

## 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 substance use disorder (SUD) treatment services** can also provide **housing** for Medicaid members receiving outpatient SUD treatment services and still be reimbursed by Medicaid.

Medicaid cannot reimburse for the outpatient SUD treatment 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 facility of more than 16 residents** (total)<sup>†</sup> 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 (but can be separately accredited as recovery housing).

### No Treatment Services Provided at the Housing Unit

- Residents may not receive any treatment services in the housing unit, including 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.

### «Appropriate Placement of Individuals in Housing

- Housing residents must not meet the criteria for a higher level of care than outpatient services. Individuals who need residential or inpatient care may not stay in the housing unit.»

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\* [§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. This includes both inpatient residential and housing settings, even if in separate buildings.

«Outpatient Services for Individuals in Housing»

- Providers who offer both housing and treatment services must separate treatment programming between individuals receiving inpatient or residential services and housing residents receiving outpatient services.»

Voluntary Stay

- Individuals cannot be required to stay in the provider-operated housing in order to receive outpatient treatment.
- 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. Housing providers must allow residents to have freedom of movement in the broader community. Providers are encouraged to implement evidence-based best practices around such rules.

Geographic Separation

- «There must be physical separation between the locations or areas where SUD treatment is provided (both residential and outpatient) and the housing unit. Physical separation at a minimum includes:
  - No shared entrances. Each area must have its own entrance.
  - If treatment services and housing are under the same roof, there must be separation by walls between the treatment services area and the housing area. SUD treatment residents must not have the ability to enter the housing area through the building. Likewise, housing residents must not have the ability to enter the treatment area through the building.»
- 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 treatment services areas (both residential and outpatient), 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](mailto:dhsmedicalservices@nd.gov).