DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-25-26
Baltimore, MD 21244-1850

State Demonstrations Group

September 19, 2025

Andrew Wilson
Director
Division of Medicaid and Medical Assistance
Department of Health and Social Services
1901 N. Dupont Highway
New Castle, DE 19720

Dear Director Wilson:

The Centers for Medicare & Medicaid Services (CMS) completed its review of the Contingency Management Protocol for the "Delaware Diamond State Health Plan" section 1115 demonstration (Project No: 11-W-00036/3). We have determined the protocol is consistent with the requirements outlined in the demonstration special terms and conditions (STCs). A copy of the protocol is enclosed and will be incorporated into the STCs as Attachment K.

We look forward to our continued partnership on the Delaware Diamond State Health Plan section 1115(a) demonstration. If you have any questions, please contact your project officer, Wanda Boone-Massey at wanda.boone-massey@cms.hhs.gov.

Sincerely,

9/19/2025

X Andrea J. Casart

Signed by: PIV

Andrea J. Casart
Director
Division of Eligibility and Coverage
Demonstrations

cc: Nicole Guess, State Monitoring Lead, Medicaid and CHIP Operations Group

Attachment K

Contingency Management Protocols for Individuals with Stimulant Use Disorder and Pregnant and Postpartum People with Opioid Use Disorder

In accordance with the State's *Delaware Diamond State Health Plan (DSHP)* Section 1115(a) Demonstration Waiver and Special Terms and Conditions (STCs), this protocol includes the programmatic specifications for the DMMA contingency management program. This protocol includes details on beneficiary eligibility, target behaviors, distribution of motivational incentives, and other programmatic specifications for each of its two contingency management programs: one for individuals with StUD and one for pregnant and parenting people (PPP) with OUD. This Section 1115(a) Demonstration Waiver ends on December 31, 2028.

Contingency management is an evidence-based practice that allows individuals to earn small motivational incentives for meeting treatment goals, such as point-of-care urine screenings that are absent of illicit substances or treatment adherence. The objectives of the contingency management programs are to enhance engagement and outcomes associated with treatment for eligible Medicaid beneficiaries with StUD and/or OUD. DMMA is implementing this program to help address the rise in non-fatal and fatal drug overdoses and other negative outcomes associated with StUD and OUD, and to facilitate pathways to recovery and health for Delaware Medicaid beneficiaries.

(A) Beneficiary Eligibility. Eligible beneficiaries are enrolled in one of Delaware's Medicaid managed care organizations (MCOs), meet the criteria identified below, and consent to participate. Participation in a contingency management program will have no impact on beneficiary eligibility for, or obligation or right to use, other DSHP services.

Coverage of contingency management applies to Medicaid beneficiaries who are: (1) age 18 years and over with a StUD diagnosis (for the StUD program) or age 18 years and over who are pregnant or up to 12 months postpartum with an OUD diagnosis (for the Pregnant and Parenting People with OUD Program); and (2) assessed and determined to have a substance use disorder (SUD) for which the contingency management benefit is medically necessary and appropriate based on the fidelity of treatment of the evidence-based intervention. Contingency management programs must evaluate and diagnose the qualifying SUD using a validated instrument and/or verify an existing qualifying SUD diagnosis by collecting relevant documentation for the participant's clinical record. The presence of additional SUDs and/or diagnoses does not disqualify an individual from receiving contingency management under either program. For the PPP OUD program, individuals are still eligible if a live birth was not the outcome of the pregnancy.

Eligible Medicaid beneficiaries can only participate in one of DMMA's contingency management programs at a time. They must participate in a contingency management program with an eligible provider that offers the contingency management benefit in accordance with DMMA policies and procedures. Contingency management shall neither prevent nor serve as an

alternative for offering medication treatment or other therapeutic interventions as medically appropriate. For example, patients with co-occurring mental health and/or polysubstance use will be offered medications as medically appropriate. Further, medications to address StUD or associated issues (e.g., bupropion, topiramate) will not be discouraged nor disqualify a patient from participation in the contingency management program. Coverage of contingency management is not conditioned upon an eligible beneficiary's engagement in other psychosocial services.

(B) Target Behaviors. DMMA has selected target behaviors for each of the contingency management programs, as specified below, consistent with evidence-based practice.

1. *StUD Program:* Non-use of stimulants as evidenced by negative point-of-care urine drug screenings (UDS). Rapid, point-of-care tests must be Clinical Laboratory Improvement Amendments (CLIA) waived and collected in a point-of-care test cup with specimen validity measures. Providers are required to test for stimulants on a weekly basis. The presence or absence of a stimulant is the only determinant of whether an incentive is provided.
2. *PPP with OUD Program:* Medication adherence to include any Food and Drug Administration approved medications used to treat OUD.

Medication adherence for the PPP with OUD program will be measured based on the medications for opioid use disorder (MOUD) formulation. For short-acting buprenorphine, participants will be required to participate in weekly laboratory UDS testing for at least the first four weeks of the program. Once shifted to monthly appointment cadence (based on UDS outcomes), participants will receive at least one UDS per month for the duration of the program. For long-acting buprenorphine, adherence will be measured by direct administration and observation of the injections. Incentives for the PPP with OUD program shall be rewarded when participants demonstrate MOUD adherence as expected, even if illicit opioids or other substances are detected in the UDS. Providers should use a combination of presumptive and confirmatory testing as necessary and appropriate, especially in instances where a participant disputes the findings of a presumptive test.

For participants receiving methadone, adherence will be measured by direct observation of dosing and/or UDS, aligned with the standard practice of Opioid Treatment Programs (OTPs). However, to ensure low-barrier access to methadone and buprenorphine, DMMA will develop an additional protocol for OTPs designed to increase accessibility and convenience of care. Participating OTPs will be required to implement this protocol to participate in DMMA's contingency management program. The protocol will comply with federal OTP rules and specify how medication adherence will be measured.
Switching medication formulations or tapering under the guidance of clinicians will not be discouraged nor disqualify a patient from participation in the PPP with OUD program. If a patient in the PPP with OUD program chooses to discontinue or switch MOUD formulations, they are eligible for incentives throughout the discontinuation or switching process, so long as the patient

is adhering to treatment as recommended by the clinician. If they discontinue medications entirely and still have time left in the contingency management program, patients will be incentivized for OUD abstinence for the remainder of the program.

While providers are not permitted to use other indicators to determine the approval and delivery of incentives, they are encouraged to continue to use a harm reduction approach to treatment overall, in part by not focusing solely on abstinence as a sign of progress towards recovery.

Urine Drug Testing. During each contingency management program visit, staff will collect a urine sample from the participating beneficiary. For the StUD program, the sample will be tested for stimulants, including cocaine, amphetamine, and methamphetamine, consistent with STC 24. Samples will be collected in a rapid, CLIA-waived, point-of-care test cup with specimen validity measures. For the PPP with OUD program, the sample will be tested for the appropriate medication, but must be able to distinguish between methadone, buprenorphine, fentanyl, oxycodone, and other opiates. Providers should use a combination of presumptive and confirmatory testing as necessary and appropriate, based on recommendations provided by the American Society of Addiction Medicine in *Appropriate Use of Drug Testing in Clinical Addiction Medicine*. For example, definitive testing should be used when a patient disputes the findings of a presumptive test; when the provider wants to detect a specific substance not adequately identified via presumptive methods; or when the results will inform a decision with major clinical or non-clinical implications (e.g., treatment transition, changes in medication therapies, or changes in legal status).

(C) Motivational Incentive Management and Distribution. Beneficiaries will receive motivational incentives for meeting the target behaviors specified in Section B. DMMA reserves the right to revise the definition of target behavior in accordance with the evidence-based practice. DMMA has established a maximum dollar amount of total incentives that participating beneficiaries will be able to receive for successful completion of the treatment protocol, aligned with evidence-based practice. DMMA may adjust the total incentives to align with future federal guidance regarding taxable income thresholds and/or classifications and/or shifts in practice standards and evidence-based practice. Providers have no discretion to determine or alter the size or distribution of motivational incentives. Delaware is implementing contingency management as a covered benefit for Medicaid enrollees under the 1115 Medicaid waiver and will not alter the existing criteria for Medicaid eligibility. As a result, the value of contingency management incentives provided under the section 1115 waiver are neither subject to taxation nor includible in the gross income of the recipients. Motivational incentives earned through the program shall be excluded from participants' modified adjusted gross income (MAGI)-based eligibility determinations, non-MAGI-based eligibility determinations, and share of cost determinations when determining a beneficiaries' eligibility for Medicaid.

Maximum dollar amounts for the incentives are as follows:

1. *StUD Program:* Maximum of $1,100 per beneficiary for the duration of the 24-week program.
2. *PPP with OUD Program:* Maximum of $2,977 per beneficiary for the duration of the 64-week program.

DMMA will designate a single contingency management program technology platform (*technology platform*) to capture target behavior results, calculate incentives, and deliver incentives to program participants. Incentives will be distributed to each participant's reloadable debit card through the technology platform. The immediate delivery of the motivational incentive to the participant following the participant's attainment of the target behavior is a critical component of the contingency management benefit and consistent with the evidence-based practice. Section D below describes the incentive delivery schedule and corresponding dollar amounts. The final delivery schedule and corresponding dollar amounts are subject to change by DMMA.

(D) Treatment Schedule. Each contingency management program has a specified cadence of appointments and per-appointment motivational incentive amounts. Details for each program include:

1. *StUD Program:* 24-week outpatient program, during which motivational incentives will be available for meeting the target behavior of non-use of illicit stimulants. Incentives are expected to be paid on at least a weekly cadence. Incentives are, on average, $46.51 per week, with a maximum of $1,100 over the course of the 24-week program.
2. *PPP with OUD Program:* 64-week outpatient program, during which motivational incentives will be available for meeting the target behavior of medication adherence as defined in Section B. Incentives will be paid no less than once per month, with an average incentive of $200 per month and a maximum of $2,977 over the course of the 64-week program.

Incentive Delivery. The contingency management technology platform shall compute the appropriate incentive amount earned according to the sample protocol detailed below. The incentives shall be delivered immediately to participating members, and could include a reloadable debit card, a gift card, or other mechanism as approved by DMMA. DMMA will collaborate with the technology platform vendor to ensure that appropriate restrictions are placed regarding the use of incentives.

Sample Incentive Payment Options

Contingency Management Program	Payment Schedule Options	Program Length	Maximum Payment for Entire Program
StUD Program	● 3x per week reimbursement: $15.50 ● 2x per week reimbursement: $23.26 ● Weekly reimbursement: $46.41	24 weeks	$1,100
PPP-OUD Program, short-acting buprenorphine	● Weekly reimbursement: $46.41 ● Monthly reimbursement: $200	64 weeks	$2,977
PPP-OUD Program, long-acting buprenorphine	● Monthly reimbursement: $200	64 weeks	$2,977
PPP-OUD Program, methadone	● Daily reimbursement: $6.64 ● 3x per week reimbursement: $15.50 ● 2x per week reimbursement: $23.26 ● Weekly reimbursement: $46.41	64 weeks	$2,977

Note: The incentive delivery schedule and corresponding dollar amounts in the table above are an illustrative example of the types of payment schedules DMMA will follow to implement the contingency management program. The specific incentive delivery schedule and corresponding dollar amounts are subject to change by DMMA and may vary by program and/or medication type. However, the maximum total payments for each program will not change, and the monthly payment amounts will not exceed $200 for either program.

(E) Discharge and Re-Enrollment. When a client enrolls in either program, they become eligible for motivational incentives throughout the duration of the program — 24 weeks for the StUD program and 64 weeks for the PPP with OUD program, effective immediately after program entry. If participants do not complete their target behaviors and/or miss appointments at some point during that period (e.g., did not submit evidence of taking buprenorphine during a two-week period), they will not be provided with the associated motivational incentives. However, resuming completion of target behaviors enables the client to receive motivational incentives for the remainder of the 24- or 64-week program. Thus, clients are not discharged from the program for not meeting target behaviors or for extended absences, they just lose their opportunity for motivational incentives in that circumstance until completion of target behaviors resume. If a participant misses an incentive or contingency management-related appointment during their 24- or 64-week program window, this does not result in an extension of the length of the program — the program still concludes at the predetermined end date. If a provider deems it

appropriate to discharge a client for other reasons, consistent with the provider's rules and policies, a client may also be discontinued from the contingency management program.

For the StUD program, eligible participants can re-enroll no sooner than six months after they complete the 24-week program. For the PPP with OUD program, eligible participants can re-enroll no sooner than six months after they complete the 64-week program during a subsequent pregnancy or postpartum period. However, providers have discretion to waive the required six-month wait period in certain circumstances. These circumstances must be specified in the provider's policy and approved by DMMA.

(F) Eligible Providers. The contingency management benefit will be delivered by eligible providers that meet specified programmatic standards and agree to deliver the contingency management benefit in strict accordance with standardized procedures and protocols detailed in DMMA guidance and summarized in this attachment. Providers must also comply with other applicable laws, regulations, and requirements. Provider eligibility requirements include:

- Must be enrolled in Delaware Medicaid and certified to provide Medicaid services, including, without limitation, primary care, behavioral health and substance use service providers.
- Must designate a contingency management coordinator (role described in Section G) and require other staff who are overseeing or delivering the contingency management benefit to participate in contingency management-specific training and other training and technical assistance offered by DMMA.
- Must undergo and be approved via a readiness review application and designation process designed by DMMA and its Medicaid MCOs to ensure that they are capable of offering the contingency management benefit in accordance with DMMA standards. The designation process will be designed by DMMA and its Medicaid MCOs, and will assess providers' staff qualifications (i.e., education, credentials, and participation in required trainings); provider-level understanding and adherence to program specifications (i.e., client eligibility, target behaviors, incentive limits); processes for documenting and monitoring fidelity to programmatic standards; readiness to effectively and securely utilize the contingency management technology platform; plans for how training requirements will be met; safeguards to mitigate the risk of diversion or misuse of contingency management incentives; and other key domains to assess readiness for effective implementation.
- Must comply with any billing, data, audit, and evaluation requirements established by DMMA to support research, evaluation, oversight, and performance monitoring efforts, including but not limited to satisfactory claims submission, data and quality reporting, and survey participation. At a minimum, DMMA reporting will include enrollment in each contingency management program; overall incentives provided; average incentives provided per beneficiary; and types and counts of treatment services rendered during the aftercare phase, which is defined as the six-month period following the conclusion of the contingency management program.

- Must employ or contract with a staff that satisfy the requirements in Section G and ensure that they maintain their licensure in accordance with applicable laws and regulations governing their licensure and provide services to beneficiaries receiving the contingency management benefit within the scope of their licensure.

In the first program year, DMMA will invite selected providers to participate in the contingency management application and designation process. DMMA will monitor program utilization, costs and outcomes to determine whether to include additional providers during the waiver period.

(G) Staffing Requirements. Contingency management programs are required to have at least one contingency management coordinator. The table below identifies the responsibilities of contingency management coordinator. The contingency management coordinator functions may be embedded in another staff position. Each program must also identify a staff person who can perform quality assurance checks for the contingency management coordinator(s). These include, but are not limited to, reviewing the technology platform reports for inconsistencies; assessing program acceptance and engagement rates, including by race/ethnicity; and ensuring UDS results have been entered accurately into the technology platform. In addition, the contingency management programs must identify an individual to serve as the main point of contact for engagement with DMMA, Medicaid MCOs, the technology platform, and other partner organizations. Contingency management programs must submit staffing plans to DMMA.

Contingency Management Coordinator: Roles and Responsibilities
● Be a licensed mental health professional with an SUD-specific scope and training (e.g., licensed clinical social worker, licensed professional counselor, and licensed addiction counselor) *or* be a trained staff with appropriate supervision by licensed health professional. ● Serve as the main point of contact for all participating members. ● Confirm that clients meet eligibility requirements as specified in Section A. ● Make referrals, assist with client onboarding and education, and support engagement in contingency management programming, in partnership with DMMA, MCOs, and the contingency management platform. ● Generate ad hoc and standard reports for DMMA and MCOs. ● Participate in ongoing training and technical assistance sessions as required by DMMA. ● Coordinate the activities of and serve as the point of contact for other staff working in the contingency management program, including ensuring their participation in required technical assistance and training, answering procedural questions specific to the program, and provide guidance for client-specific issues. ● Assist in the development of policies and procedures and implement them to fidelity. ● Administer or receive/analyze point-of-care UDS' as needed, enter results into the technology platform, support delivery of motivational incentives, and produce all required reports.

(H) Program Integrity and Fraud, Waste, and Abuse Prevention.
As a safeguard against fraud, waste, and abuse, the technology platform will be used to help ensure accurate payment and distribution of incentives; confirm beneficiary eligibility for respective contingency management programs and appropriate incentive amounts; ensure maximum incentive amounts are not exceeded; and confirm that beneficiaries are not participating in multiple contingency management programs simultaneously. On a recurring basis, the technology platform vendor must conduct and document that a regular audit of the incentive delivery functions has been completed, including the software calculations recommended and incentive distributed. Similarly, contingency management providers must conduct routine fidelity checks to ensure that the program is being implemented in strict accordance with DMMA policies. Contingency management provider staff shall not play any role in calculating or determining the appropriate size of the incentive payment, but shall follow the algorithm in the technology platform exactly. Contingency management staff will be required to participate in training, including training module focused on safeguards against fraud, waste, and abuse. DMMA will review reports generated by the technology platform to assess irregularities that may signal fraud, waste, and abuse. In addition, DMMA will assess alignment between claims and encounter data and the data contained in the technology platform reports (e.g., ensuring that all participants listed in the technology platform have associated claims and encounter data associated with the contingency management program). DMMA will also require periodic audits of a sample of clinical records to ensure: (1) that the official UDS test results in the clinical record match the information entered into the technology platform; (2) that diagnosis matches program eligibility requirements for the StUD and PPP with OUD programs; and (3) provider verification of participant diagnosis as needed.

(I) Training and Technical Assistance. DMMA will facilitate required training and technical assistance for contingency management programs, in accordance with DMMA's contingency management training protocol. The training program will include, at a minimum, core principles of contingency management, principles of harm reduction and low-barrier care, and safeguards against fraud, waste, and abuse. Select training modules will be required to be completed prior to the delivery of the contingency management benefit.

(J) MCO Readiness Review. MCOs shall work collaboratively with DMMA, providers, DMMA contractors, and other relevant stakeholders to provide the infrastructure to support successful contingency management programs and to ensure they are fully operational by the date specified by DMMA. DMMA will facilitate MCO readiness reviews that include, but are not limited to, the ability to:

- Participate in contingency management programs-related meetings and technical assistance and training activities.
- Follow DMMA-specific billing guidance for contingency management programs.
- Facilitate technical assistance to providers on proper coding and billing.
- Provide valid and reliable data to DMMA to enable program evaluation and reporting.
- Monitor program integrity, including signs of fraud, waste, and abuse.