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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. ______

To amend title XVIII of the Social Security Act to establish coverage for certain residential substance use disorder services under the Medicare program.

IN THE HOUSE OF REPRESENTATIVES

Ms. UNDERWOOD introduced the following bill; which was referred to the Committee on ______________________________

A BILL

To amend title XVIII of the Social Security Act to establish coverage for certain residential substance use disorder services under the Medicare program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the ''Residential Recovery
5 for Seniors Act''.

1 **SEC. 2. ESTABLISHING COVERAGE FOR CERTAIN RESIDEN-**
2 **TIAL SUBSTANCE USE DISORDER SERVICES**
3 **UNDER THE MEDICARE PROGRAM.**

4 (a) COVERAGE UNDER PART A.—Section 1812(a) of
5 the Social Security Act (42 U.S.C. 1395d(a)) is amend-
6 ed—
7 (1) in the header, by striking "AND" and insert-
8 ing ", AND RESIDENTIAL SUBSTANCE USE DIS-
9 ORDER SERVICES" after "HOSPICE CARE";
10 (2) in paragraph (4), by striking "and" at the
11 end;
12 (3) in paragraph (5), by striking the period at
13 the end and inserting ";"; and
14 (4) by adding at the end the following new
15 paragraphs:
16 "(6) clinically managed low-intensity residential
17 substance use disorder services (as defined in section
18 1861(nnn)(1)) furnished to an individual who is a
19 resident of a clinically managed residential substance
20 use disorder facility (as defined in section
21 1861(nnn)(3)) if the individual's initial need for
22 such level of services is performed, and continued
23 need for such level of services is reviewed and re-
24 affirmed periodically (on a frequency specified by the
25 Secretary that is not less often than every 30 days),
26 in accordance with the most current edition ap-

1 proved by the Secretary of evidence-based, substance
2 use disorder-specific criteria developed by a non-
3 profit medical association generally recognized for its
4 expertise in addiction treatment;
5 "(7) clinically managed high-intensity residen-
6 tial substance use disorder services (as defined in
7 section 1861(ooo)(1)) furnished to an individual who
8 is a resident of a clinically managed residential sub-
9 stance use disorder facility (as defined in section
10 1861(nnn)(3)) if the individual's initial need for
11 such level of services is performed, and continued
12 need for such level of services is reviewed and re-
13 affirmed periodically (on a frequency specified by the
14 Secretary that is not less often than every 30 days),
15 in accordance with the most current edition ap-
16 proved by the Secretary of evidence-based, substance
17 use disorder-specific criteria developed by a non-
18 profit medical association generally recognized for its
19 expertise in addiction treatment; and
20 "(8) medically managed residential substance
21 use disorder services (as defined in section
22 1861(ppp)(1)) furnished to an individual who is a
23 resident of a medically managed residential sub-
24 stance use disorder facility (as defined in section
25 1861(ppp)(3)) if the individual's initial need for

1 such level of services is performed, and continued
2 need for such level of services is reviewed and re-
3 affirmed periodically (on a frequency specified by the
4 Secretary that is not less often than every 10 days),
5 in accordance with the most current edition ap-
6 proved by the Secretary of evidence-based, substance
7 use disorder-specific criteria developed by a non-
8 profit medical association generally recognized for its
9 expertise in addiction treatment.''.

10 (b) RESIDENTIAL SUBSTANCE USE DISORDER SERV-
11 ICES, PROGRAMS, AND FACILITIES DEFINED.—Section
12 1861 of the Social Security Act (42 U.S.C. 1395x) is
13 amended by adding at the end the following new sub-
14 sections:

15 ''(nnn) CLINICALLY MANAGED LOW-INTENSITY RES-
16 IDENTIAL SUBSTANCE USE DISORDER SERVICES, PRO-
17 GRAM, AND FACILITY.—

18 ''(1) CLINICALLY MANAGED LOW-INTENSITY
19 RESIDENTIAL SUBSTANCE USE DISORDER SERV-
20 ICES.—The term 'clinically managed low-intensity
21 residential substance use disorder services' means
22 the following items and services furnished to an indi-
23 vidual in a clinically managed low-intensity residen-
24 tial substance use disorder program (as defined in
25 paragraph (2)) and (except as provided in subpara-

1 graph (C)) by such program for the treatment of
2 substance use disorders and co-occurring conditions,
3 including—
4 ‘‘(A) bed and board;
5 ‘‘(B) such clinical services and other re-
6 lated services (including substance use disorder
7 and co-occurring condition assessments and
8 treatment planning), such use of clinically man-
9 aged residential substance use disorder facili-
10 ties, and such medical social services (including
11 recovery support services), as are ordinarily fur-
12 nished by the clinically managed low-intensity
13 residential substance use disorder program for
14 the care and treatment of individuals in such
15 program, and such drugs, supplies, appliances,
16 and equipment, for use in the clinically man-
17 aged low-intensity residential substance use dis-
18 order program, as are ordinarily furnished by
19 such program for the care and treatment of in-
20 dividuals in such program; and
21 ‘‘(C) such other diagnostic or therapeutic
22 items or services, furnished by the clinically
23 managed low-intensity residential substance use
24 disorder program or by others under arrange-
25 ments with them made by the clinically man-

aged low-intensity residential substance use disorder program, as are ordinarily furnished to individuals either by such clinically managed low-intensity residential substance use disorder program or by others under such arrangements, excluding—

“(i) medical or surgical services provided by a physician, services described by subsection (s)(2)(K), and qualified psychologist services; and

“(ii) the services of a private-duty nurse or other private-duty attendant.

“(2) CLINICALLY MANAGED LOW-INTENSITY RESIDENTIAL SUBSTANCE USE DISORDER PROGRAM.—The term ‘clinically managed low-intensity residential substance use disorder program’ means a residential program which—

“(A) is primarily engaged in providing 24-hour structure and support and integrated clinical services for the diagnosis, treatment, and care of individuals with substance use disorders who need structure and support to build and practice their recovery and coping skills;

“(B) directly provides a substance use disorder-specific multidimensional level of care as-

1 sessment at admission to determine the rec-
2 ommended level of care, using protocols devel-
3 oped by a physician or advanced practice pro-
4 vider with experience in specialty addiction
5 treatment to confirm the appropriateness of
6 treatment in such program for individuals who
7 are intoxicated, experiencing withdrawal, or pre-
8 senting with biomedical comorbidities;
9 ‘‘(C) directly provides, or has a direct af-
10 filiation with, a provider or providers who can
11 provide physical examinations, prescribe all ad-
12 diction and psychiatric medications, and provide
13 medication management and laboratory testing
14 as needed (except that access to methadone is
15 not required if no providers of methadone for
16 opioid use disorder are available, as determined
17 by the Secretary);
18 ‘‘(D) directly provides weekly clinical serv-
19 ices, in hourly increments to be determined by
20 the Secretary, in an amount, frequency, and in-
21 tensity appropriate to an individual’s needs as
22 determined by a substance use disorder-specific
23 multidimensional assessment, with structured
24 services available seven days per week;

1 “(E) maintains clinical records on all pa-
2 tients and maintains such records as the Sec-
3 retary finds to be necessary to determine the
4 degree and intensity of the treatment provided
5 to individuals entitled to clinically managed low-
6 intensity residential substance use disorder pro-
7 gram insurance benefits under part A, provided
8 that the Secretary shall not require a program
9 to maintain such records in a manner that is
10 more extensive, detailed, or stringent than what
11 is required of an institution that is considered
12 a ‘hospital’ under subsection (e);
13 “(F) coordinates patient referrals and
14 transitions to other levels of care when needed,
15 including transition planning in partnership
16 with other providers participating in the Medi-
17 care program; and
18 “(G) meets such additional staffing re-
19 quirements and other conditions as the Sec-
20 retary shall specify to ensure the effective and
21 efficient furnishing of such program’s services
22 and the compliance of such program with clini-
23 cally managed low-intensity residential sub-
24 stance use disorder program standards de-
25 scribed in the most current edition approved by

1 the Secretary of evidence-based, substance use
2 disorder-specific criteria developed by a non-
3 profit medical association generally recognized
4 for its expertise in addiction treatment.
5 Obtaining and maintaining certification from a certi-
6 fying body that has the necessary competencies to
7 assess compliance with such program standards and
8 is approved by the Secretary shall be deemed to
9 demonstrate compliance with the standards de-
10 scribed in subparagraph (G).
11 ''(3) CLINICALLY MANAGED RESIDENTIAL SUB-
12 STANCE USE DISORDER FACILITY.—The term 'clini-
13 cally managed residential substance use disorder
14 treatment facility' means a facility which—
15 ''(A) is enrolled under section 1866(j);
16 ''(B) is accredited by an accrediting body
17 approved by the Secretary;
18 ''(C) is legally authorized to provide a
19 clinically managed low- or high-intensity resi-
20 dential substance use disorder program under
21 the law of the State (or under a State regu-
22 latory mechanism provided by State law) in
23 which the facility is located; and
24 ''(D) meets such additional conditions as
25 the Secretary finds necessary in the interest of

1 the health and safety of individuals who are
2 residents of such facilities and are furnished
3 clinically managed low-intensity residential sub-
4 stance use disorder services (or clinically man-
5 aged high-intensity residential substance use
6 disorder services, as the case may be).
7 "(ooo) CLINICALLY MANAGED HIGH-INTENSITY
8 RESIDENTIAL SUBSTANCE USE DISORDER SERVICES AND
9 PROGRAM.—
10 "(1) CLINICALLY MANAGED HIGH-INTENSITY
11 RESIDENTIAL SUBSTANCE USE DISORDER SERV-
12 ICES.—The term 'clinically managed high-intensity
13 residential substance use disorder services' means
14 the following items and services furnished to an indi-
15 vidual in a clinically managed high-intensity residen-
16 tial substance use disorder program (as defined in
17 paragraph (2)) and (except as provided in subpara-
18 graph (C)) by such program for the treatment of
19 substance use disorders and co-occurring conditions,
20 including—
21 "(A) bed and board;
22 "(B) such clinical services and other re-
23 lated services (including substance use disorder
24 and co-occurring condition assessments and
25 treatment planning), such use of clinically man-

1 aged residential substance use disorder facili-
2 ties, and such medical social services (including
3 recovery support services), as are ordinarily fur-
4 nished by the clinically managed high-intensity
5 residential substance use disorder program for
6 the care and treatment of individuals in such
7 program, and such drugs, supplies, appliances,
8 and equipment, for use in the clinically man-
9 aged high-intensity residential substance use
10 disorder program, as are ordinarily furnished
11 by such program for the care and treatment of
12 individuals in such program;

13 "(C) such other diagnostic or therapeutic
14 items or services, furnished by the clinically
15 managed high-intensity residential substance
16 use disorder program or by others under ar-
17 rangements with them made by the clinically
18 managed high-intensity residential substance
19 use disorder program, as are ordinarily fur-
20 nished to individuals either by such clinically
21 managed high-intensity residential substance
22 use disorder program or by others under such
23 arrangements, excluding—

24 "(i) medical or surgical services pro-
25 vided by a physician, services described by

1 subsection (s)(2)(K), and qualified psychol-
2 ogist services; and
3 ''(ii) the services of a private-duty
4 nurse or other private-duty attendant.
5 ''(2) CLINICALLY MANAGED HIGH-INTENSITY
6 RESIDENTIAL SUBSTANCE USE DISORDER PRO-
7 GRAM.—The term 'clinically managed high-intensity
8 residential substance use disorder program' means a
9 residential program which—
10 ''(A) is primarily engaged in providing 24-
11 hour supervision for the diagnosis, treatment,
12 and care of individuals with substance use dis-
13 orders who need a safe and stable living envi-
14 ronment to develop sufficient recovery skills so
15 that they do not immediately relapse or con-
16 tinue to use in an imminently dangerous man-
17 ner upon transition to a less intensive level of
18 care;
19 ''(B) directly provides a substance use dis-
20 order-specific multidimensional level of care as-
21 sessment at admission to determine the rec-
22 ommended level of care, using protocols devel-
23 oped by a physician or advanced practice pro-
24 vider experienced in specialty addiction treat-
25 ment to confirm the appropriateness of treat-

1 ment in such facility for individuals who are in-
2 toxicated, experiencing withdrawal, or pre-
3 senting with biomedical comorbidities;
4 "(C) directly provides, or has a direct af-
5 filiation with, a provider or providers who can
6 provide physical examinations, prescribe all ad-
7 diction and psychiatric medications, and provide
8 medication management and laboratory testing
9 as needed (except that access to methadone is
10 not required if no providers of methadone for
11 opioid use disorder are available, as determined
12 by the Secretary);
13 "(D) directly provides 20 hours or more of
14 clinical services per week in an amount, fre-
15 quency, and intensity appropriate to individual
16 patient needs as determined by a substance use
17 disorder-specific multidimensional assessment,
18 with structured services available seven days
19 per week;
20 "(E) directly provides clinically managed
21 residential withdrawal management, including
22 24-hour supervision, observation, and support
23 for individuals who are intoxicated or experi-
24 encing withdrawal, who do not need medically

1 monitored or managed care (as determined
2 through a medical evaluation);
3 ‘‘(F) maintains clinical records on all pa-
4 tients and maintains such records as the Sec-
5 retary finds to be necessary to determine the
6 degree and intensity of the treatment provided
7 to individuals entitled to clinically managed
8 high-intensity residential substance use disorder
9 program insurance benefits under part A, pro-
10 vided that the Secretary shall not require a pro-
11 gram to maintain such records in a manner
12 that is more extensive, detailed, or stringent
13 than what is required of an institution that is
14 considered a ‘hospital’ under subsection (e);
15 ‘‘(G) management of patient referrals and
16 transitions to other levels of care when needed;
17 and
18 ‘‘(H) meets such additional staffing re-
19 quirements and other conditions as the Sec-
20 retary shall specify to ensure the effective and
21 efficient furnishing of such program’s services
22 and the compliance of such program with clini-
23 cally managed high-intensity residential sub-
24 stance use disorder program standards de-
25 scribed in the most current edition approved by

1 the Secretary of evidence-based, substance use
2 disorder-specific criteria developed by a non-
3 profit medical association generally recognized
4 for its expertise in addiction treatment.
5 Obtaining and maintaining certification from a certi-
6 fying body that has the necessary competencies to
7 assess compliance with such program standards and
8 is approved by the Secretary shall be deemed to
9 demonstrate compliance with the standards de-
10 scribed in subparagraph (H).
11 "(ppp) MEDICALLY MANAGED RESIDENTIAL SUB-
12 STANCE USE DISORDER SERVICES, PROGRAM, AND FA-
13 CILITY.—
14 "(1) MEDICALLY MANAGED RESIDENTIAL SUB-
15 STANCE USE DISORDER SERVICES.—The term 'medi-
16 cally managed residential substance use disorder
17 services' means the following items and services fur-
18 nished to an individual in a medically managed resi-
19 dential substance use disorder program (as defined
20 in paragraph (2)) and (except as provided in sub-
21 paragraph (C)) by such program for the treatment
22 of substance use disorders and co-occurring condi-
23 tions, including—
24 "(A) bed and board;
25 "(B) 24-hour nursing services;

1 "(C) such clinical services and other re-
2 lated services (including substance use disorder
3 and co-occurring condition assessments and
4 treatment planning), such use of medically
5 managed residential substance use disorder fa-
6 cilities, and such medical social services (includ-
7 ing recovery support services), as are ordinarily
8 furnished by the medically managed residential
9 substance use disorder program for the care
10 and treatment of residents of such program,
11 and such drugs, supplies, appliances, and equip-
12 ment, for use in the medically managed residen-
13 tial substance use disorder program, as are or-
14 dinarily furnished by such program for the care
15 and treatment of residents of such program;
16 "(D) such other diagnostic or therapeutic
17 items or services, furnished by the medically
18 managed residential substance use disorder pro-
19 gram or by others under arrangements with
20 them made by the medically managed residen-
21 tial substance use disorder program, as are or-
22 dinarily furnished to residents either by the
23 medically managed residential substance use
24 disorder program or by others under such ar-
25 rangements, excluding—

1 "(i) medical or surgical services pro-
2 vided by a physician, services described by
3 subsection (s)(2)(K), and qualified psychol-
4 ogist services; and
5 "(ii) the services of a private-duty
6 nurse or other private-duty attendant.
7 "(2) MEDICALLY MANAGED RESIDENTIAL SUB-
8 STANCE USE DISORDER PROGRAM.—The term 'medi-
9 cally managed residential substance use disorder
10 program' means a residential program which—
11 "(A) is primarily engaged in providing
12 management of substance withdrawal and bio-
13 medical comorbidities, including diagnosis,
14 treatment, and care, for individuals with sub-
15 stance use disorders who need 24-hour observa-
16 tion, monitoring, and treatment, but do not re-
17 quire the full resources of a hospital;
18 "(B) directly provides a comprehensive
19 nursing assessment at the time of admission,
20 with a substance use disorder-focused history
21 obtained as part of the initial assessment which
22 is reviewed by a physician or advanced practice
23 provider within 24 hours of admission;
24 "(C) directly provides a comprehensive
25 physical examination by a physician or ad-

1 vanced practice provider within 24 hours of ad-
2 mission;
3 "(D) directly provides sufficient biopsycho-
4 social screening and assessments of the pa-
5 tient's substance use disorders and co-occurring
6 disorders to determine the appropriate rec-
7 ommended level of care and treatment planning;
8 "(E) directly provides daily medical inter-
9 ventions, including nursing and medical moni-
10 toring for stabilization of acute withdrawal, bio-
11 medical and psychiatric conditions, and psycho-
12 social services to encourage engagement in on-
13 going treatment, all in an amount, frequency,
14 and intensity appropriate to individual patient
15 needs as determined by a substance use dis-
16 order-specific multidimensional assessment;
17 "(F) directly provides essential medications
18 on site with policies and procedures that define
19 essential medicines based on current standards
20 of clinical practice and that ensure these medi-
21 cations are stocked and access to all Food and
22 Drug Administration-approved medications for
23 the treatment of substance use disorders (ex-
24 cept that access to methadone is not required if
25 no providers of methadone for opioid use dis-

1 order are available, as determined by the Sec-
2 retary);
3 "(G) directly provides residential intoxica-
4 tion and withdrawal management services and
5 residential management of biomedical condi-
6 tions;
7 "(H) maintains clinical records on all pa-
8 tients and maintains such records as the Sec-
9 retary finds to be necessary to determine the
10 degree and intensity of the treatment provided
11 to individuals entitled to clinically managed
12 high-intensity residential substance use disorder
13 program insurance benefits under part A, pro-
14 vided that the Secretary shall not require a pro-
15 gram to maintain such records in a manner
16 that is more extensive, detailed, or stringent
17 than what is required of an institution that is
18 considered a 'hospital' under subsection (e);
19 "(I) management of patient transitions to
20 other levels of care when needed; and
21 "(J) meets such additional staffing re-
22 quirements and other conditions as the Sec-
23 retary shall specify to ensure the effective and
24 efficient furnishing of such program's services
25 and the compliance of such program with clini-

cally managed high-intensity residential substance use disorder program standards described in the most current edition approved by the Secretary of evidence-based, substance use disorder-specific criteria developed by a non-profit medical association generally recognized for its expertise in addiction treatment.

Obtaining and maintaining certification from a certifying body that has the necessary competencies to assess compliance with such program standards and is approved by the Secretary shall be deemed to demonstrate compliance with the standards described in subparagraph (J).

''(3) MEDICALLY MANAGED RESIDENTIAL SUBSTANCE USE DISORDER FACILITY.—The term 'medically managed residential substance use disorder treatment facility' means a facility which—

''(A) is enrolled under section 1866(j);

''(B) is accredited by an accrediting body approved by the Secretary;

''(C) is legally authorized to provide a medically managed residential substance use disorder program under the law of the State (or under a State regulatory mechanism provided

1 by State law) in which the facility is located;
2 and
3 ''(D) meets such additional conditions as
4 the Secretary finds necessary in the interest of
5 the health and safety of individuals who are
6 residents of such facilities and are furnished
7 medically managed residential substance use
8 disorder services.''.
9 (c) INCLUDING RESIDENTIAL SUBSTANCE USE DIS-
10 ORDER FACILITIES AS MEDICARE PROVIDERS.—Section
11 1866(e) of the Social Security Act (42 U.S.C. 1395cc(e))
12 is amended—
13 (1) in paragraph (2), by striking at the end
14 ''and'';
15 (2) in paragraph (3), by striking the period at
16 the end and inserting '';''; and
17 (3) by adding at the end the following new
18 paragraphs:
19 ''(4) clinically managed residential substance
20 use disorder facilities (as defined in paragraph (3)
21 of section 1861(nnn)), but only with respect to the
22 furnishing of clinically managed low-intensity resi-
23 dential substance use disorder services (as defined in
24 paragraph (1) of such section) and clinically man-
25 aged high-intensity residential substance use dis-

1 order services (as defined in paragraph (1) of section
2 1861(ooo)), as applicable; and
3 "(5) medically managed residential substance
4 use disorder facilities (as defined in paragraph (3)
5 of section 1861(ppp)), but only with respect to the
6 furnishing of clinically managed low-intensity resi-
7 dential substance use disorder services (as defined in
8 paragraph (1) of section 1861(nnn)), clinically man-
9 aged high-intensity residential substance use dis-
10 order services (as defined in paragraph (1) of section
11 1861(ooo)), and medically managed residential sub-
12 stance use disorder services (as defined in paragraph
13 (1) of section 1861(ppp)), as applicable.".
14 (d) PROSPECTIVE PAYMENT SYSTEM FOR RESIDEN-
15 TIAL SUBSTANCE USE DISORDER SERVICES.—Section
16 1886 of the Social Security Act (42 U.S.C. 1395ww) is
17 amended by adding at the end the following new sub-
18 section:
19 "(u) PROSPECTIVE PAYMENT FOR RESIDENTIAL
20 SUBSTANCE USE DISORDER FACILITIES.—
21 "(1) DEVELOPMENT OF SYSTEM.—The Sec-
22 retary shall develop a per diem prospective payment
23 system for low-intensity clinically managed, high-in-
24 tensity clinically managed, and medically managed
25 residential substance use disorder services, as those

1 terms are defined, respectively, in sections
2 1861(nnn)(1), (ooo)(1), and 1861(ppp)(1) (collec-
3 tively, 'residential substance use disorder services').
4 Such system shall include appropriate adjustments
5 to reflect the differing resource-intensity of low-in-
6 tensity clinically managed, high-intensity clinically
7 managed, and medically managed residential sub-
8 stance use disorder services, and may include an
9 adequate patient classification system that reflects
10 differences in patient resource use and cost. In de-
11 veloping such system, the Secretary may require
12 clinically managed and medically managed residen-
13 tial substance use disorder facilities, as those terms
14 are defined in sections 1861(nnn)(3) and (ppp)(3),
15 respectively (collectively, 'residential substance use
16 disorder facilities'), to submit such information to
17 the Secretary, including cost reports, as the Sec-
18 retary may require to develop such system.
19 "(2) IMPLEMENTATION.—
20 "(A) IN GENERAL.—The Secretary shall
21 provide, for cost reporting periods beginning on
22 or after October 1, 2026, for payments for resi-
23 dential substance use disorder services fur-
24 nished by residential substance use disorder fa-
25 cilities in accordance with the prospective pay-

1 ment system established by the Secretary under
2 this subsection.
3 "(B) PAYMENTS.—
4 "(i) INITIAL PAYMENTS.—The Sec-
5 retary shall implement such prospective
6 payment system in the initial fiscal year so
7 that the estimated aggregate amount of
8 prospective payment rates is equal to 100
9 percent of the estimated amount of reason-
10 able costs incurred by residential substance
11 use disorder facilities in furnishing such
12 services.
13 "(ii) PAYMENTS IN SUBSEQUENT
14 YEARS.—Payments rates in years after the
15 year of implementation of such system
16 shall be the payment rates in the previous
17 year, adjusted by an increase factor. Such
18 factor shall be based on an appropriate
19 percentage increase in a market basket of
20 goods and services comprising the services
21 for which payment is made under this sub-
22 section.".