



September 30, 2026

CHES Connections App

WHY WE CONDUCTED THIS REPORT

On March 16, 2026, the North Carolina Office of the State Auditor (OSA) received a Tipline report regarding a \$1 million contract between the North Carolina Department of Health and Human Services (DHHS) and CHES Health for the Connections Recovery Support (Connections) mobile application (hereafter referred to as the “app”) to support military veterans with substance abuse issues. The Tipline report alleged the app was underutilized by its target audience and raised concerns about DHHS’s evaluation and monitoring of the app’s utilization and effectiveness.

OBJECTIVE

To determine if DHHS has metrics in place to monitor and evaluate the effectiveness of the Connections app, and to evaluate whether the app’s underutilization signals poor use of State funds.

WHAT WE FOUND

The Connections app has been in use for approximately two years, and is still within the suggested Federal evaluation window for effectiveness. Therefore, OSA currently cannot make a determination on the effectiveness of the app. However, OSA was able to determine that, as more individuals enroll on the app, the fixed-price structure of the contract between DHHS and CHES Health will result in decreasing per capita costs. In addition, a review of the metrics monitored by DHHS indicate that the app has delivered value to date, and may be more cost-effective than conventional drug-addiction interventions, such as rehabilitation centers or in-person counseling.¹

BACKGROUND

North Carolina has the fourth-largest veteran population in the U.S. (688,933 as of September 30, 2023)² and a significant substance abuse problem, with about 15 percent of residents aged 12 and

¹ “Retention rates and cost-effectiveness of telehealth vs. in-person buprenorphine treatment for opioid use disorder (OUD),” [Online]. Available: <https://pubmed.ncbi.nlm.nih.gov/40749841/>.

² “National Center for Veterans Analysis and Statistics,” [Online]. Available: https://www.va.gov/vetdata/veteran_population.asp.

older experiencing a substance use disorder (SUD)³ from 2022–2023.⁴ Veterans also face higher rates of post-traumatic stress disorder and depression, which increase SUD risk.⁵

At an October 20, 2025 press conference, DHHS announced a coordinated initiative with CHES Health to expand access to behavioral health and recovery support statewide, with an emphasis on military veterans.⁶ The State aimed to tailor CHES Health’s existing Connections app for veterans with SUDs; the goal was to deploy the app, combining peer support and web-based tools to support recovery and reinforce treatment.⁷ The Connections app offers users 24/7 access to trained peer-support specialists, moderated communities, daily check-ins, and digital coping tools. It is available in English and Spanish for individuals seeking recovery support, and for providers looking to supplement treatment and referrals.

Per DHHS officials, the contract with CHES Health was intended to address gaps in access to recovery support, particularly for veterans transitioning to civilian life, by offering on-demand and geographically unrestricted resources integrated into the State’s behavioral health system.⁸

OBSERVATIONS

Per DHHS’s October 20, 2025, announcement, the Connections app is funded through the federal Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUBG), which supports state SUD prevention and treatment efforts.⁹ The contract with CHES Health is an annual, one-time fixed-price agreement, with provisions for potential funding increases of up to 15% in future periods. DHHS’s reported expenditures for the app are shown in Table 1.

³ Terminology such as “substance use problem,” “substance use disorder,” and “substance abuse” is used interchangeably in this report consistent with varying usage across sources; however, these terms generally refer to conditions involving the misuse of substances with potential clinical or social consequences.

⁴ “Interactive NSDUH State Estimates,” [Online]. Available: <https://datatools.samhsa.gov/saes/state>.

⁵ “Prevalence, Comorbidity, and Prognosis of Mental Health Among US Veterans,” [Online]. Available: <https://pmc.ncbi.nlm.nih.gov/articles/PMC4638236/>.

⁶ “NCDHHS and CHES Health Launch Free Resource for Veterans to Support their Mental Health,” [Online]. Available: <https://www.ncdhhs.gov/news/press-releases/2025/10/20/ncdhhs-and-chess-health-launch-free-resource-veterans-support-their-mental-health>.

⁷ “Connections App,” [Online]. Available: <https://www.chess.health/erecovery/connections-app/>.

⁸ Ibid.

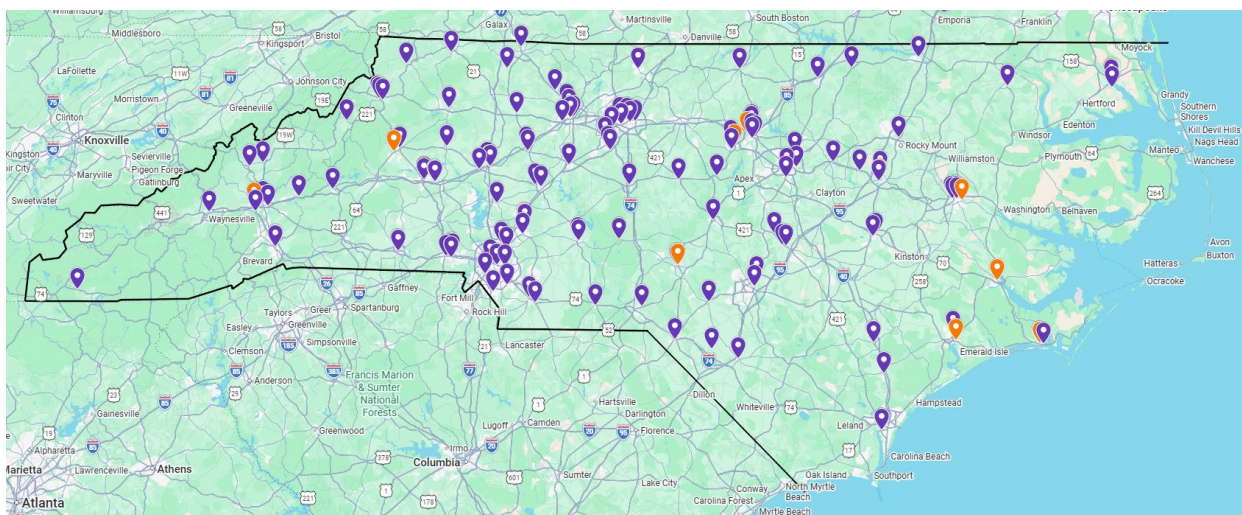
⁹ “Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUBG),” [Online]. Available: <https://www.samhsa.gov/grants/block-grants/subg>.

Table 1: DHHS Expenditures for the Connections App by state fiscal year (SFY)

Timeframe	Expenditures	Administrative Fees	Administrative Fees (%)
SFY 2024	\$1,056,385	\$52,819	5.00%
SFY 2025	\$1,932,607	\$92,029	4.76%

Per CHESS Health’s January 13, 2026, quarterly report, 167 sponsored providers across North Carolina implemented the Connections app, with 15 more in the adoption stage¹⁰ (see Figure 1). In 2025, DHHS reported 1,779 unique users, with 338 remaining active by the end of December 2025. Between SFY 2024 and SFY 2025, this averages to \$840.08 per user annually, or \$2.30 per user per day. Because the Connections app is funded through a fixed-price model, the existing provider network can support increased use without additional app costs.

Figure 1: Map of current providers (purple) and providers in the adoption stage (orange) for the Connections app, as of December 31, 2025.¹¹



Effectiveness of the Connections app

Federal evaluation guidelines from the Centers for Disease Control and Prevention, United States Government Accountability Office, and Substance Abuse and Mental Health Services

¹⁰ “CHESS Health_North Carolina eRecovery Q2 Quarterly Executive Check In_1.13.26- Final (003)” document provided by DHHS to OSA.

¹¹ Ibid.

Administration indicate that new public health programs should progress beyond implementation and early outcome monitoring before their effectiveness can be meaningfully assessed.¹² Given that the Connections app has been operating for approximately two years, it remains within this evaluation window and its effectiveness cannot yet be fully determined.

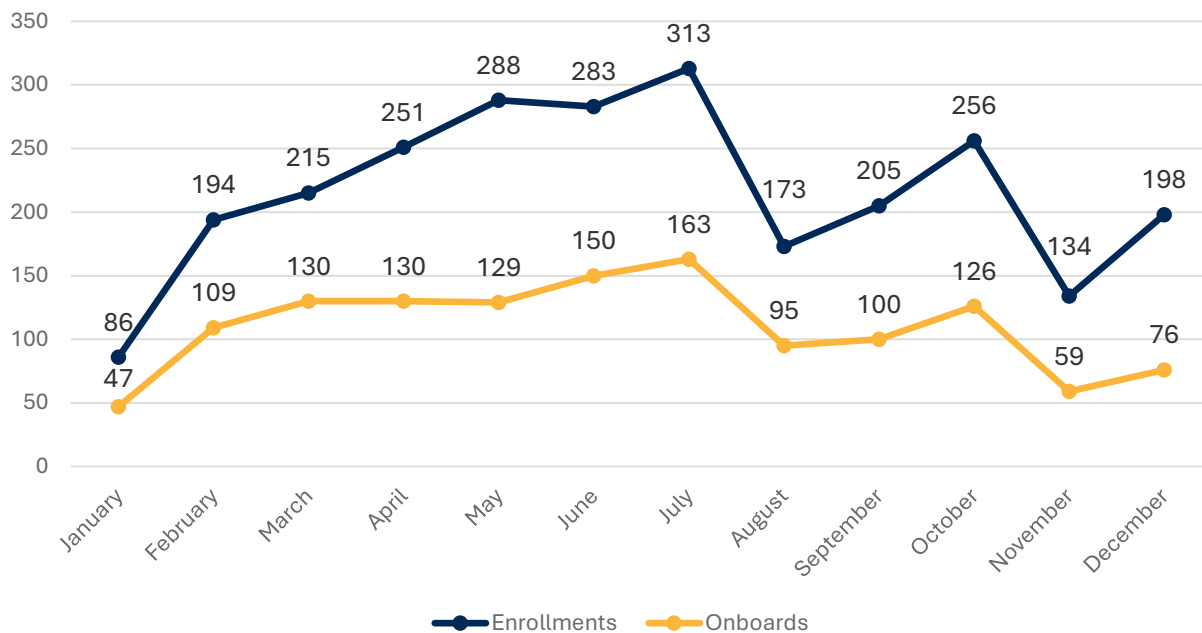
Despite the program still being in the early stages, DHHS assesses the app's performance using multiple measures, including enrollment and onboarding counts, active user metrics and engagement trends, and ongoing participation through daily check-ins, peer messaging activity, and community interactions. DHHS also reviews qualitative inputs such as user feedback, satisfaction, and recovery support escalations, to provide context on how the app is used and perceived.¹³

“Enrollment” reflects initial reach through provider referrals, outreach, and enrollment processes, while “onboarding” represents completion of setup and access to the app. As shown in Figure 2, the program reported an onboarding rate of approximately 51%, indicating that just over half of enrolled individuals gained active access. This conversion rate highlights potential barriers between enrollment and active use, such as access to technology, user readiness, and/or onboarding support effectiveness.

¹² [GAO-21-404SP, Program Evaluation: Key Terms and Concepts](#)

¹³ “CHESS Health_North Carolina eRecovery Q2 Quarterly Executive Check In_1.13.26- Final (003)” document provided by DHHS to OSA.

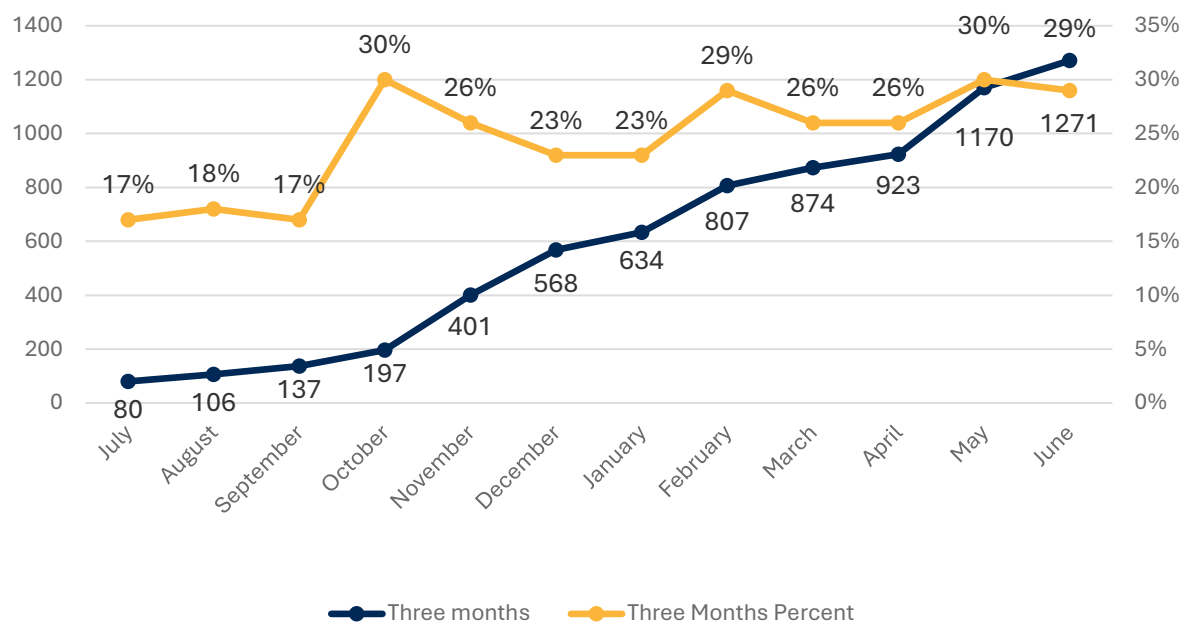
Figure 2: Connections app enrollments and onboardings in 2025



Sustained use is another key measure of the app. Although DHHS set a target of 60% three-month retention, actual engagement remained below 35% (see Figure 3). To address this gap, DHHS reported that its CHES Health engagement team is implementing additional corrective actions.¹⁴

¹⁴ Ibid.

Figure 3: Number of onboarded users active after three months in SFY 2025¹⁵



DHHS tracked other performance measures in SFY 2025, as shown in Table 2. While metrics may fluctuate monthly, the results generally met or exceeded benchmarks for the reporting period.¹⁶

Table 2: Achievements of the Connections app to date¹⁷

Performance Measure	Goal	SFY 2025 Results
Enrollment increase ¹⁸	10% per month	33% per month
Satisfaction survey	85% positive	98% positive
Number of providers outreaching, in implementation, or live on Connections	150 by June 30, 2025	171 by June 30, 2025

¹⁵ Active individuals include all unique individuals who utilized the app during the month, including those who were onboarded before the selected month and were still active.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ Enrollment reflects the number of people referred to the program, but it does not necessarily mean that all enrolled individuals accessed the app.

Performance Measure	Goal	SFY 2025 Results
Number of people that access real time support	20%	43%
Individuals that achieve activity points on the app of 100	80%	83%

CONCLUSION

Although relatively few North Carolina veterans currently use the Connections app, increased participation would improve cost efficiency under the fixed price contract. Early evidence suggests that the app is cost effective in supporting recovery among veterans; however, continued evaluation is needed to confirm its effectiveness and value to the State. DHHS should also continue working with the CHESS Health engagement team to expand outreach and to ensure that the app reaches and meets the needs of its intended audience.

RESPONSE FROM CHESS Connections App



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Mental Health, Developmental
Disabilities and Substance Use Services

JOSH STEIN • Governor
DEV DUTTA SANGVAI • Secretary
KELLY CROSBIE • Assistant Secretary

September 23, 2026

To: David L. Boliek, State Auditor
Office of the State Auditor
State of North Carolina
20601 Mail Service Center
Raleigh, NC 27699

Re: NCDHHS CHESS Connections App

Dear Auditor Boliek,

The North Carolina Department of Health and Human Services (NCDHHS) appreciates the Office of the State Auditor's review of the CHESS Connections App.

Consistent with the report's conclusion, NCDHHS will continue to monitor utilization and available performance measures and work with CHESS Health to support outreach and engagement with the intended population. The Division of Mental Health, Developmental Disabilities, and Substance Use Services, in coordination with the CHESS Health engagement team, will continue these ongoing efforts throughout the remainder of the contract period.

NCDHHS appreciates the opportunity to respond, and remains committed to ensuring that state resources are used responsibly to support accessible, effective recovery services for North Carolinians.

Respectfully Submitted,

Signed by:

Renee Rader

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Renee Rader, MA

Deputy Director & Chief Operating Officer
Division of Mental Health, Developmental Disabilities and Substance Use Services
North Carolina Department of Health and Human Services

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF MENTAL HEALTH, DEVELOPMENTAL DISABILITIES
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