Substance Use Disorder Reform-Direct Reimbursement

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Substance Use Disorder Reform

• Substance use disorder reform was passed during the 2017 legislative session. Substance use disorder (SUD) reform seeks to transform the service continuum from an acute episodic model to a chronic and longitudinal model.

• The person centered changes will seek to provide the right level of service at the right time and treat addictions like other chronic health conditions.
• New services and a direct access process are part of the reform. However, prior to implementing the services and direct access process, the state must seek approval from the Centers for Medicare and Medicaid, which is the federal agency that must approve the addition of new services to the state’s benefit set.

• The SUD reform legislation includes a legislative directive to DHS to seek this federal approval, as the state is not able to do this without legislative authority. The timelines for implementation of the new services can be found at this link: SUD Reform Implementation Timeline
• The SUD reform allows for credentialed providers to bill directly for assessments and other treatment services by adding individually licensed professionals as eligible vendors for publically-funded SUD treatment services effective July 1, 2018, or upon federal approval, whichever is later.
• Individuals must have licensure that provides a scope of practice to provide addiction treatment services. In addition, a concentrated education in alcohol and drug counseling and supervised internship experience with individuals with substance use disorder are required to be an individual vendor.

• SUD treatment program standards will also be changing effective January 1, 2018, and the new standards allow programs to provide treatment services outside of the facility upon approval from DHS.
• At 254B.05, subdivision 1, paragraph (b), a licensed professional in private practice who meets the requirements of section 245G.11, subdivisions 1 and 4, is an eligible vendor of a comprehensive assessment and assessment summary provided according to section 245G.05, and treatment services provided according to sections 245G.06 and 245G.07, subdivision 1, paragraphs (a), clauses (1) to (5), and (b); and subdivision 2.
• The reform legislation adds individually licensed professionals as eligible vendors for publically-funded SUD treatment services effective July 1, 2018, or upon federal approval, whichever is later.
The Alcohol and Drug Abuse Division will be providing implementation technical assistance and resources for the new services in the 2017 SUD Reform legislation through its website (FAQs, Fact sheets, WebEx’s, etc.), and by presenting at various conferences and other events and associations.
Thank you!