

Provider Bulletin

News and Information



July 20, 2026

UCare to implement Minnesota Department of Human Services (DHS) outpatient substance use disorder (SUD) treatment changes

In alignment with DHS, effective for dates of service on or after Aug. 1, 2026, UCare will move to new outpatient billing codes, units and rates. Providers submitting claims for SUD outpatient treatment services should be reviewing and preparing for these changes. The changes will apply to UCare members in Prepaid Medical Assistance Program, MinnesotaCare, Minnesota Senior Care Plus, UCare Connect, UCare Individual & Family Plans and UCare Individual & Family Plans with M Health Fairview.

In 2025, Minnesota lawmakers passed legislation that required establishing new outpatient billing codes and rates to correspond to the revised treatment services, and mandated that the codes be based on 15-minute units. The procedure codes and rates below will be effective for services provided on or after Aug. 1, 2026. Providers that bill for time-based SUD outpatient services will be required to use the new procedure codes and **will not** be able to use procedure code H2035. The rate for each new 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. The [MHCP Provider Manual](#), including billing and the SUD Service Rate Grid, will be updated closer to the effective date.

DHS is still determining if outpatient SUD providers that are part of a Certified Community Behavioral Health Clinic (CCBHC) and bill a daily rate will use the new procedure codes.

SUD Treatment Services	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
Treatment coordination (no change)	T1016 with modifiers HN U8	\$37.13
Peer recovery support (no change)	H0038 with modifier U8	\$15.02

More information

- [MN DHS Substance Use Disorder Changes Coming Soon](#) – includes background information and resources for providers
- [Substance Use Disorder Reform](#)

- Providers interested in applying to participate in the Medica Behavioral Health Network may do so in the [Optum Behavioral Health Provider Express Portal](#).