

Substance Use Disorder Services

Purpose

Substance Use Disorder (SUD) Treatment are services provided to an individual with an impairment resulting from a SUD which are provided by a multidisciplinary team of health care professionals and are designed to stabilize the health of the individual. Services for treatment of SUD may be hospital-based or non-hospital-based.

Applicability

Eligible Providers

To receive payment from ND Medicaid, the eligible servicing and billing provider National Provider Identifiers (NPI) must be enrolled with ND Medicaid on the date of service. Servicing providers acting as a locum tenens provider must be enrolled with ND Medicaid and be listed on the claim form. Please refer to [provider enrollment](#) for additional details on enrollment eligibility and supporting documentation requirements. SUD services can be provided by the following enrolled providers as allowed by their scope of their licensure:

- Licensed Addiction Counselors (LACs) licensed under [North Dakota Administrative Code Article 4.5-02.1](#).
- Licensed Addiction Programs licensed under [North Dakota Administrative Code Article 75-09.1](#).

Provider Enrollment Requirements: American Society of Addiction Medicine (ASAM) 1

LACs and licensed addiction programs must enroll the LAC rendering services.

Provider Enrollment Requirements: ASAM 2.1-3.7

The licensed program must enroll as a group provider and the attending provider must also enroll and be affiliated with the billing provider. Note: Licensed addiction programs are not required to enroll all members of the multidisciplinary team.

Services Provided by Indian Health Service (IHS) or a Tribal Health Program

Addiction counselors, operating within their scope of practice, performing ASAM 1, and employed by either IHS or a Tribal Health Program must have a current and valid license or certification from an out-of-state licensing board where the license was issued

or a North Dakota addiction counselor license. IHS or Tribal Health Programs providing ASAM 2.1 – 3.7 must have North Dakota Licensure. IHS and Tribal Health Programs may qualify for North Dakota Licensure through national accreditation.

Eligible Members

Providers are responsible for verifying a member's eligibility before providing services. Eligibility can be verified using the ND Medicaid MMIS Portal or through the through the Automated Voice Response System by dialing 1.877.328.7098.

ND Medicaid members receiving SUD treatment services must:

- Meet diagnostic criteria for a substance use disorder as described in the Diagnostic and Statistical Manual of Mental Disorders (DSM); and
- Meet specifications in each of the ASAM dimensions required for the recommended level of care.

Refer to the [Member Eligibility Manual](#) for additional information regarding eligibility including information regarding limited coverage categories.

Covered Services and Limits

General Provider Policies

The [General Provider Policies](#) details basic coverage requirements for all services.

Basic coverage requirements include:

- The provider must be enrolled in ND Medicaid;
- Services must be medically necessary;
- The member must be eligible on the date of service; and
- If applicable, the service has an approved service authorization.

The [Procedure Code Look-up Tool](#) can be used to identify if a procedure code is covered by ND Medicaid along with code specific details such as ORP requirements, Service Authorization requirements, and current rates.

Admission Criteria

A member must meet the following criteria in order to be admitted to a SUD treatment program:

- Diagnostic criteria for a substance use disorder as described in the most recent version of the DSM; and
- Specifications in each of the ASAM dimensions required for the recommended level of care as stated in [North Dakota Administrative Code 75-09.1](#).

Assessment

ND Medicaid members receiving SUD treatment services must have undergone a program-performed assessment in compliance with

[North Dakota Administrative Code § 75-09.1-01-14](#). The required steps include:

1. When conducting an assessment, a program shall administer instruments or conduct clinical interviews or both sufficient to gather enough information to substantiate or rule out a client's diagnosis.
2. An assessment must include adequate assessment in at least each of the following areas: withdrawal potential; medical conditions and complications; psychiatric, including emotional, behavioral, and cognitive functioning and the presence of co-occurring mental health problems; employment; alcohol, tobacco, and other drug use; legal; family and social; readiness to change; relapse, continued use, and continued problem potential; and recovery environment.
3. When clinically appropriate, previous diagnostic, medical, treatment, and training reports that impact the development of an individual must be:
 - a. Requested from appropriate current or previous providers and referral sources with signed, informed consent to release of information forms in compliance with applicable laws and regulations; and
 - b. Integrated into the assessment process.
4. A program shall provide requested information within a reasonable time period when the request is accompanied by an appropriate consent to release of information.
5. A program's report from the assessment process must clearly describe the diagnostic impressions based on a five-axis assessment of the DSM and recommendations for treatment based on the ASAM patient placement criteria.
6. Based on the information gathered in the assessment, a program's report should identify and prioritize problems by severity, which should then be addressed in the individual treatment plan with the involvement of the client.
7. A program shall keep progress notes that reflect the client's progress or lack of progress in measurable and behavioral language associated with treatment plan objectives.

Plan of Care

ND Medicaid members receiving SUD treatment services must have an individualized plan of care/treatment plan that meets the requirements of ND

[Administrative Code 75-09.1-01-15](#). The ND Medicaid-enrolled rendering or attending provider overseeing the services must approve the plan of care. The plan of care must include the following:

1. A program shall implement policies that ensure the services provided to each client are coordinated and integrated and address goals that reflect the client's informed choice.
2. A program shall develop, with each client's participation, a comprehensive, coordinated, individualized plan based on referral and assessment information about the client's strengths, abilities, needs, functional deficits, and preferences.
3. A program shall develop and document an individual treatment plan that is as comprehensive as possible given the time in treatment and the client's condition. The individual treatment plan shall be developed according to the following schedule:
 - a. By the end of the first day for a client in a social detoxification program;
 - b. By the end of the third session for a client receiving outpatient services or intensive outpatient treatment; and
 - c. By the end of the fifth working day for a client receiving day treatment, inpatient, or low-intensity and high-intensity residential treatment.
4. A program shall implement a written policy that specifies instances in which signed, informed consent for services must be obtained and retained. The policy must be guided by professional and legal requirements.
5. A program must regularly analyze with the active involvement of the client the client's progress toward the accomplishment of goals and modify goals and services as a result of any occurrence that is likely to impact the client's treatment progress. A program must perform such an analysis no less often than:
 - a. Once every two months or every eight sessions, whichever comes first, for a client receiving outpatient services;
 - b. Once a month for a client receiving low-intensity residential treatment;
 - c. Once every two weeks for a client receiving intensive outpatient treatment;
 - d. Once each week for a client receiving high-intensity residential, inpatient, or partial hospitalization or day treatment; and
 - e. Once during the first six months and annually thereafter for a client receiving chronic care and maintenance services.
6. Counseling or assessment regarding an individual's use or abuse of alcohol or a controlled substance must be provided by an LAC as required by

[North Dakota Century Code chapter 43-45](#). The provision of case management and educational services do not need to be performed by a licensed addiction counselor. A licensed addiction counselor must be present in all team meetings at which level of care and treatment planning decisions are made regarding a client receiving or referred for substance abuse treatment services.

7. Services essential to the attainment of a client's goals and objectives must be provided or it must be documented that attempts were made to provide such services either through staff members or through formal affiliation or consultation arrangements with or referral to appropriate agencies or individuals.

Covered Services

ASAM level 1 – Outpatient Services (individual), Adult

- Organized nonresidential service or an office practice that provides professionally directed aftercare, individual, and other addiction services to clients according to a predetermined regular schedule fewer than 9 contact hours per week
- Billing code - Use individual psychotherapy codes
- Hours per week – Offer no more than 8 hours of outpatient SUD programming per week.
- May be delivered via telehealth

ASAM Level 1 – Outpatient Services (individual), Adolescent

- Organized nonresidential service or an office practice that provides professionally directed aftercare, individual, and other addiction services to clients according to a predetermined regular schedule fewer than 9 contact hours per week
- Billing code - Use individual psychotherapy codes
- Hours per week – Offer no more than 5 hours of outpatient SUD programming per week.
- May be delivered via telehealth.

ASAM Level 1 – Group Outpatient Services

- Billing code – H2035
- Hours per week - Offer no more than 8 hours of outpatient SUD programming per week for adults and no more than 5 hours of outpatient SUD programming per week for youth.
- May be delivered via telehealth.

ASAM Level 2.1 – Intensive Outpatient Services – Adult

- Treatment provided to clients requiring a primary, organized treatment program able to establish abstinence and recovery within the context of the client’s usual environment and daily activities. Programming is in a structured environment and is typically offered in the evening hours.
- Billing code – H0015
- Revenue code - 0906
- Offer no less than 8 hours and no more than 19 hours of structured programming.
- May be delivered via telehealth.

ASAM Level 2.1 – Intensive Outpatient Services – Youth

- Offer no less than 6 hours per week.

ASAM Level 2.5 – Partial Hospitalization Services, Youth and Adult

- SUD program that uses multidisciplinary staff and offers highly structured intensive treatment to those clients whose condition is sufficiently stable so as not to require twenty-four hour per day monitoring and care, but whose illness has progressed so as to require consistent near-daily treatment intervention.
- ASAM 2.5 telehealth services are limited to 50% or 10 hours of the weekly 20 hours of structured programming requirement.
- Billing code – S9475
- Revenue code – 0913
- Offer no less than 20 hours of structured programming no less than 4 days per week.
- May be offered via telehealth.

ASAM Level 3.1 - Clinically Managed Low-Intensity Residential Care – Youth and Adult

- ASAM 3.1 will only be reimbursed for members concurrently receiving ASAM 2.1 or 2.5.
- Twenty-four hour a day staffed, ongoing therapeutic environment for clients requiring some structured support in which treatment is directed toward:
 - Applying recovery skills,
 - Preventing relapse,
 - Improving emotional functioning,
 - Promoting personal responsibility, and
 - Reintegrating the individual into the worlds of work, education, and family life, adaptive skills that may not have been achieved or have been diminished during the client’s active addiction.

- The residential component may be combined with low-intensity outpatient, intensive outpatient, or day treatment.
- Billing code – H2034
- Revenue code – 1003
- Offer at least 5 hours of professionally directed treatment (must include two support or group sessions per week) in addition to other treatment services such as partial hospitalization or intensive outpatient treatment.

ASAM Level 3.2 – Clinically Managed Residential Withdrawal

- Detoxification in an organized residential nonmedical setting delivered by appropriately trained staff who provide safe, 24-hour monitoring, observation, and support in a supervised environment for a client to achieve initial recovery from the effects of alcohol or another drug.
- Billing code – H0012
- Revenue code – 1003
- Payment for ASAM 3.2 is only for the service component. ND Medicaid payment is not available for room and board.

ASAM Level 3.5 - Clinically Managed High-Intensity Residential Services - Youth and Adult

- Therapeutic community or residential treatment center offering continuous observation, monitoring, and treatment by allied professional staff designed to treat clients who are not sufficiently stable to benefit from outpatient treatment no matter how intensive and who have significant psychological and social problems.
- Onsite twenty-four hour per day clinical staff with specialized professional consultation.
- Billing code – H2036
- Revenue code – 1002
- Residential program offered no less than 7 days per week. The number of hours of programming must be approved through the licensing process by the Behavioral Health Division.
- Payment for ASAM 3.5 is only for the service component. ND Medicaid payment is not available for room and board.

ASAM Level 3.7 - Medically Monitored Intensive Inpatient Services, Youth and Adult

- Program providing a planned regimen of 24-hour professionally directed
 - Evaluation
 - Observation
 - medical monitoring, and
 - addiction treatment in an inpatient setting.
- Billing code – H0011
- Revenue code – 1002
- Offer inpatient treatment program 7 days per week.
- Payment for ASAM 3.7 is only for the service component. ND Medicaid payment is not available for room and board.

Programs must offer the required number of hours of programming required by [ND Administrative Code 75-02-09.1](#) and must be approved through the licensing process by the Behavioral Health Division. The appropriate number of hours for the level of care must be included in the member's plan of care.

If the member misses programming hours, the reason must be documented. For outpatient levels of care, the provider may only bill for days that the member received programming. For residential and inpatient levels of care, the provider may bill for every day the member stayed at the facility, as long as:

- The appropriate number of hours of programming are offered, as detailed in the member's care plan, and;
- If the member misses programming, the reason is documented. Providers must document programming hours not offered due to a holiday.

Counseling or assessment regarding an individual's use or misuse of alcohol or a controlled substance must be provided by an LAC. Case management and educational services do not need to be performed by an LAC. An LAC must be present in all team meetings at which level of care and treatment planning decisions are made regarding an individual receiving or referred for substance abuse treatment services.

Continued Stay Criteria

For a member to remain in the current level of care placement, a program must document that the member:

- Is making progress but has not yet achieved the goals articulated in the individualized treatment plan and continued treatment at the present level of care is necessary to permit the individual to continue to work toward treatment goals.
- Is not yet making progress but has the capacity to resolve problems and is actively working toward the goals articulated in the individual treatment plan.

- New problems have been identified that are appropriately treated at the present level of care that is the least intensive in which these problems can be addressed effectively.

Discharge Criteria

Before a program may transfer or discharge an individual, the individual must have:

- Achieved the goals articulated in the individual's individualized treatment plan, and
- Resolved the problems that justified admission to the present level of care with progress evaluated, and
- A determination that the individual is ready for a less intensive level of care or independent living.

Or

- Been unable to resolve the problems that justified admission to the present level of care despite amendments to the treatment plan with no further progress being likely. This indicates the need for another level of care or type of service.

Or

- Demonstrated a lack of capacity to resolve problems indicating the need for another level of care or type of service.

Or

- Experienced an intensification of problems or has developed new problems and can be treated effectively only at a more intensive level of care.

Referral Criteria

Programs shall implement a written policy for referrals and recommendations for services not available through the program. All referrals and recommendations must be made part of the treatment or transfer plan.

Service Authorization Requirements

No service authorization required.

Non-Covered Services

General Non-Covered Services

The [Noncovered Services Policy](#) contains a general list of services that are not covered by North Dakota Medicaid.

Institution for Mental Disease (IMD)

Federal financial participation is not available for care or services to Medicaid members ages 21 to 64 residing in an [Institution for Mental Disease](#) (IMD); ND Medicaid does not cover services for members ages 21 to 64 who reside in an IMD. The [North Dakota Substance Use Disorder \(SUD\) Voucher](#) may be able to provide funding for individuals receiving treatment at an IMD. The SUD Voucher is a state-funded program.

Out-of-State Providers

“Out of State provider” means a provider who is located more than fifty (50) miles from a North Dakota border within the United States. ND Medicaid does not enroll Out of State providers if the service is available in state. To enroll as an Out of State provider, a service authorization is required with the exception of services provided in response to an emergency. Please see the [Out of State Services](#) policy for detailed information.

Documentation Requirements

General Requirements

Providers must keep legible medical and financial records that fully justify and disclose the extent of services provided and billed to ND Medicaid. Records must be retained for at least 7 years after the last date the claim was paid or denied. Providers must follow the documentation requirements in the [Provider Requirements Policy](#).

Reimbursement Methodology and Claim Instructions

Timely Filing

ND Medicaid must receive an original Medicaid primary claim within one hundred eighty (180) days from the date of service. The time limit may be waived or extended by ND Medicaid in certain circumstances. The [Timely Filing Policy](#) contains additional information.

Third-Party Liability

Medicaid members may have one or more additional source of coverage for health services. ND Medicaid is generally the payer of last resort. Providers must pursue the availability of third-party payment sources. The [Third Party Liability Policy](#) contains additional information.

Client Share (Recipient Liability)

Client share (recipient liability) is the monthly amount a member must pay toward the cost of medical services before the Medicaid program will pay for services received. The [Client Share Policy](#) contains additional information.

Reimbursement

A claim for services must be submitted at the provider's usual and customary charge. Payment for services is limited to the lesser of the provider's usual and customary charge or the ND Medicaid calculated reimbursement.

Providers must refer to the [Substance Use Disorder Treatment Services Fee Schedule](#) for reimbursement information.

Claim Form

A claim for services must be submitted at the provider's usual and customary charge. Payment for services is limited to the lesser of the provider's usual and customary charge or the ND Medicaid calculated reimbursement.

SUD services must be billed on the appropriate claim form using the appropriate codes.

ASAM Level 1

ASAM Level 1 must be billed using the CMS 1500 claim form or 837p claim transaction. The appropriate rendering provider's NPI and taxonomy must be reported in box 24J of the CMS 1500 or the electronic equivalent of the 837p transaction.

ASAM Level 2.1, 2.5, 3.1, 3.2, 3.5 & 3.7

ASAM Level 2.1, 2.5, 3.1, 3.2, 3.5 and 3.7 must be billed using the UB 04 claim form or 837i. The appropriate attending provider's name and NPI must be reported in box 76 of the UB-04 or the electronic equivalent of the 837i transaction.

Indian Health Service, Tribal Health Programs, and Federally Qualified Health Centers

Encounter based providers must bill SUD services using the UB-04 claim form or 837i. SUD services must be billed with revenue code 0900 with the appropriate procedure and primary diagnosis code for the service. If multiple SUD based services are delivered in the same day, such as group therapy and individual therapy, only one encounter will be reimbursed. Encounter based providers should review their provider guidance for additional information

Claim Requirements

ASAM Level 3.1

ASAM Level 3.1 must be billed concurrently with Level 2.1 or 2.5.

Definitions

Attending provider – Licensed practitioner, such as an LAC, who has overall responsibility for the patient's care and treatment reported on the claim. Attending providers are reported on claims for ASAM levels 2.1 and higher, as these claims are billed on a UB 04 or electronically via an 837I claim transaction.

Institution for Mental Diseases (IMD) – A hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment, or care of persons with mental diseases, including medical attention, nursing care, and related services. This definition is in §1905(i) of the Social Security Act and in 42 CFR 435.1009. The regulations also indicate that an institution is an IMD if its overall character is that of a facility established and maintained primarily for the care and treatment of individuals with mental diseases. For more information see the [IMD Policy](#).

Licensed Addiction Counselor (LAC) – LACs, for purposes of this policy, include licensed clinical addiction counselors, licensed master addiction counselors and practitioners possessing a similar license in a border state and operating within their scope of practice in that state. Licensed addiction programs operating in a border state must provide documentation to the ND Medicaid Program of their state's approval for the operation of the addiction program.

Program – A person, partnership, association, corporation, or limited liability company that establishes, conducts, or maintains a substance use disorder treatment program for the care of individuals addicted to alcohol or other drugs.

Rendering provider – A licensed practitioner, such as a licensed addiction counselor, who renders the service. Rendering providers are reported on claims for ASAM level 1 services, as these claims are billed on a CMS 1500 or electronically via an 837P claim transaction.

Tribal health program – An Indian tribe or tribal organization that operates any health program, service, function, activity, or facility funded, in whole or part, by the Indian Health Service (IHS) through, or provided for in, a contract or compact with IHS under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

References

- [North Dakota Administrative Code](#)
- [North Dakota Century Code](#)
- [Code of Federal Regulations](#)

Related Policies

- [Indian Health Service/Tribal Health Program](#)
- [Federally Qualified Health Centers](#)
- [Institution for Mental Disease](#)

Contact

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Policy Updates

April 2025

- Format changes and clarifications added throughout the document.

August 2025

- Out-of-State Services
 - Added section

April 2026

- ADA updates made throughout the policy.