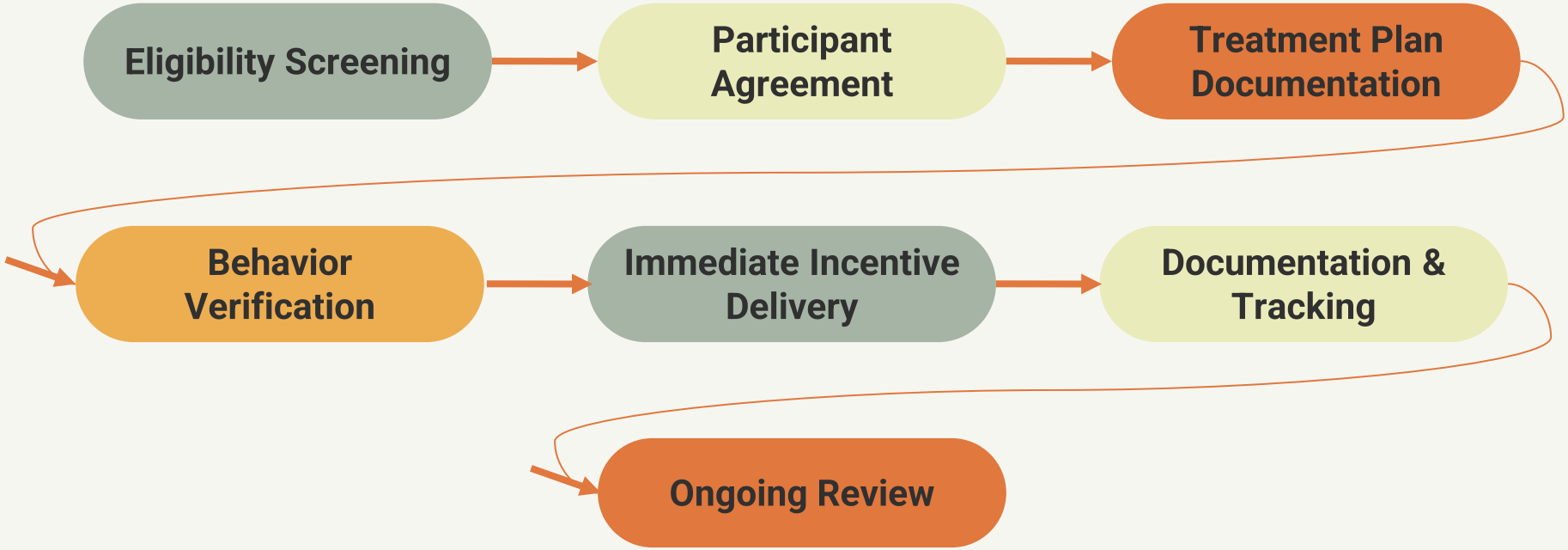
Funding

Clinical Workflow Integration



Staffing Models & Workforce Considerations

Effective CM implementation requires:

- Clear clinical vs. administrative roles
- Staff trained in behavioral principles
- Capacity for frequent monitoring/testing
- Designated oversight & cross-training

Documentation & Audit Readiness

Documentation Should Include:

- Signed CM participant agreement
- Treatment plan language
- Verification records
- **Incentive log (date, value, cumulative total)**
- Annual limit monitoring

Implementation Challenges & Best Practices

Common Challenges:

- Staff discomfort with incentives
- Administrative complexity
- Testing logistics
- Funding sustainability

Best Practices:

- Pilot before scaling
- Standardize workflows
- Train staff on behavioral principles
- Maintain fidelity to evidence-based models

Next Steps

Interested in Implementing CM?

Ready to explore implementation?

- We can help assess program design, compliance, and operational readiness.

Still deciding whether CM is right for your organization?

- We're happy to talk through your questions and options.

Reach out to us/let us know & the Steadman Group will be in touch to continue the conversation.

Thank you!

QUESTIONS & CONTACTS

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