



Thursday Connections with SUD at DHS

March 19th, 2026

Brought to you by Substance Use Disorder (SUD) Unit in the Behavioral Health Administration (BHA).

Agenda

3:00 | **Logistics**

3:05 | **Minnesota Revalidate**

3:20 | **CMS Corrective Action Plan**

3: 25 | **Prepayment Review**

3:30 | **SUD Treatment Changes – How to Prepare for July 1, 2026**

- Service changes
- New Codes, Billing Procedures, Policies

3:50 | **Utilization Management Requirement – Responding to Acentra**

3:55 | **Reminders**

Meeting Logistics



All attendees, except presenters, will remain muted.



To save bandwidth, please keep cameras off.



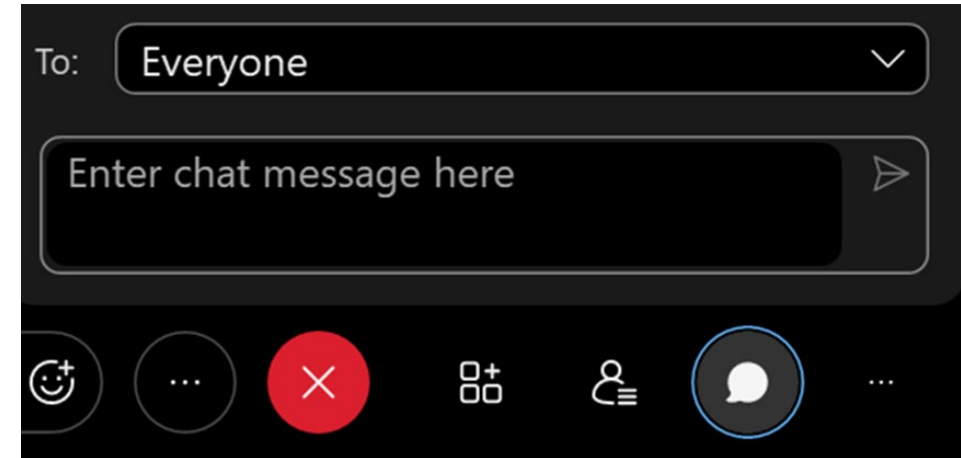
We will work to address all questions during the time allotted.



A summary of questions, comments and responses will be posted on the Thursday Connections with SUD webpage.

Using Chat

1. Submit questions in the chat
2. Questions submitted via chat will be addressed during Q&A portion of meeting
3. Post chat questions to everyone to allow for all attendees to see conversation
4. Refrain from using chat during presentations
5. This meeting is being recorded for notetaking purposes

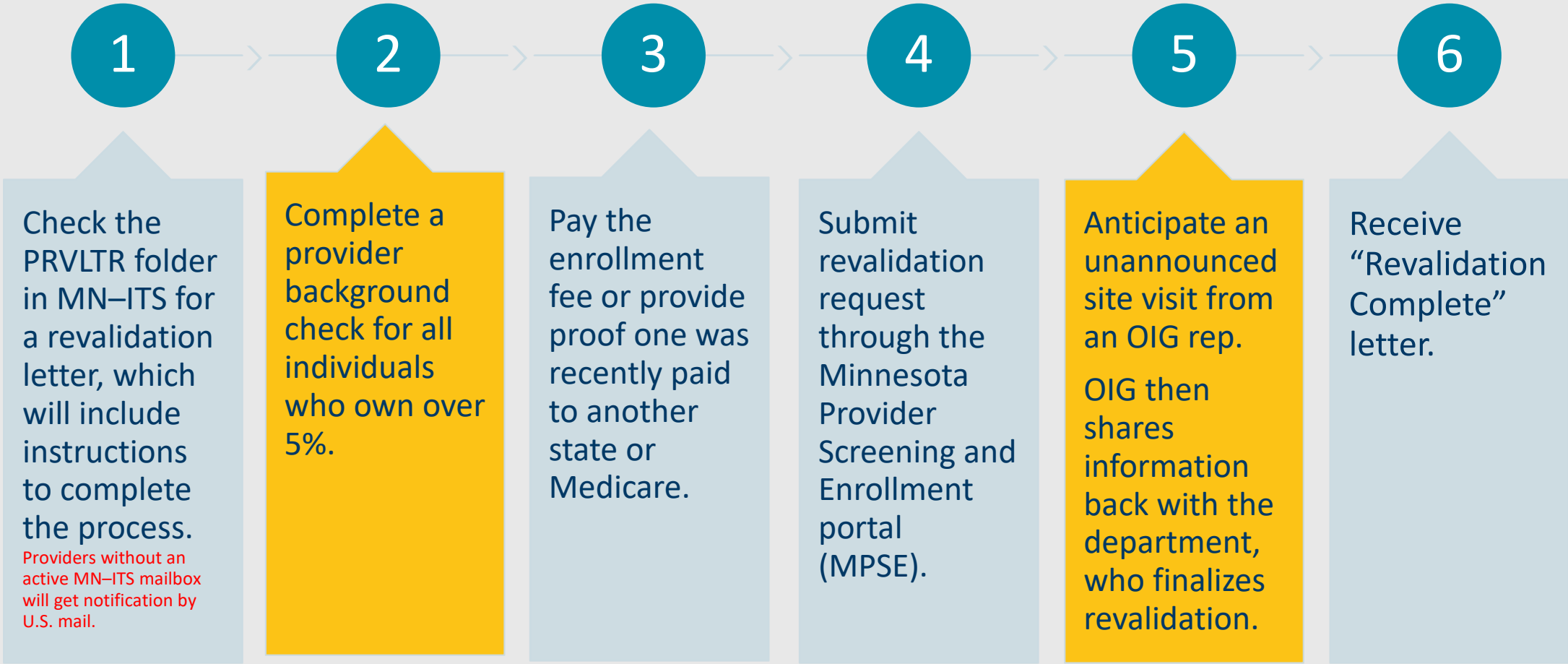


Use chat feature to enter questions

Minnesota Revalidate 2026

Stephanie Borscheid, Assistant Deputy Director

Steps to Take Now/Before May 2026



Office of Inspector General
oversees

Healthcare
Administration
oversees

Anticipate an Unannounced Site Visit

Purpose of the Visit

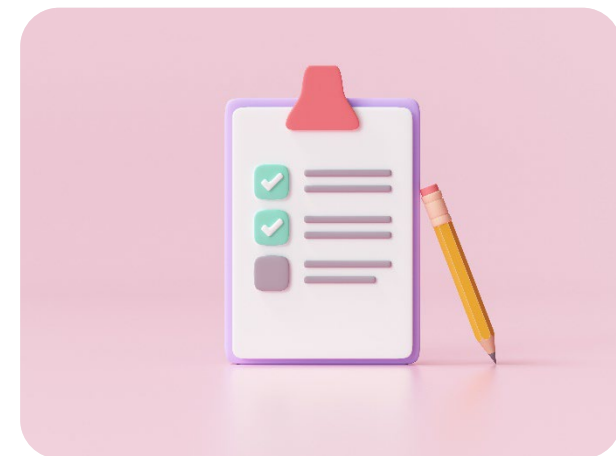
- Federally required part of MHCP enrollment and oversight for moderate- and high-risk providers
- Verifies providers are operating as enrolled and meeting program requirements
- Supports program integrity and appropriate use of public funds
- Does not mean wrongdoing is suspected

Why Visits May Be Unannounced

- Federal requirement
- Confirms day-to-day operations
- Ensures enrollment information is accurate and current
- Supports fair and consistent oversight

Who Conducts the Visit

- Authorized DHS or Office of Inspector General (OIG) representatives
- Carry official identification and can verify authority
- Not law enforcement and not there to disrupt services



Provider Responsibilities and What Happens Next

What to Expect During the Visit

- Typically, less than one hour
- Authorized owner, manager, or designee must be available
- Verification of:
 - Business location and hours
 - Services offered
 - Operational status
 - Required enrollment documentation (specific to provider type)
- General observation of business environment

Provider Expectations

- Providers must:
 - Allow reasonable access
 - Cooperate professionally
 - Provide requested enrollment/operational information
 - Ensure staff understand how to respond
 - Note: Failure to cooperate may affect enrollment status

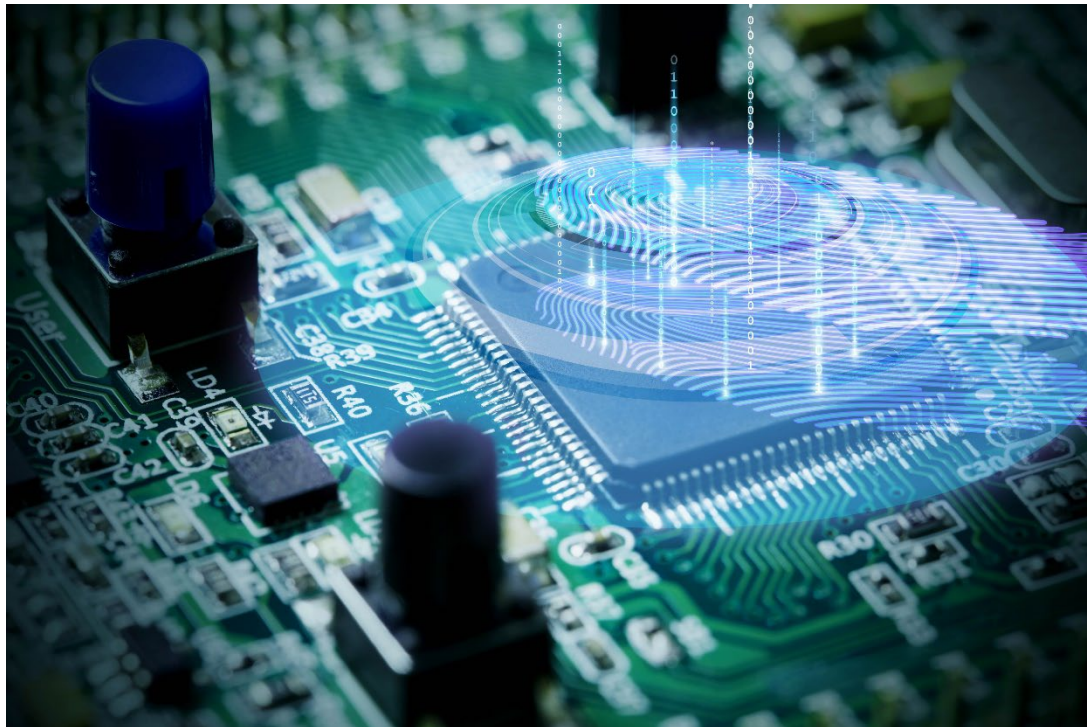
What Screeners Do NOT Do

- Do not make enforcement decisions onsite
- Do not conduct investigations or clinical reviews
- Do not interview clients
- Do not request unrelated personal information
- Do not provide immediate compliance determinations

After the Visit

- Observations reviewed by DHS
- Follow-up through OIG Screening or Provider Eligibility & Compliance
- Possible outcomes:
 - No further action
 - Request for clarification
 - Corrective action or follow-up review

Fingerprint-based criminal background studies



Fingerprint-based criminal background studies are required for all direct and indirect owners with an ownership interest of 5% or more.

If your provider type requires a fingerprint-based criminal background check for managers, employees or board of directors, this must be completed prior to submitting your revalidation.

There is a required background study fee of \$44 to submit each background study.

There is also a fingerprint fee, which will vary depending on where the fingerprinting is obtained. These fees are separate from the application fee.

Exceptions to NetStudy

The following provider types or services will not have access to NetStudy 2.0:

- Adult Rehabilitative Mental Health Services (AHRMS)
- Assertive Community Treatment (ACT)
- Peer Recovery – Recovery Community Organizations
- Recuperative Care

The department will provide more information soon regarding how to complete required background studies for these provider types.

Thank You!



CMS Corrective Action Plan
Leah Montgomery, Manager, Federal Relations



Pre-Payment Review

Teresa Steinmetz, Behavioral Health Administration Assistant Commissioner

Prepayment Review

- Training & On Demand Videos

MN-ITS Mailbox

- We will drop a “request letter” in your MN-ITS mailbox (miscellaneous received, file type **PREPAYDOCREQUEST**) if we need more information from you about a specific claim. Follow the instructions in the request letter if you receive one.
- Be sure the date range is accurate

The screenshot displays the MN-ITS Home page. At the top left is the logo for the Department of Human Services, and at the top right is the text 'MN-ITS: Home'. The page is divided into several sections:

- Log in Here:** A section with a login form. It includes a note: 'You must be [MHCP-enrolled](#), [MN-ITS registered](#), and agree to these [terms and conditions](#).' Below this are fields for 'Username:' and 'Password:', a 'Login' button, and a note: 'MN-ITS requires [strong passwords](#)'.
- Important Notices:** A section with a heading and a paragraph: 'Refer to the [Provider news and updates](#) for current messages about MN-ITS maintenance and availability.' It contains two bullet points: 'Secure FTP client users only: All FTP directories and sub-directories will retain data from the last 15 days only. These directories will be purged daily of data older than 15 days. Providers files from any FTP directory, including submitted files. If you think you may need data older than 15 days, you will need to save it to your own server. This affects only providers who submit batch files through secure FTP clients. This does not affect files received through the MN-ITS mailbox.' and 'Providers who have not successfully completed 5010 syntax testing for MN-ITS Claim Status (276/277) must first do so in order to use the Claim Status transaction due to the CORE change. See [5010 X12 Batch Transaction Guidelines](#)'.
- MN-ITS Troubleshooting:** A section with a heading and two bullet points: 'Use [MN-ITS Troubleshooting Guide](#) to resolve known MN-ITS related issues' and 'Windows 7 and 8 users with Internet Explorer 10: Follow the steps in [Compatibility View Settings](#) instructions of the guide, if:
 - The Mailbox optimizer dialogue box continually runs upon login
 - You are unable to view or access your MN-ITS Menu options on the left menu after you log in
- MN-ITS Administration:** A section with a heading and four bullet points: '[Registration](#)', '[User Administration](#)' (with sub-points: 'Delete and Disable in MN-ITS User Administration are now fully functional' and 'Within the MN-ITS User Administration function, select the MN-ITS Home logo at the top of the page to return to the MN-ITS menu options'), '[MN-ITS User Manual](#)', and '[Minnesota Provider Screening and Enrollment \(MPSE\) Manual](#)'. It also includes a note: 'Sign up to get [email notices](#) of [Provider news and updates](#) and changes to your [MHCP Provider Manual](#) sections.'
- What can I do here?:** A section with a heading and seven bullet points: 'Access other [applications](#)', '[Verify eligibility](#)', 'Submit [authorization requests](#)', 'Submit [claims](#)', '[Copy, replace or void](#) a claim you submitted previously', '[Check claim status](#) (paid or denied)', and 'Get your remittance advice (RA), authorization or service authorization (SA) letters, and other items in your [Mailbox](#)'.



SUD Treatment Changes Coming July 1, 2026

July 1, 2026: Big Picture



New types and descriptions for SUD treatment services in statute 245G.07



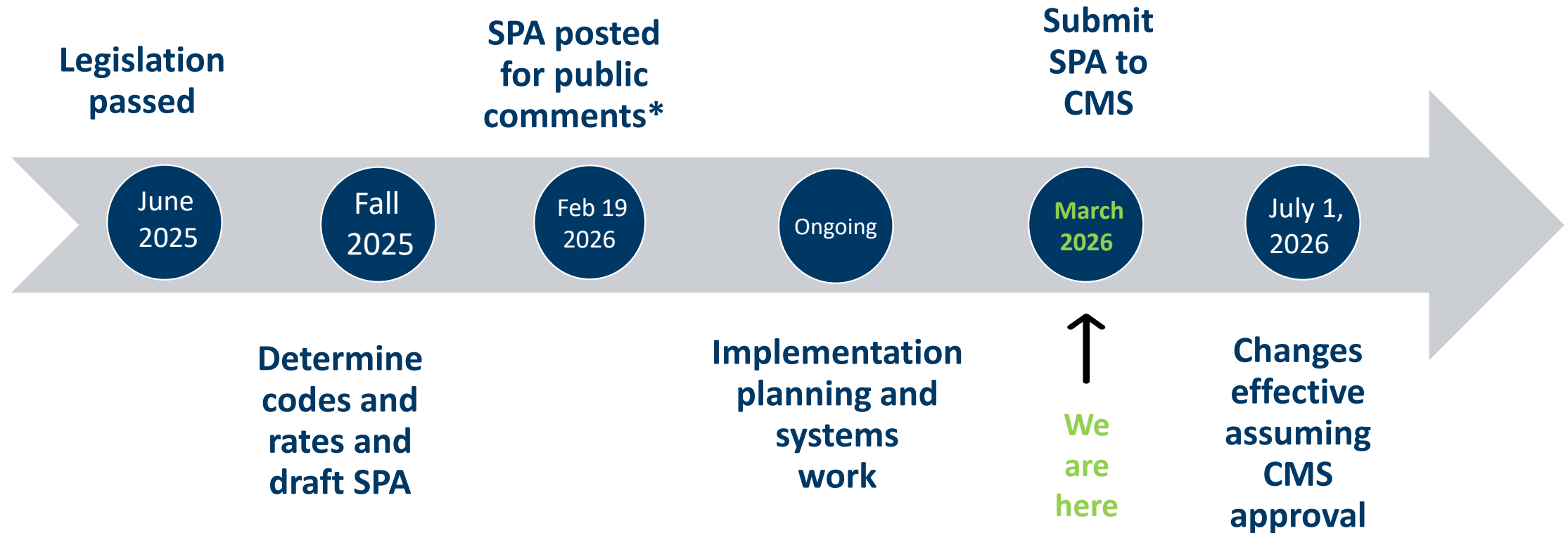
New outpatient procedure codes needed for the new services



All changes require federal approval first

Details of the legislation can be found on the [DHS SUD Reform website](#)

SUD Services and Billing



*Sign up to receive emails when DHS is seeking public comment on proposed state plan amendments:

<https://mn.gov/dhs/partners-and-providers/news-initiatives-reports-workgroups/minnesota-health-care-programs/spa.jsp>

245G Treatment Services with minor changes ([HF 3/Chapter 9, Article 4](#))

Current SUD Treatment Services	7/1/26 SUD Treatment Services	Difference
Counseling (individual/group)	Counseling (individual/group)	Some change in description
Client education (individual/group)	Psychoeducation (individual/group)	Some change in description
Treatment coordination (individual)	Treatment coordination (individual)	Some change in description
Peer recovery support (individual)	Peer recovery support (individual)	Technical change in description

The list of professionals qualified to provide psychosocial treatment services (counseling and education) that is required in 245G.07, subd. 3, (b) is under review as part of the SPA process.

245G Treatment Services with minor changes ([HF 3/Chapter 9, Article 4](#))

Current SUD Treatment Services	7/1/26 SUD Treatment Services	Difference
Service to help integrate gains (individual/group)	Not listed in 245G.07	Determined not to be a distinct treatment service type
Service to address co-occurring disorders (individual/group)	Not listed in 245G.07 (note: no changes to co-occurring requirements in 245G.20 or 254B.0507)	Incorporated into counseling description
Room, board, and supervision at the treatment site	Not listed in 245G.07 (note: no change to R&B billing, it is just not listed under Treatment Services in 245G)	No longer included in 245G.07 because it is a component of residential treatment but not actually a treatment service

245G treatment services with substantial changes (HF 3/Chapter 9, Article 4)

Current SUD Treatment Services	7/1/26 SUD Treatment Services	Difference
<p>Additional services (individual/group)</p> <ul style="list-style-type: none"> • Relationship counseling • Therapeutic recreation • Stress management and physical well-being • Living skill development • Employment or educational services • Socialization skill development 	<p>Recovery support services (individual/group)</p> <p>Support, resources, or assistance with:</p> <ul style="list-style-type: none"> • Health and health care navigation • Self-care and pro-social behavior • Parenting, financial management, education, employment • Restore functioning and routines for community integration and stability • Respond to or avoid triggers • Identify potential crises and develop plan to address them 	<p>Some overlap in intent of skills to be developed, but recovery support = treatment services not provided by a licensed professional, which align with recovery support services in ASAM standards</p>

245G treatment services with substantial changes ([HF 3/Chapter 9, Article 4](#))

Current SUD Treatment Services	7/1/26 SUD Treatment Services	Difference
Additional services: Provided by an ADC/qualified professional	Recovery support services: Provided by a behavioral health practitioner	<p>Behavioral health practitioner qualifications are equivalent to mental health practitioner in 245I.04, subdivision 4. (Terminology now changed to BH practitioner as well)</p> <p>Behavioral health practitioners must receive supervision from an ADC or MHP who has substance use treatment and assessments within their scope of their practice</p>

SUD Services

Each ASAM level of care requires a certain amount of treatment services to be provided

ASAM levels and hours (254B.19, subd. 1)

- Level 1.0: up to 8 hours per week for adults and 5 hours per week for adolescents.
- Level 2.1: 9 to 19 hours per week for adults and 6 or more hours per week for adolescents.
- Level 2.5: 20 hours or more per week
- Level 3.1: at least 5 hours per week
- Level 3.5: daily services

Current

- Amounts are for “skilled treatment services” which are any service in 245G.07 except treatment coordination, peer recovery support services, and room and board.
- The other services may be provided in addition to the required hours of skilled treatment services.

Effective 7/1/26 or upon federal approval

- Amounts will be for “psychosocial services” which is counseling and psychoeducation only.
- Recovery support, peer recovery, and treatment coordination may be provided in addition to the required amount of psychosocial services.

SUD Outpatient Billing

HF 3 (Chapter 9), Art. 4, Sec. 53: The commissioner of human services **must establish six new billing codes for nonresidential** substance use disorder individual and group counseling, individual and group psychoeducation, and individual and group recovery support services. The commissioner **must identify reimbursement rates** for the newly defined codes and update the substance use disorder fee schedule. The **new billing codes must correspond to a 15-minute unit** and become effective for services provided on or after July 1, 2026, or upon federal approval, whichever is later.

Current Billing Options		Billing Options Effective 7/1/26 (pending approval)
Individual treatment H2035 1 hour unit (ending 7/1/26)	➔	Individual counseling 15-minute unit Individual psychoeducation 15-minute unit Individual recovery support 15-minute unit
Group treatment H2035 HQ 1 hour unit (ending 7/1/26)	➔	Group counseling 15-minute unit Group psychoeducation 15-minute unit Group recovery support 15-minute unit

No change to codes or rates for treatment coordination, peer recovery support, or comprehensive assessments

SUD Outpatient Billing

New Services Effective 7/1/26	Outpatient Procedure Code	Rate per 15-minute unit
Individual counseling	H0004 with modifier U8	\$21.63
Group counseling	H0005 with modifier U8	\$10.51
Individual psychoeducation	H2027 with modifier U8	\$18.58
Group psychoeducation	H2027 with modifiers U8 HQ	\$9.03
Individual recovery support	H2017 with modifier U8	\$13.51
Group recovery support	H2017 with modifiers U8 HQ	\$7.92

Things to note:

- The rate for each type of service was determined based on qualifications required to provide the service, complexity of the service, and maximum group size for that type of service
- These codes will be submitted by SUD programs as Claim Format 837I / Type of Bill 89X or 13X and by other eligible providers as Claim Format 837P
- We are finalizing revenue codes to identify ASAM level of care on each outpatient program claim
- Reminder: add **all** time for each code/service per client per day to get the billable unit for the day

How should programs prepare?



Review treatment services policies and procedures (all programs):

- Is the difference between services clear, especially counseling and education?
- Will your psychosocial hours per week (counseling + education) match ASAM LOC requirements?

If adding recovery support:

- Develop a behavioral health practitioner job description
- Add to the treatment services description

Develop billing protocols (outpatient):

- New codes, 15-minute units, specific to service type (counseling, education, recovery support)
- Watch for updates with additional information on revenue codes and claim formats

More Information Coming Soon!

DHS plans to develop guidance and resources for providers to support this transition. Please send your questions about implementing treatment service changes to SUD.Direct.Access.DHS@state.mn.us so they can be incorporated. Please also share any ideas on where or how this information should be shared.

Thank You!



Utilization Management

Utilization Management

- All MHCP enrolled providers of Substance Use Disorder Treatment Programs, including Recovery Care Organizations (RCOs) and Counties are required to participate in Utilization Management as defined in Minnesota Statutes, sections 256B.04, subdivision 15, and 254A.03, subdivision 3, paragraph b.
- Ensure your organization is responsive to UM requests and communications on an ongoing basis. Please provide documentation timely when requested by Acentra. Please make certain you have completed the following steps. Failure to do so could result in administrative actions.

1. Ensure that your organization has current contact information on file with Acentra Health.

- Email MINNESOTAASAM@ACENTRA.COM with any questions.

2. Responding to UM Medical Record Requests from Acentra.

- Initial Documentation Requests are delivered via email to the contacts your organization has on file with Acentra.
- Your facility will submit the requested documentation through Acentra's Portal at <https://mhcp.acentra.com/>
- Instructions for submitting documentation can be found here: [2025-Provider-Portal-Instructions-All-providers-1.pdf](#)



Reminders



Join us!

Upcoming

April 15, 2026
12-1:30 p.m.

[RSVP Link](#)

For more information, visit the [SUD CoP webpage.](#)

Women's Recovery Services seeks qualified responders to provide SUD services to pregnant and parenting women

- The Minnesota DHS has released an [RFP](#) with **\$4.3 million available annually** to fund 10–12 agencies providing substance use disorder (SUD) services for pregnant and parenting women.
- **Key Deadlines:** Proposals are due by **April 8, 2026, at 4:00 p.m.** A virtual [Responders' Conference](#) for Q&A is scheduled for **March 24**.
- **Eligibility:** Open to **counties, tribes, mental health providers and hospitals** statewide, with a focus on improving equity and recovery-oriented care.

New state webpage separates fraud facts from fiction

- DHS has created a [new fact-check webpage](#) designed to debunk fiction and misinformation regarding Medicaid fraud.
 - This includes addressing exaggerated fraud figures and clarifying the federal government's role in withholding certain funding.
- [Ememo Link](#)

Behavioral Health Administration offers no-cost peer review services to all 245G and tribally licensed programs

- **Free, non-punitive peer reviews** for any 245G and tribally licensed SUD programs.
- Unlike mandatory licensing inspections, these reviews are conducted by outside clinical experts and focus strictly on **clinical effectiveness, quality improvement and best practices** rather than regulatory compliance.
- The review process is designed to be low-burden for providers, requiring roughly three hours and minimal preparation.
 - **Operational Flow:** Reviewers examine nine client files and a policy manual, then provide immediate verbal and written feedback.
 - **Provider Control:** Programs have **total discretion** over the feedback; there is no obligation to implement recommendations and participation helps the state maintain federal block grant funding.
- [Ememo Link](#)

Next Thursday Connections with SUD at DHS

April 16, 2026

3 – 4 p.m.

- Held third Thursday of each month. No registration required, [join Webex](#) via the webpage.



Questions & Answers



Thank You!

For updates about future meetings and responses to questions not answered during this meeting, please visit the [Thursday Connections with SUD at DHS webpage](#).