

June 8, 2009

Ann Berg, Acting State Medicaid Director  
Minnesota Department of Human Services  
P.O. Box 64998  
St. Paul, MN 55164-0998

Dear Ms. Berg:

Enclosed for your records is an approved copy of the following State Plan Amendment:

Transmittal #08-006                      Chemical Dependency Treatment Services  
-- Effective Date: July 1, 2008

If you have any additional questions, please have a member of your staff contact Pamela Schmidt at (651) 290-8576 or by e-mail at [Pamela.Schmidt@cms.hhs.gov](mailto:Pamela.Schmidt@cms.hhs.gov).

Sincerely,

/s/

Verlon Johnson  
Associate Regional Administrator  
Division of Medicaid and Children's Health Operations

cc: Lisa Knazan, MDHS

Enclosure

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:  
08-06

2. STATE  
Minnesota

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE  
July 1, 2008

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:  
42 CFR §440.130(d)

7. FEDERAL BUDGET IMPACT:  
a. FFY '08: 0  
b. FFY '09: 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A, pages, 11-11a, 54p, 54q, 54q.1, 54q.2  
Attachment 3.1-B, pages, 10-10a, 53p, 53q, 53q.1, 53q.2  
Attachment 4.19-B, page 45e

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):  
Attachment 3.1-A, pages 11-11a, 54p, 54q  
Attachment 3.1-B, pages 10-10a, 53p, 53q  
Attachment 4.19-B, page 45e

10. SUBJECT OF AMENDMENT:  
Chemical dependency treatment services

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:  
Ann Berg

14. TITLE:  
Acting Medicaid Director

15. DATE SUBMITTED:  
September 30, 2008

16. RETURN TO:

Lisa Knazan  
Minnesota Department of Human Services  
Federal Relations Unit  
P.O. Box 64983  
St. Paul, MN 55164-0983

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

September 30, 2008

18. DATE APPROVED:

June 8, 2009

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

July 1, 2008

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Verlon Johnson

22. TITLE:

Associated Regional Administrator

23. REMARKS:

STATE: MINNESOTA  
Effective: July 1, 2008  
TN: 08-06  
Approved: JUN 08 2009  
Supersedes: 01-23 (01-21)

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ATTACHMENT 3.1-A  
Page 11

**LIMITATIONS TO THE AMOUNT, DURATION, AND SCOPE OF COVERED SERVICES**  
(Referenced by the number of the service described in preceding pages)

1. Inpatient hospital services:

- Certification of admission is a condition of payment. Inpatient stays not deemed medically necessary by the state agency or the designated medical review agent are not covered.
- Inpatient chemical dependency treatment ~~will require at least 30 hours per week of therapy/counseling including group, collateral, and individual therapy/counseling~~ is provided according to state licensing and chemical dependency service requirements for individual client treatment that define treatment progress and continued clinical need.
- Hospitals must comply with federal regulations concerning informed consent and statements of acknowledgment for voluntary sterilization procedures, hysterectomies, and therapeutic abortions.
- Detoxification is covered only when inpatient hospitalization is medically necessary because of conditions resulting from withdrawal or conditions occurring in addition to withdrawal, e.g., conditions resulting from injury or accident or medical complications during detoxification such as delirium that necessitate the constant availability of physicians and registered nurses and/or complex medical equipment found only in an inpatient setting.
- Leave days, leaves of absence, and reserve beds are not covered.
- A private room must be certified by a licensed physician to be medically necessary, unless the hospital's private room rate does not exceed its semi-private room rate.

STATE: MINNESOTA

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ATTACHMENT 3.1-A

Page 11a

1. Inpatient hospital services. (continued)

- Abortion related services are covered when the abortion is medically necessary to prevent the death of a pregnant woman, when such pregnant woman suffers from a physical disorder, injury or illness, and in cases where the pregnancy is the result of rape and incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.
- Laboratory, x-ray, and any additional services provided as a result of a recipient's scheduled visit that immediately precedes hospital admission as an inpatient are not covered as separate services.
- Providers who administer pediatric vaccines as noted in item 5.a., Physicians' services within the scope of their licensure must enroll in the Minnesota Vaccines for Children Program.

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**13.d. Rehabilitative services. (continued)**

3. Services provided by volunteers.
4. Direct billing of days spent "on call" when not providing services.
5. Job-specific skills services, such as on-the-job training.
6. Performance of household tasks, chores, or related activities for the recipient.
7. Provider service time eligible for payment as case management services.
8. Outreach activities, as defined for mental health community support services on page 54f.
9. Inpatient hospital services. This includes services provided by an institution for mental disease.

~~Rehabilitative services provided for **chemical abuse** are limited to:~~

- ~~(1) **Primary rehabilitation program:** A licensed chemical dependency rehabilitation program that provides intensive, primary therapeutic services to clients who do not require detoxification. Primary rehabilitation programs provide at least 30 hours a week per client of chemical dependency services including group and individual counseling, and other services specific to chemical dependency rehabilitation.~~
- ~~(2) **Outpatient rehabilitation program:** A program of at least 10 hours of therapy/counseling, including group, collateral, and individual therapy/counseling and may be provided to a recipient while the recipient resides in a supervised living facility, board and lodging facility, or the recipient's own home.~~
- ~~(3) **Extended rehabilitation program:** A licensed chemical dependency rehabilitation program that offers extended, long term in-house chemical dependency services. An extended rehabilitation program provides an average of 15 hours a week per client of chemical dependency services including group and individual counseling, client education, and other services specific to chemical dependency rehabilitation.~~
- ~~(4) **Transitional rehabilitation program:** A licensed chemical dependency rehabilitation program that is offered in a transitional semi-independent living arrangement with an emphasis on aftercare and securing employment. A transitional rehabilitation program provides at least five hours a week per client of rehabilitation services that may include group counseling, employment counseling, and individual counseling.~~

STATE: MINNESOTA  
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ATTACHMENT 3.1-A  
Page 54q

Approved: JUN 08 2009  
Supersedes: 05-01(4-08, 03-26)

13.d. Rehabilitative services. (continued)

Chemical Dependency Rehabilitative Services are provided according to an individual recipient's treatment plan by:

- 1) A chemical dependency entity licensed by the Minnesota Department of Human Services; or
- 2) A chemical dependency entity operated under American Indian tribal authority that, if located outside the federally recognized tribal lands, would be required to be licensed by the state.

Chemical dependency rehabilitative services include individual and group counseling provided in either individual or group settings to identify problems and implement strategies to address, minimize or reduce the inappropriate use and effects of chemicals through:

- 1) Redevelopment and restoration of basic living skills necessary to independently function in the community;
- 2) Redevelopment and restoration of social skills necessary to independently function in the community;
- 3) Consultation with relatives, guardians, close friends, and other treatment providers. The consultation must be provided to, or directed exclusively toward, the treatment of the recipient. Presence of the recipient in the counseling sessions is not necessarily required. When the recipient is present, reimbursement for relationship counseling and individual or group counseling for the same session is not allowed;
- 4) Medication assisted therapy using medication as a therapeutic support in conjunction with other treatment services. This includes but is not limited to methadone, naltrexone, and buprenorphine.

Provider Qualification and Training

The following personnel can provide all Chemical Dependency Rehabilitative Services described above:

- 1) A licensed alcohol and drug counselor must have an associate's degree or equivalent number of credit hours, and a certificate in alcohol and drug counseling. Education must include 18

13.d. Rehabilitative services. (continued)

semester credits or 270 hours of academic course work specified in state law, 880 hours of supervised alcohol and drug counseling practicum, and satisfactory completion of 2,000 hours of supervised post-degree equivalent professional practice; or

2) A licensed alcohol and drug counselor must have a bachelor's degree to include 18 semester credits or 270 hours of academic course work as specified in state law, and 880 hours of supervised alcohol and drug counseling practicum.

3) A clinical supervisor of licensed alcohol and drug counselors described in numbers 1, 2 and 4, must meet the criteria for licensed alcohol and drug counselor described above in items 1 or 2, plus have three years of work experience as a licensed drug and alcohol counselor.

4) Social workers, licensed marriage and family therapists, and licensed professional counselors who have a master's degree, which included 120 hours of a specified course of study in addiction studies with 440 hours of post-degree supervised experience in the provision of alcohol and drug counseling.

5) Personnel providing chemical dependency rehabilitation services at programs located on tribal reservations must be credentialed according to the standards set by the individual tribal governing body.

Services provided in institutions for mental diseases are not eligible for medical assistance payment as chemical dependency rehabilitative services.

Room and board is not eligible for medical assistance payment as chemical abuse treatment.

~~Collateral counseling involves counseling provided directly or indirectly to the recipient through the involvement of the recipient's or significant others in the counseling process. Presence of the recipient in the counseling sessions is not necessarily required. However, when the recipient is present, reimbursement for collateral counseling and individual or group counseling for the same session is not allowed.~~

~~Rehabilitative services must be restorative or specialized maintenance therapy services and include medical treatment and physical or psychological therapy. These services are limited to services provided under the recommendation of a physician and must be a part of the recipient's plan of care.~~

STATE: MINNESOTA

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ATTACHMENT 3.1-A

Page 54q.2

13.d. Rehabilitative services. (continued)

~~Provider eligibility is limited to programs licensed by the Department of Human Services or the American Indian programs, that if located outside of the federally recognized tribal lands would be required to be licensed.~~

**Rehabilitative restorative and specialized maintenance physical therapy, occupational therapy, and speech, language and hearing therapy services.**

Coverage is limited to services within the limitations provided under Items 11.a. to 11.c., Physical therapy services, Occupational therapy services, and Speech, language and hearing therapy services (provided by or under the supervision of a speech pathologist or audiologist), except:

STATE: MINNESOTA

ATTACHMENT 3.1-B

Effective: July 1, 2008

Page 10

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Supersedes: 01-23 (01-21)

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**LIMITATIONS TO THE AMOUNT, DURATION, AND SCOPE OF COVERED SERVICES** (Referenced by the number of the service described in preceding pages)

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- Detoxification is covered only when inpatient hospitalization is medically necessary because of conditions resulting from withdrawal or conditions occurring in addition to withdrawal, e.g., conditions resulting from injury or accident or medical complications during detoxification such as delirium that necessitate the constant availability of physicians and registered nurses and/or complex medical equipment found only in an inpatient setting.
- Leave days, leaves of absence, and reserve beds are not covered.
- A private room must be certified by a licensed physician to be medically necessary, unless the hospital's private room rate does not exceed its semi-private room rate.

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ATTACHMENT 3.1-B

Page 10a

1. Inpatient hospital services. (continued)

- Abortion related services are covered when the abortion is medically necessary to prevent the death of a pregnant woman, when such pregnant woman suffers from a physical disorder, injury or illness, and in cases where the pregnancy is the result of rape and incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.
- Laboratory, x-ray, and any additional services provided as a result of a recipient's scheduled visit that immediately precedes hospital admission as an inpatient are not covered as separate services.
- Providers who administer pediatric vaccines as noted in item 5.a., Physicians' services within the scope of their licensure must enroll in the Minnesota Vaccines for Children Program.

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**13.d. Rehabilitative services. (continued)**

3. Services provided by volunteers.
4. Direct billing of days spent "on call" when not providing services.
5. Job-specific skills services, such as on-the-job training.
6. Performance of household tasks, chores, or related activities for the recipient.
7. Provider service time eligible for payment as case management services.
8. Outreach activities, as defined for mental health community support services on page 54f.
9. Inpatient hospital services. This includes services provided by an institution for mental disease.

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- ~~(2) **Outpatient rehabilitation program:** A program of at least 10 hours of therapy/counseling, including group, collateral, and individual therapy/counseling and may be provided to a recipient while the recipient resides in a supervised living facility, board and lodging facility, or the recipient's own home.~~
- ~~(3) **Extended rehabilitation program:** A licensed chemical dependency rehabilitation program that offers extended, long term in-house chemical dependency services. An extended rehabilitation program provides an average of 15 hours a week per client of chemical dependency services including group and individual counseling, client education, and other services specific to chemical dependency rehabilitation.~~
- ~~(4) **Transitional rehabilitation program:** A licensed chemical dependency rehabilitation program that is offered in a transitional semi-independent living arrangement with an emphasis on aftercare and securing employment. A transitional rehabilitation program provides at least five hours a week per client of rehabilitation services that may include group counseling, employment counseling, and individual counseling.~~

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ATTACHMENT 3.1-B

Page 53q

13.d. Rehabilitative services. (continued)

Chemical Dependency Rehabilitative Services are provided according to an individual recipient's treatment plan by:

- 1) A chemical dependency entity licensed by the Minnesota Department of Human Services; or
- 2) A chemical dependency entity operated under American Indian tribal authority that, if located outside the federally recognized tribal lands, would be required to be licensed by the state.

Chemical dependency rehabilitative services include individual and group counseling provided in either individual or group settings to identify problems and implement strategies to reduce the inappropriate use and effects of the use of chemicals through:

- 1) Redevelopment and restoration of basic living skills necessary to independently function in the community
- 2) Redevelopment and restoration of social skills necessary to independently function in the community
- 3) Consultation with relatives, guardians, close friends, and other treatment providers. The consultation must be provided to, or directed exclusively toward, the treatment of the recipient. Presence of the recipient in the counseling sessions is not necessarily required. When the recipient is present, reimbursement for relationship counseling and individual or group counseling for the same session is not allowed.
- 4) Medication assisted therapy: Use of medication as a therapeutic support in conjunction with other treatment services. This includes but is not limited to methadone, naltrexone, and buprenorphine.

**Provider Qualification and Training**

The following personnel can provide all Chemical Dependency Rehabilitative Services described above:

- 1) A licensed alcohol and drug counselor must have an associate's degree or equivalent number of credit hours, and a certificate in alcohol and drug counseling. Education must include 18

13.d. Rehabilitative services. (continued)

semester credits or 270 hours of academic course work specified in state law, 880 hours of supervised alcohol and drug counseling practicum, and satisfactory completion of 2,000 hours of supervised post-degree equivalent professional practice; or

2) A licensed alcohol and drug counselor must have a bachelor's degree to include 18 semester credits or 270 hours of academic course work as specified in state law, and 880 hours of supervised alcohol and drug counseling practicum.

3) A clinical supervisor of licensed alcohol and drug counselors described in numbers 1, 2 and 4, must meet the criteria for licensed alcohol and drug counselor described above in items 1 or 2, plus have three years of work experience as a licensed drug and alcohol counselor.

4) Social workers, licensed marriage and family therapists, and licensed professional counselors who have a master's degree, which included 120 hours of a specified course of study in addiction studies with 440 hours of post-degree supervised experience in the provision of alcohol and drug counseling.

5) Personnel providing chemical dependency rehabilitation services at programs located on tribal reservations must be credentialed according to the standards set by the tribal governing body.

Services provided in institutions for mental diseases are not eligible for medical assistance payment as chemical dependency rehabilitative services.

Room and board is not eligible for medical assistance payment as chemical abuse treatment.

~~Collateral counseling involves counseling provided directly or indirectly to the recipient through the involvement of the recipient's or significant others in the counseling process. Presence of the recipient in the counseling sessions is not necessarily required. However, when the recipient is present, reimbursement for collateral counseling and individual or group counseling for the same session is not allowed.~~

~~Rehabilitative services must be restorative or specialized maintenance therapy services and include medical treatment and physical or psychological therapy. These services are limited to services provided under the recommendation of a physician and must be a part of the recipient's plan of care.~~

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ATTACHMENT 3.1-B

Page 53q.2

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13.d. Rehabilitative services. (continued)

~~Provider eligibility is limited to programs licensed by the Department of Human Services or the American Indian programs, that if located outside of the federally recognized tribal lands would be required to be licensed.~~

**Rehabilitative restorative and specialized maintenance physical therapy, occupational therapy, and speech, language and hearing therapy services.**

Coverage is limited to services within the limitations provided under Items 11.a. to 11.c., Physical therapy services, Occupational therapy services, and Speech, language and hearing therapy services (provided by or under the supervision of a speech pathologist or audiologist), except:

13.d. Rehabilitative services. (continued)

- **Assertive community treatment (ACT) services and residential rehabilitative services** provided by IHS/638 facilities are paid according to the encounter rate specified on page 1 of this Attachment.

ACT services include case management services. Therefore, ACT services providers do not receive payment for the following case management services in the same month ACT services are provided, except for the first and last months of ACT services:

1. mental health targeted case management services under item 19.a.
2. relocation service coordination services under item 19.c.
3. case management services for persons not on a §1915(c) waiver who are vulnerable adults or adults with MR/RC under item 19.d.

- Effective January 1, 2002, provider travel time is covered if a recipient's individual treatment plan requires the provision of mental health services outside of the provider's normal place of business. This does not include travel time included in other billable services.
- Payment for ~~outpatient~~ chemical abuse program services is pursuant to county-negotiated rates. This rate methodology will end June 30, 2011.
- Payment for **EPSDT rehabilitative services identified in IFSPs/IEPs** under the Individuals with Disabilities Education Act (IDEA) and provided by school districts to children with IFSPs/IEPs during the school day is pursuant to a cost-based, per child encounter rate. Each school district has separate per encounter rates for the EPSDT rehabilitative services listed in Attachments 3.1-A/B, item 13.d and for personal care assistant services in Attachments 3.1-A/B, item 4.b. Payment is made when there is an encounter by a Medical Assistance child for the service category. No more than one payment in each service category can be made per child, per day, by a school district.