

North Dakota Medicaid Policy: Providers of Substance Use Disorder Services Who Offer Recovery Housing

New/revised language can be identified between «» symbols throughout the policy.

The North Dakota Department of Health and Human Services has been asked if **providers of outpatient substance use disorder services** can also provide **housing** for Medicaid members receiving outpatient services and still be reimbursed by Medicaid.

Medicaid cannot reimburse for the outpatient services if the housing residents would be considered patients in an institution for mental diseases (IMD), which includes facilities that provide substance use disorder treatment (the federal IMD exclusion*). See also [ND Medicaid IMD Policy](#).

To ensure that ND Medicaid members who stay in provider-operated housing are not considered patients in an IMD, **NDDHHS requires the following for any provider-operated housing of more than 16 residents** (total)[†] for the outpatient services to be reimbursable by Medicaid:

Licensing/Certification

- The housing units cannot be licensed as any kind of behavioral health provider.
- The housing unit may not be considered a part of the outpatient provider for purposes of the outpatient provider's accreditation.

No Treatment Services Provided at the Housing Unit

- Residents may not receive any treatment services in the housing unit, including low-intensity residential SUD services, individual therapy, or group therapy.
- Recovery support meetings, such as Alcoholics Anonymous meetings, may be provided in the housing unit, so long as the meetings are conducted by volunteers or other non-employees of the provider. Medicaid will not reimburse for any peer support services in the housing unit.

Voluntary Stay

- Residents cannot be required to stay in the provider-operated housing.

* [§1905\(a\)\(30\)\(B\)](#) of the Social Security Act

† In applying the 16-bed limit, multiple residences should be considered together, even if in separate buildings.

Medical Services Division

- A provider can require housing residents to participate in outpatient treatment but cannot require that the resident receive outpatient services from the provider operating the housing.
- «Housing providers may have rules to promote residents' sobriety and recovery. Providers are encouraged to implement evidence-based best practices around such rules, and not unnecessarily restrict freedom of movement, visitors, etc.»

Geographic Separation

- The housing cannot be in the same building as the outpatient facility. The provider may, but is not required to, provide transportation between the housing unit and the outpatient services. Transportation may be reimbursable under Medicaid's non-emergency medical transportation benefit.

Staffing

- The housing unit cannot share on-site staff with the outpatient facility, but a common management is acceptable.

Room and Board

- The provider may, but is not required, to charge the residents for room and board. Medicaid will not reimburse for any room and board costs.

Questions about this policy may be sent to dhsmedicalservices@nd.gov.