

SUD TREATMENT SERVICES AND OUTPATIENT BILLING CHANGES DELAYED

The Minnesota Department of Human Services (DHS) has not yet received federal approval for changes from the 2025 legislative session that affect Substance Use Disorder (SUD) providers, including:

- New types and descriptions for SUD treatment services for all SUD providers
- New billing codes and procedures for outpatient SUD providers

These changes have an effective date of July 1, 2026, or upon federal approval, whichever is later. Until further direction is provided by DHS, providers should continue to provide and bill for treatment services as they have been. The following billing and service provisions still apply until DHS communicate updated information:

- Outpatient and residential providers may provide the skilled treatment services described in [Minnesota Statutes, section 245G.07, subdivisions 1, paragraph \(a\), clauses \(1\) to \(4\), and 2, clauses \(1\) to \(6\)](#) as part of the services required for the ASAM level of care provided.
- Outpatient providers will continue to bill for skilled treatment services described in [Minnesota Statutes, section 245G.07, subdivisions 1, paragraph \(a\), clauses \(1\) to \(4\), and 2, clauses \(1\) to \(6\)](#) and provided by qualified professionals using procedure codes H2035 and H2035 HQ. These codes have a 1-hour unit and services should continue to be provided in 1-hour increments. Outpatient providers will not switch to 15-minute units for counseling and education until the new procedure codes become effective and replace H2035 and H2035 HQ.
- Outpatient providers **cannot** begin providing recovery support services until federal approval is received. Recovery support **cannot** be billed using procedure codes H2035 or H2035 HQ.

DHS will provide additional communication about effective dates for changes to the SUD treatment services and outpatient billing procedure codes and units when it becomes available. Providers may still refer to the ["Information on 2026 Changes-Substance Use Disorder Changes"](#)





Bulletin/Update

[Coming Soon \(PDF\)](#) listed under the News and Current Reminders heading on the [Substance Use Disorder Reform](#) webpage for information about and to prepare for the upcoming planned SUD changes.

Please continue to review the [MHCP provider news and updates](#) webpage and e-memos as the Department of Human Services, Behavioral Health Administration will offer a SUD provider-focused meeting to support programs in this implementation in the next few weeks.

Email sud.direct.access.dhs@state.mn.us for any questions about this message. Contact the Minnesota Health Care Programs Provider Resource Center at 651-431-2700 or 800-366-5411 for any questions about billing procedures.

South Country Provider Contact Center

1-888-633-4055

Hours: 8 a.m. - 4:30 p.m.

The Provider Contact Center staff are available as your first point of contact to assist with the following.

Member benefit coverage

Authorization verification

Website questions

Claims billing and processing guidelines

Remittance adjustment code details and payment information

Provider web portal issues

Claim rejection guidance

General information

South Country wants to ensure providers are reimbursed for services provided to our members and following all billing guidelines. Our staff are committed to support and guide you in understanding all South Country processes and procedures. In addition, callers that utilize our Provider Contact Center are provided a reference number that identifies your call in our system. Please keep the reference number in your records to refer to if you have any additional questions or need to check the status of an open issue. The reference number will help the representative locate your issue quickly.