United States Government Accountability Office

Report to Congressional Requesters

July 2024

SUBSTANCE MISUSE TREATMENT AND RECOVERY

Federal Guidance Needs to Address Work Arrangements for Those Living in Residential Facilities

GAO-24-106101

GAO Highlights

Highlights of GAO-24-106101, a report to congressional requesters

July 2024

SUBSTANCE MISUSE TREATMENT AND RECOVERY

Federal Guidance Needs to Address Work Arrangements for Those Living in Residential Facilities

Why GAO Did This Study

Millions of Americans struggle with substance misuse. Some pursue treatment and recovery at over 3,660 residential facilities, according to 2020 HHS data. Some of these facilities may require residents to work.

GAO was asked to review work practices at these facilities. This report examines (1) the prevalence of facility work and pay practices, (2) selected stakeholders' views on the role of work in substance misuse treatment and recovery, and (3) the extent to which federal guidance and enforcement address work and pay at facilities.

In March to June 2023 GAO surveyed a statistical sample of facilities and obtained generalizable responses from 96 licensed treatment facilities and 48 certified recovery residences. GAO visited facilities, some covertly, selected for geographic variation and other considerations; interviewed HHS and Department of Labor officials and selected stakeholders such as state substance misuse agency officials and researchers; and reviewed relevant federal laws, regulations, and agency documents.

What GAO Recommends

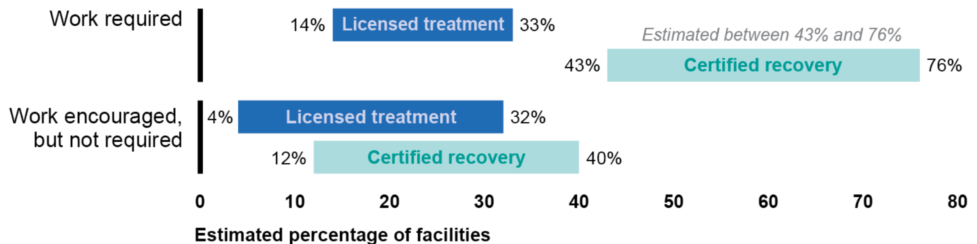
GAO recommends that HHS (1) develop a process to consult state substance misuse agencies about their guidance needs for incorporating work into treatment and recovery and (2) state in SUPTRS Block Grant documents if and when work requirements are acceptable as a condition of accessing services in residential treatment and recovery facilities. HHS agreed with GAO's recommendations.

View GAO-24-106101. For more information, contact Thomas Costa at (202) 512-4769 or costat@gao.gov.

What GAO Found

Based on GAO's survey of residential treatment and recovery facilities, an estimated 14 to 33 percent of state-licensed treatment facilities nationwide require residents to work. A higher percentage of certified recovery residences, which Department of Health and Human Services (HHS) officials said focus primarily on helping residents transition from treatment to day-to-day life, require work (see figure). Of the 35 licensed treatment facilities that reported either requiring or encouraging work, 11 reported that residents might start work immediately after arriving or after completing basic orientation. Among the 44 licensed treatment facilities that reported some of their residents work (e.g., for the facility or an external entity), 13 reported some residents work for no or reduced pay.

Estimated Range of the Percentage of Residential Treatment and Recovery Facilities Where Work is Required or Encouraged



Source: GAO survey of residential treatment and recovery facilities. | GAO-24-106101

Notes: Licensed treatment facilities are generally licensed by state agencies. Statistical estimates are generalizable to the nationwide population. Certified recovery residences are generally certified by National Alliance of Recovery Residences (NARR) state affiliates. Statistical estimates are generalizable to the population of certified recovery residences located in states with a NARR affiliate where the state substance misuse agency has contact information for these facilities. Bars shown in the figure represent the range between the lower and upper bound of the 95 percent confidence interval.

Selected stakeholders that GAO spoke with generally agreed that work can contribute to individuals' successful recovery, and that facilities should consider factors such as the timing of work and adequate pay when incorporating work into substance misuse treatment and recovery programs.

HHS has published some informational guidance on the role of work in treatment and recovery. However, four of the five state substance misuse agencies GAO spoke with said additional guidance would be helpful, such as guidance on when best to start work. By developing a process to request and use state agencies' feedback, HHS could better promote effective work arrangements and help state agencies and facilities support residents' recovery. Furthermore, HHS officials told GAO that treatment facilities should not require work as a condition of receiving services. However, HHS' application and related documents for its Substance Use Prevention, Treatment, and Recovery Services (SUPTRS) Block Grant do not clearly provide guidance on work requirements at residential treatment or recovery facilities. Without clarifying guidance, HHS risks block grant funding going to facilities that are not fully in line with its best practices.

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Abbreviations

DOL	Department of Labor
FLSA	Fair Labor Standards Act of 1938, as amended
HHS	Department of Health and Human Services
NARR	National Alliance for Recovery Residences
SAMHSA	Substance Abuse and Mental Health Services Administration
SSA	Single State Agency
SUPTRS Block Grant	Substance Use Prevention, Treatment, and Recovery Services Block Grant
WHD	Wage and Hour Division

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U.S. GOVERNMENT ACCOUNTABILITY OFFICE

441 G St. N.W.
Washington, DC 20548

July 8, 2024

The Honorable Tammy Baldwin
Chair
Subcommittee on Labor, Health and Human Services, Education, and Related Agencies
Committee on Appropriations
Unites States Senate

The Honorable John Hickenlooper
Chairman
Subcommittee on Employment and Workplace Safety
Committee on Health, Education, Labor, and Pensions
Unites States Senate

The Honorable Elizabeth Warren
Unites States Senate

Millions of Americans struggle with substance misuse, and rates of misuse continue to climb.[1] Substance misuse can lead to death, poor health, and incarceration. It also negatively affects society and the economy, costing billions of dollars related to programs for health care, criminal justice, education, and human services.[2] We added national efforts to prevent, respond to, and help people recover from drug misuse to our High-Risk List in March 2021.[3]

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[1]We use the phrase "substance misuse" broadly to include misuse, abuse, chemical dependence, or addiction to drugs, alcohol, or other illicit or regulated substances. This includes, but is not limited to, substance use disorder, which the Substance Abuse and Mental Health Services Administration defines as the recurrent use of alcohol or drugs when it causes clinically significant impairment, including health problems, disability, and failure to meet major responsibilities at work, school, or home.

[2]GAO, *Substance Use Disorder: Reliable Data Needed for Substance Abuse Prevention and Treatment Block Grant Program*, GAO-21-58 (Washington, D.C.: Dec. 14, 2020).

[3]GAO's High-Risk Series identifies government operations with vulnerabilities to fraud, waste, abuse, and mismanagement, or in need of transformation to address economy, efficiency, or effectiveness challenges. We identified several challenges in the federal government's response to drug misuse, including the need for more effective implementation and monitoring. See GAO, *High-Risk Series: Efforts Made to Achieve Progress Need to Be Maintained and Expanded to Fully Address All Areas,* GAO-23-106203 (Washington, D.C.: Apr. 20, 2023).

Based on an individual's needs, substance misuse treatment and recovery may occur in a variety of settings including outpatient, residential, and hospital inpatient. Residential substance misuse treatment and recovery facilities (which we refer to in this report as residential treatment and recovery facilities) provide short- or longer-term housing for individuals. Facilities may offer various services—such as therapy, counseling, withdrawal management, medications to treat substance use disorders, case management, and vocational services—to help individuals abstain from misusing substances.

A survey by the Department of Health and Human Services' (HHS) Substance Abuse and Mental Health Services Administration (SAMHSA) recorded at least 3,660 residential treatment and recovery facilities nationwide as of March 31, 2020.[4] SAMHSA supports residential treatment and recovery facilities and their residents by providing informational guidance and funding.[5]

Some residential treatment and recovery facilities assist residents with job placement during treatment or recovery, or have residents work for the

[4]Center for Behavioral Health Statistics and Quality, SAMHSA, *National Survey of Substance Abuse Treatment Facilities* (2020). The number of residential facilities includes residential short- and long-term facilities located in all 50 states and the District of Columbia. It excludes other types of facilities that were included in the SAMHSA survey, such as those that only provide withdrawal management services and hospital-based inpatient programs. It also excludes transitional housing without treatment services and prison-based treatment facilities. Each physical site where services are provided is counted separately. The number of residential facilities is based on 16,066 responding facilities out of 18,184 total eligible facilities.

[5]SAMHSA uses the terms "substance use disorder treatment facilities" and "recovery housing," according to officials. For the purposes of this report, we use the term "treatment and recovery facilities."

facility itself.[6] The Center for Investigative Reporting has found that facility representatives say work can benefit residents but has also raised questions about some facilities that may require residents to work without receiving pay or adequate treatment or recovery services.[7]

You asked us to study work requirements at residential treatment and recovery facilities. This report examines (1) the prevalence of work arrangements at residential treatment and recovery facilities, and the types of pay practices they use, (2) the views of selected stakeholders on the role of work in substance misuse treatment and recovery, and (3) the extent to which federal guidance and enforcement address work and pay at these facilities.

To examine the prevalence of work arrangements at residential treatment and recovery facilities, and the types of pay practices they use, we surveyed and visited three types of facilities: those (1) licensed by state agencies ("licensed treatment facilities"), (2) certified by a state affiliate of the National Alliance for Recovery Residences (NARR) ("certified recovery residences"), and (3) neither licensed nor certified by these entities ("unregistered facilities").[8] We surveyed facilities in 10 states; we randomly selected states from different Census geographic regions. We

[6]For the purposes of this report, we define "work" as performing an activity in a job or workplace setting, regardless of whether paid or unpaid, the location, or for what entity the resident is working, including formal employment, work assignments, or other activity that approximates employment. Such arrangements could be part of the treatment or support program and provide residents with therapeutic benefits or could be distinct from the treatment or support program and simply be part of residents' responsibilities. Work does not include unpaid community service (e.g., court-ordered), and does not include daily chores. Our definition of work may differ from a formalized employment relationship as determined by the Department of Labor (DOL) Wage and Hour Division (WHD). According to WHD, the determination of whether a formal employment relationship exists involves assessing several factors, including the permanence of the work relationship and whether the work performed is integral to the employer's business, among others. See Department of Labor Wage and Hour Division, *Fact Sheet 13: Employee or Independent Contractor Classification Under the Fair Labor Standards Act (FLSA)* (March 2024). See also 89 Fed. Reg. 1638.

[7]Shoshana Walter, "At Hundreds of Rehabs, Recovery Means Work Without Pay," *Reveal* (July 7, 2020).

[8]According to its website, NARR is a national nonprofit and recovery community organization that aims to support individuals in recovery by improving their access to quality recovery residences through standards, support services, placement, education, research, and advocacy. Thirty states have state NARR affiliates. See NARR, *About NARR*, https://narronline.org/about/. Accessed on June 5, 2024.

asked each selected state to provide a list of the three types of facilities in the state.

The number of facilities we surveyed varied based on the number of each type of facility on the list we received from each state; see appendix I for more detail about our survey methodology. Our surveys asked about facilities' work policies, types of work, payment for work, and services provided for residents, among other things. We administered the surveys from March 27 to June 30, 2023. Most of our survey questions related to calendar year 2022. Our surveys produced some generalizable results, which we report as estimated percentages, and some non-generalizable results, which we report as number counts (see app. I).

We also conducted in-person and virtual site visits (some covert) at 17 residential treatment and recovery facilities located in five of our ten survey states (Indiana, Louisiana, Maine, South Carolina, and West Virginia). We used the site visits to obtain facility representatives' views about work and recovery. We selected the five states to obtain geographic diversity, among other criteria.[9] Our findings from facility site visits are not generalizable to all residential treatment and recovery facilities. The visits provide context and illustrative examples of work and pay practices.

To describe 16 selected stakeholders' views about the role of work in substance misuse treatment and recovery, we interviewed representatives of 13 groups with expertise about how work affects substance misuse treatment and recovery. These included state agencies that administer federal funds for substance misuse services, state NARR affiliates, and drug courts from the five states where we conducted site visits.[10] We also interviewed three researchers who were recommended by state and NARR stakeholders and cited in recent SAMHSA publications.

[9]See appendix I for more information about our scope and methodology.

[10]Because there is no NARR affiliate in Louisiana, we could not interview a NARR affiliate in that state. We did not interview drug court officials in West Virginia because officials did not respond to our requests for interview. Drug courts work to divert individuals with substance use disorders from the criminal justice system by offering services for treatment and rehabilitation, and incentives to encourage participation, such as dismissal of charges or reduction in jail time for successful completion. For more information, see GAO, *Adult Drug Court Programs: Factors Related to Eligibility and Acceptance of Offers to Participate in DOJ Funded Adult Drug Courts*, GAO-23-105272 (Washington, D.C.: Feb. 13, 2023).

To assess the extent to which federal guidance and enforcement address work and pay at residential treatment and recovery facilities, we reviewed documents from and interviewed officials with SAMHSA regarding federal funding and issues related to work requirements at these facilities. We compared information on SAMHSA guidance with its mission statement and strategic plan, as well as federal internal control standards regarding organizational structure and quality information.[11] We also reviewed the Fair Labor Standards Act of 1938, as amended (FLSA), and related federal regulations. We reviewed documents from and interviewed officials with the Department of Labor's Wage and Hour Division (WHD), which enforces federal laws and regulations related to minimum wage and overtime pay. We discussed with officials WHD's enforcement of wage and hour laws and regulations for working residents, as well as issues related to worker vulnerability to experiencing violations. Finally, we interviewed the selected stakeholders, described above, regarding the federal role in providing guidance and enforcing wage and hour laws and regulations related to treatment and recovery facilities and their residents.

We conducted this performance audit from June 2022 to July 2024 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. We conducted our related investigative work in accordance with investigation standards prescribed by the Council of the Inspectors General on Integrity and Efficiency.

Background

Residential Treatment and Recovery Facilities

We use the term "residential treatment and recovery facilities" to describe a variety of facilities that provide services and housing to individuals dealing with substance misuse. See figure 1 for images of a few such facilities. We exclude from this group short-term inpatient acute-care

[11]GAO, *Standards for Internal Control in the Federal Government*, GAO-14-704G (Washington, D.C.: Sept. 2014).

facilities like hospitals or facilities that only offer withdrawal management services (detox-only facilities).[12]

Figure 1: Examples of Residential Treatment and Recovery Facilities

Source: GAO. | GAO-24-106101

[12]Withdrawal management is a more appropriate term for detoxification, according to SAMHSA officials. For the purposes of this report, we use the term "detox-only facilities" to describe facilities that solely provide withdrawal management services, which were outside the scope of our review.

Our report categorizes residential treatment and recovery facilities into three types:

1. "Licensed treatment facilities" are generally licensed by state agencies. These facilities may provide intensive treatment services (i.e., provided by clinically licensed providers and requiring a greater time commitment).
2. "Certified recovery residences" are generally certified by NARR state affiliates, when a state has such an affiliate.[13] Residents may stay longer and receive less intensive services than at licensed treatment facilities, although this varies among facilities (see fig. 2).[14] According to SAMHSA officials, certified recovery residences rarely provide treatment services and focus primarily on helping residents transition from treatment to day-to-day life.

[13]The certifying entity varies among states. For example, SSAs may, in some cases, also manage certification of some recovery residences.

[14]For the purposes of this report, we considered facilities that are both licensed by their state agencies and certified by their state NARR affiliates to be licensed treatment facilities. NARR has established standards for four levels of care. Level one residences are peer-led facilities without paid staff, are generally single-family residences, and may provide drug screenings and house meetings. Level two residences are administered by a house manager or senior resident, have at least one paid staff person, are often single-family residences, and provide or support self-help or treatment and recovery services. Level three residences have a facility manager and certified staff or case managers, are located in various residential settings, and support residents' access to clinical services from providers outside the residence. Level four residences are clinical service providers with paid, credentialed staff, and are sometimes in institutional settings.

Figure 2: Example of a Living Room in a Certified Recovery Residence

Source: GAO. | GAO-24-106101

Note: Certified recovery residences are generally certified by National Alliance of Recovery Residences state affiliates.

3. “Unregistered facilities,” for the purposes of this report, are all other residential treatment and recovery facilities, which are not licensed or certified by a state or NARR state affiliate. These facilities may offer a range of treatment and recovery services.

SAMHSA uses the terms “substance use disorder treatment facilities” and “recovery housing.” According to SAMHSA, a residential substance use disorder treatment facility is a health care facility in which individuals

reside for the duration of their treatment.[15] Recovery housing, according to SAMHSA, is a distinct recovery support service that is designed to support recovery from substance use disorders. Recovery housing provides a substance-free, typically non-clinical living environment and is commonly used to help individuals transition from residential substance use disorder treatment programs back into their day-to-day lives. SAMHSA's two categories overlap with but do not correspond exactly to our three categories because our categories focus more on the type of licensing or certifying entity, if any, while SAMHSA's categories focus more on the services provided.[16]

SAMHSA's Role Supporting Treatment and Recovery Facilities and Residents

SAMHSA's mission is to lead public health and service delivery efforts that promote mental health, prevent substance misuse, and provide treatments and supports to foster recovery while ensuring equitable access and better outcomes. SAMHSA has 10 regional offices located nationwide. Among other activities, SAMHSA produces publicly available informational guidance related to substance misuse treatment and recovery. Key offices and programs furthering this work include:

- The **Evidence-Based Practices Resource Center** publishes information for a variety of audiences, including health providers, to help them incorporate evidence-based practices into their work. Informational guidance includes Treatment Improvement Protocols, toolkits, resource guides, clinical practice guidelines, and other science-based resources.
- The **National Mental Health and Substance Use Policy Laboratory—Evidence-Based Practices Implementation and Dissemination Team** tracks evidence-based practices, conducts literature reviews, and disseminates best practices and lessons learned.
- The **Center for Substance Abuse Treatment** supports community-based treatment programs' adoption of evidence-based practices and best practices.

[15]Residential treatment care usually lasts for a few weeks to a few months, and treatment for more complex substance use disorders and related health conditions may mean staying with a program for a year or more, according to SAMHSA.

[16]SAMHSA's definition of substance use disorder treatment facilities is similar to our definition of licensed treatment facilities, and SAMHSA's definition of recovery housing is similar to our definition of certified recovery residences. However, there may be substance use disorder facilities and recovery housing that could fall under another of our facility categories.

- The **Office of Recovery** publishes information in support of its broad goal to support people, families, and communities impacted by substance misuse to pursue recovery.

SAMHSA administers several federal grants that support substance misuse treatment and recovery, including the Substance Use Prevention, Treatment and Recovery Services Block Grant (SUPTRS Block Grant).[17] This grant to states funds services to individuals and families affected by substance use disorder.[18] Each state, through its single state agency (SSA), may provide grant funds to local government entities, administrative service organizations, or treatment and recovery service providers, among others.[19] SSAs are the lead administrators of SUPTRS Block Grant funds. SSAs vary by state and may be the state substance misuse agency, if one exists, or may work on broader issues such as mental health or general health. SAMHSA requires states, through their SSAs, to report annually on their progress toward SUPTRS Block Grant program goals, the number of individuals served, and other information.

Starting in 2023, SUPTRS Block Grant eligibility was expanded to allow funding of facilities and services for residents in later stages of recovery

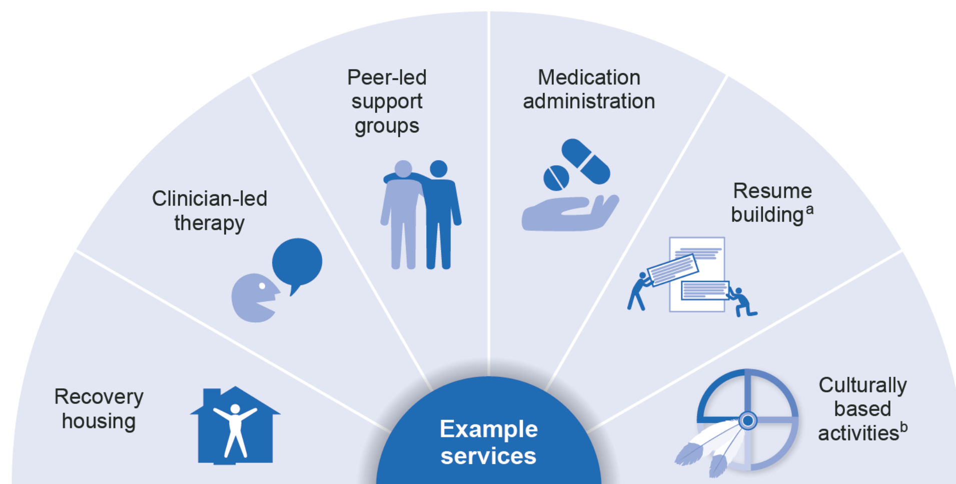
[17]SAMHSA also administers discretionary grants that fund substance use disorder treatment services. For example, the State Opioid Response grant aims to address the opioid crisis by funding prevention, treatment, and recovery services. See GAO, *Opioid Use Disorder: Opportunities to Improve Assessments of State Opioid Response Grant Program*, GAO-22-104520 (Washington, D.C.: Dec. 9, 2021).

[18]"States" includes the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, America Samoa, the Commonwealth of the Northern Mariana Islands, Palau, Micronesia, and the Marshall Islands. 45 C.F.R. § 96.121. Indian Tribes or Tribal organizations within a state may request that a portion of the funds allotted to the state be provided to them directly. See 42 U.S.C. § 300x-33(d). The Red Lake Band of Chippewa Indians receives the grant directly from SAMHSA.

[19]States applying for the grant are to identify the single state agency responsible for the administration of the program. See 42 U.S.C. § 300x-32(b)(1)(A)(i).

compared to previous years.[20] In response to this change, SAMHSA recently updated and created new application and guidance documents for the SUPTRS Block Grant. Residential treatment and recovery facilities that receive block grant funds may use them for a variety of services (see fig. 3).

Figure 3: Examples of Treatment and Recovery Support Services that the SAMHSA SUPTRS Block Grant May Fund



Source: GAO analysis of SAMHSA information; GAO (icons). | GAO-24-106101

Note: These are examples of services that may be paid for using the Substance Abuse and Mental Health Services Administration (SAMHSA) Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUPTRS Block Grant) if the services meet grant requirements.

[a]Resume building is an example of Recovery Friendly Workplace and Supportive Employment Services, according to SAMHSA guidance. See SAMHSA, *Allowable Recovery Support Services (RSS) Expenditures through the SUBG and the MHBG* (August 2023).

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[20]The Consolidated Appropriations Act, 2023, amended the Substance Use Prevention, Treatment, and Recovery Services statute to authorize funding for recovery support services. Pub. L. No. 117-328, div. FF, §§ 1241-1247, 136 Stat. 4459, 5677-80 (2022). Budget authority for the block grant in fiscal year 2023 was approximately $2 billion. See HHS, *Department of Health and Human Services Fiscal Year 2025: Substance use and Mental Health Services Administration: Justification of Estimates for Appropriations Committees*. Accessed on March 27, 2024. Prior to amendment, the statute focused on prevention and the early stages of treatment, although it included limited support for recovery housing. The Substance Abuse Prevention and Treatment Block Grant, as it was called prior to amendment, funded short-term loans to nonprofit organizations to use for recovery housing start-up costs, such as security deposits, and had to be repaid within 2 years, among other requirements. 42 U.S.C. § 300x-25; 45 C.F.R. § 96.129. Prior GAO work on the Substance Abuse Prevention and Treatment Block Grant includes GAO-21-58 and GAO, *Substance Use Disorder: Information on Recovery Housing Prevalence, Selected States' Oversight, and Funding*, GAO-18-315 (Washington, D.C.: Mar. 22, 2018).

[b]Examples of culturally based activities include learning circles, sweat lodges, traditional healing ceremonies, and powwows.

WHD's Role Enforcing the FLSA

WHD is responsible for enforcing the FLSA, the primary federal law that sets minimum wage and overtime pay standards applicable to most workers.[21] The FLSA requires that workers who are covered by the Act and not specifically exempt from its provisions be paid at least the federal minimum wage (currently $7.25 per hour) and at least 1.5 times their regular rate of pay for hours worked over 40 in a workweek.[22] There are a number of exceptions to these requirements. For example, certain agricultural workers and workers at seasonal and recreational establishments are exempt from both minimum wage and overtime provisions.[23] In some cases, employers may include the reasonable costs of services they provide workers, such as room and board, in calculating a worker's wage, potentially resulting in the worker's take-home pay being less than minimum wage.[24]

WHD investigates employers' compliance with the FLSA and often provides compliance information directly to individuals who contact WHD for assistance. When WHD finds violations it may seek various civil or criminal remedies.[25] These remedies may include payment of back wages and liquidated damages to the worker(s), and civil monetary penalties. The FLSA also authorizes individual workers to file private lawsuits to enforce its minimum wage and overtime provisions.

[21]29 U.S.C. §§ 201 et seq. WHD administers the FLSA with respect to private employers, state and local government employers, and certain federal employers.

[22]29 U.S.C. §§ 206, 207.

[23]Department of Labor. *eLaws Advisors: Fair Labor Standards Act (FLSA) Advisor: Exemptions*. Accessed on October 30, 2023.

[24]29 U.S.C. § 203(m).

[25]29 U.S.C. §§ 211(a), 215-217.

Some Treatment and Recovery Facilities Require Residents to Work and Facilities' Practices Include Unpaid Work

Some Facilities Require Residents to Work, Sometimes Soon After Enrolling

Work Requirements

We administered a survey to the three types of residential treatment and recovery facilities to examine types and prevalence of work and pay arrangements they use.[26] We obtained 96 responses from licensed treatment facilities, 48 responses from certified recovery residences, and 21 responses from unregistered facilities.[27] Below, we report results for smaller subsets of these respondents; for example, of the responding facilities that require or encourage work, the number that have residents work at different stages in the recovery process. Where our results are generalizable, we present a percentage range for each estimate; where

[26]We administered the survey to samples of licensed treatment facilities and certified recovery residences, and to all the identified unregistered facilities. When we administered the survey, we used the term "residential substance misuse treatment and recovery facilities," and the shortened term "residential substance misuse facilities" to describe all three types of facilities. For reporting purposes, we used the shortened term "residential treatment and recovery facilities" to describe all facilities.

[27]The weighted survey response rates for licensed treatment facilities and certified recovery residences were 57.6 percent and 52.9 percent, respectively. State agencies or NARR affiliates in Alaska, Maine, North Dakota, South Carolina, and West Virginia provided us with lists of all unregistered facilities of which they were aware. These facilities were not part of our selected states' lists of licensed treatment facilities or certified recovery residences, and thus we refer to them as unregistered facilities. We received responses from 21 of these unregistered facilities across the five states. Of the 21 responding facilities, six reported that they are not licensed, certified, or accredited by an external entity, 14 reported that they are licensed by their state or certified by a recovery residence association, and one did not answer this question. The 14 facilities that reported being licensed or certified may have had a change in their licensure or certification status between the time the state provided us with their contact information and when they completed the survey, or these facilities may have interpreted licensure or certification differently than the state organizations we worked with.

they are nongeneralizable, we report the number of responding facilities instead.[28]

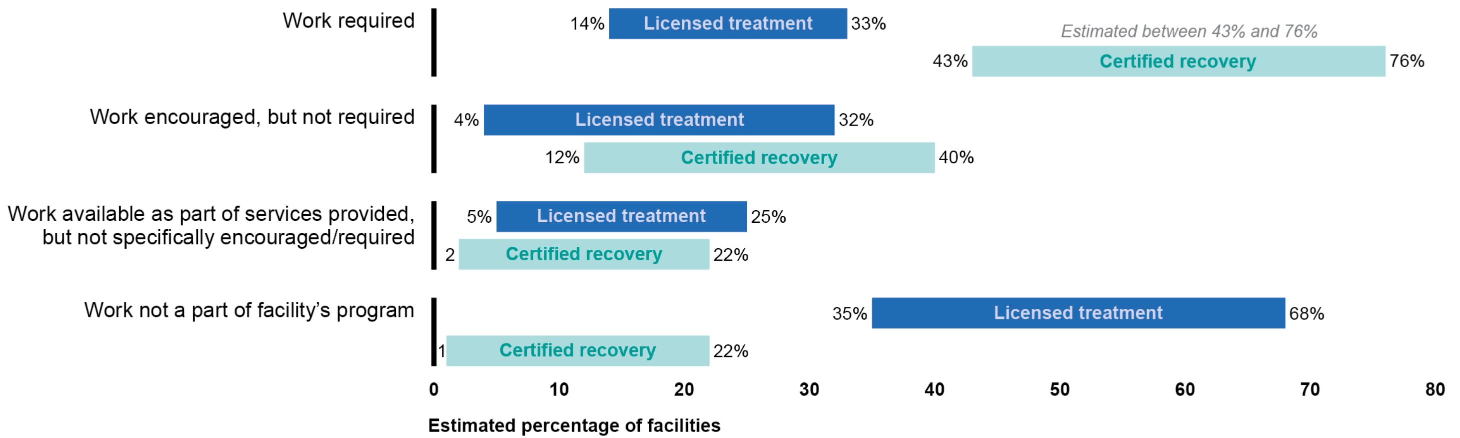
Based on our survey, we estimate that from 14 to 33 percent of licensed treatment facilities nationwide and 43 to 76 percent of certified recovery residences in certain states require residents to work.[29] Although non-generalizable, most (14 of 21) unregistered facilities responded that work is required. We also estimate that an additional 4 to 32 percent of licensed treatment facilities and 12 to 40 percent of certified recovery residences encourage—but do not require—residents to work. In addition, three of 21 unregistered facilities reported that they encourage residents to work. At facilities that neither require nor encourage work, work is either available or work is not part of the facility's program (see fig. 4).[30]

[28]We report the lower and upper bound of the 95 percent confidence interval as a range for each estimate. Statistical estimates from the licensed treatment facility survey are generalizable to the nationwide population for this type of facility. Statistical estimates from the certified recovery residence survey are generalizable to the population of certified recovery residences located in states with a NARR affiliate where the SSA has contact information for this type of facility. For licensed treatment facility and certified recovery residence estimates with a margin of error greater than plus or minus 20 percentage points, and for all results from the survey of unregistered facilities, we report nongeneralizable counts instead of percentage ranges. See appendix I for additional detail on survey methodology.

[29]As defined in our survey, work means activity in a job or workplace setting, regardless of whether paid or unpaid, the location, or the entity for which the resident is working, including formal employment, work assignments, or other activity that approximates employment. Such arrangements could be part of the treatment or support program and provide residents with therapeutic benefits, or they could be distinct from the treatment or support program and simply be part of residents' responsibilities.

[30]See appendix II for additional survey data.

Figure 4: Estimated Percentages of Residential Treatment and Recovery Facilities Where Work is Required, Encouraged, Available, or Not a Part of the Program (Upper and Lower Bounds of Estimates)



Source: GAO survey of residential treatment and recovery facilities. | GAO-24-106101

Notes: Licensed treatment facilities are generally licensed by state agencies. Statistical estimates for licensed treatment facilities are generalizable to the nationwide population for this type of facility. Certified recovery residences are generally certified by National Alliance of Recovery Residences (NARR) state affiliates. Statistical estimates for certified recovery residences are generalizable to the population of certified recovery residences located in states with a NARR affiliate where the single state agency has contact information for this type of facility. Bars shown in the figure represent the range between the lower and upper bound of the 95 percent confidence interval. This figure does not include residential treatment and recovery facilities that are not licensed or certified by a state or NARR state affiliate.

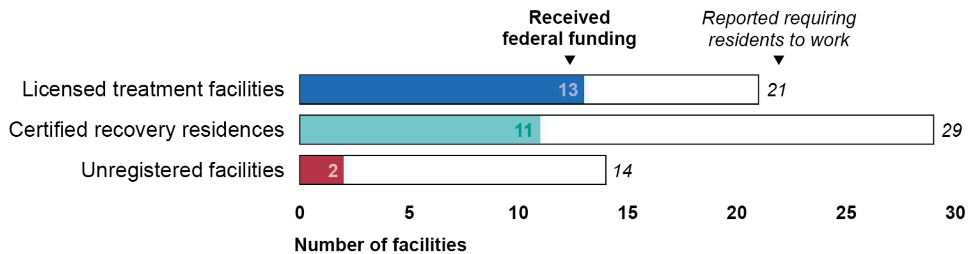
Regardless of whether work is required, encouraged, or available, 40 of 95 responding licensed treatment facilities reported that at least some of their residents work during their stays.[31] Further, an estimated 76 to 97 percent of certified recovery residences have at least some of their residents work during their stays, based on our survey. In addition, we estimate that 11 to 38 percent of licensed treatment facilities and 52 to 83 percent of certified recovery residences have all or most of their residents work during their stays. Among unregistered facilities, most (15 of 21 facilities) reported that all or most of their residents work during their stays, regardless of whether work is required.

Among the 64 facilities responding to our survey that they require residents to work, 26 reported they recently received federal funding (i.e.,

[31]We report a nongeneralizable count instead of a generalizable estimate percentage range for this response because the margin of error exceeds plus or minus 20 percentage points.

at some point in 2020 through 2022) (see fig 5).[32] Facilities may have received federal funding from a variety of sources. In our discussions with facilities, we heard about facilities receiving SAMHSA block grant and offender reentry grant funding, as well as Department of Housing and Urban Development funding.

Figure 5: Number of Responding Residential Treatment and Recovery Facilities That Require Work and Received Recent Federal Funding



Source: GAO survey of residential treatment and recovery facilities. | GAO-24-106101

Note: These facilities reported receiving federal funding in 2020, 2021, or 2022. Licensed treatment facilities are generally licensed by state agencies. Certified recovery residences are generally certified by National Alliance of Recovery Residences state affiliates. Unregistered facilities are neither licensed nor certified by these entities.

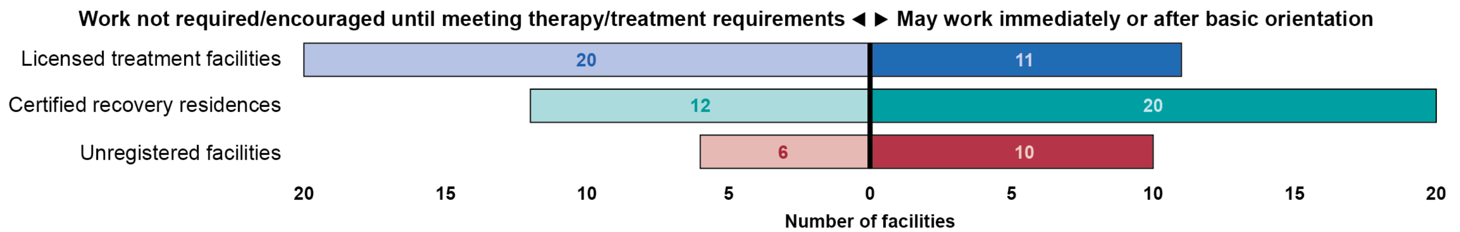
Timing of Work

Of 93 survey respondents that reported requiring or encouraging work, 41 reported that residents might work immediately or after completing basic orientation, while 38 reported that residents are not required or encouraged to start work until later (e.g., after meeting specified therapy or treatment requirements) (see fig. 6).[33]

[32]When looking at the results for all facilities regardless of whether the facility required residents to work, we estimate that 31 to 47 percent of licensed treatment facilities and 19 to 54 percent of certified recovery residences have received recent federal funding (i.e., at some point in 2020, 2021, or 2022). Of the 21 responding unregistered facilities, seven reported having received recent federal funding.

[33]Additionally, 14 facilities responded “other,” including four licensed treatment facilities, nine certified recovery residences, and one unregistered facility.

Figure 6: Timing of Work for Responding Residential Treatment and Recovery Facilities that Require or Encourage Residents to Work



Source: GAO survey of residential treatment and recovery facilities. | GAO-24-106101

Notes: Licensed treatment facilities are generally licensed by state agencies. Certified recovery residences are generally certified by National Alliance of Recovery Residences state affiliates. Unregistered facilities are neither licensed nor certified by these entities. Of the 93 responding facilities, 14 facilities responded “other,” including four licensed treatment facilities, nine certified recovery residences, and one unregistered facility.

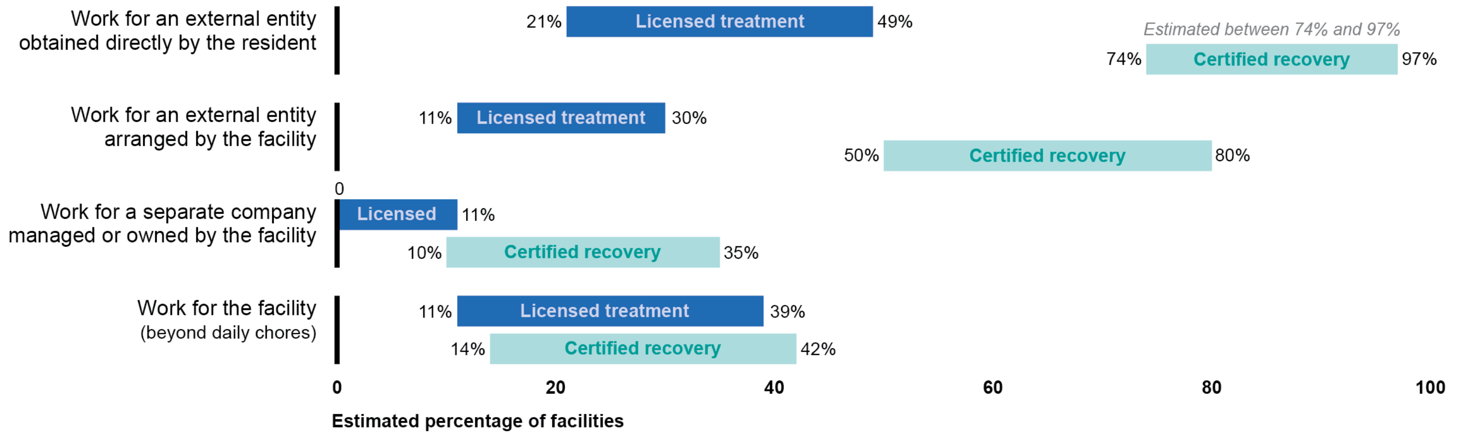
Similar to our survey findings, facilities we visited had residents start working at various times in their stay. For example, at an unregistered facility in South Carolina that we visited covertly, residents must work as soon as they enter the facility. The facility would not admit someone who lacked the documentation, such as a driver’s license, required to begin working at a job arranged by the facility. At a licensed treatment facility in Louisiana, a representative said residents do not start work until after an initial 30-day treatment program. The facility representative said this approach is preferable to others that require residents to have jobs before they are sober and prepared to work. At a certified recovery residence in Maine, a facility representative said that residents tend to work after about 6 weeks. The representative said they want residents to have time to adjust to their surroundings, improve their mental health, and establish a daily routine before the facility helps them decide what type of work would be a good fit.

Facilities Reported that Residents Work in Various Jobs and Some Work Is Unpaid

Work Arrangements

Based on our survey and site visits, residents at treatment and recovery facilities worked in several types of arrangements in 2022, such as working for an external entity, a separate company managed or owned by the facility, or the facility itself. See figure 7 for survey results and below for examples of these arrangements in specific facilities.

Figure 7: Estimated Percentages of Residential Treatment and Recovery Facilities that Had At Least Some Residents Working in Various Arrangements in 2022 (Upper and Lower Bounds of Estimates)



Source: GAO survey of residential treatment and recovery facilities. | GAO-24-106101

Notes: Licensed treatment facilities are generally licensed by state agencies. Statistical estimates for licensed treatment facilities are generalizable to the nationwide population for this type of facility. Certified recovery residences are generally certified by National Alliance of Recovery Residences (NARR) state affiliates. Statistical estimates for certified recovery residences are generalizable to the population of certified recovery residences located in states with a NARR affiliate where the single state agency has contact information for this type of facility. Bars shown in the figure represent the range between the lower and upper bound of the 95 percent confidence interval. This figure does not include residential treatment and recovery facilities that are not licensed or certified by a state or NARR state affiliate.

External jobs obtained independently. For example, residents on their own may identify and apply for a job at a nearby retail business. At one certified recovery residence we visited in South Carolina, facility representatives said residents independently search for jobs with external entities. The facility staff suggests employers in the community, like local restaurants, that have been a good fit for people in recovery. In addition, the facility provides a space for residents to search for jobs independently (see fig. 8).

Figure 8: Computer Area for Residents to Search for External Jobs at a South Carolina Certified Recovery Residence

Source: GAO. | GAO-24-106101

Note: Certified recovery residences are generally certified by National Alliance of Recovery Residences state affiliates.

External jobs arranged by the facilities. The facility may have a relationship with a nearby external business where it places residents in jobs or work assignments. The representatives of an unregistered facility we visited in Louisiana said the facility connects people to jobs similarly to a staffing agency. For example, residents may work for businesses in the community like lumber yards or bakeries.

Jobs with companies managed or owned by the facility. For example, residents may work for a facility-run landscaping business, or a thrift store operated by the facility or its parent company. At a licensed treatment facility we visited in Louisiana, the representative said residents work part-time in one of seven businesses owned by the facility, including a car

wash, a thrift shop, and businesses that provide wood cutting, landscaping, construction, welding, and janitorial services.

Jobs at the facilities themselves beyond daily chores. For example, residents may work as kitchen, custodial, or grounds-keeping staff.

Our survey found that some residents work full time. Of the 38 licensed treatment facilities reporting that at least some of their residents work during their stays, 23 reported that some of those residents typically worked full-time in calendar year 2022. Thirty-six of 39 certified recovery residences that reported having at least some of their residents work reported the same.

At the facilities we visited, the number of hours that residents work varies, according to facility representatives we interviewed. For example, residents are required to work 40 hours per week at an unregistered facility in Maine. At a certified recovery residence in Indiana, residents work approximately 20 to 28 hours per week in an early phase of the program, and then later most work full time. Residents at an unregistered facility in South Carolina work about 15 hours per week.

Pay Arrangements

Responding facilities reported that working residents have various pay arrangements, including some who receive no pay or reduced pay, according to our survey. Some facilities also reported having more than one type of pay arrangement. For example, for residents working for external employers, pay arrangements could include residents receiving their pay directly from the external employer; facilities receiving residents' pay from the external employer and passing on all, some, or none of that pay to residents; and residents not receiving pay for their work for the external employer (see table 1).

Table 1: Work and Pay Arrangements at Responding Residential Treatment and Recovery Facilities in 2022

Work and pay arrangements	Number of licensed treatment facilities	Number of certified recovery residences	Number of unregistered facilities
Number of facilities reporting one or more arrangements below	**44**	**44**	**20**
Work for an external entity[a]	**36**	**44**	**19**
At least some residents paid directly by the external entity	34	43	17
Facility received the pay for at least some residents' labor and passed on all of the pay to those residents	1	3	1
Facility received the pay for at least some residents' labor and passed on some of the pay (or provided a stipend) to those residents	1	1	2
Facility received the pay for at least some residents' labor and passed on none of the pay to those residents	None	2	None
At least some residents were not paid for their work for the external entity	None	1	None
Work for a separate company managed or owned by the facility	**2**	**11**	**2**
At least some residents were paid directly by the company managed or owned by the facility	1	8	2
At least some residents were not paid for their work for the company managed or owned by the facility	1	1	None
Work for the facility beyond daily chores	**22**	**16**	**7**
At least some residents were paid a wage or stipend at the same rate as outside hires with a similar skill level would have been for similar work	3	7	3
At least some residents were paid a wage or stipend less than outside hires with a similar skill level would have been for similar work	5	2	1
At least some residents were not paid for their work for the facility	8	2	1

Source: GAO survey of residential treatment and recovery facilities. | GAO-24-106101

Notes: This table shows the response counts for facilities who responded to these questions on the survey. Not all facilities responded to all questions. Licensed treatment facilities are generally licensed by state agencies. Certified recovery residences are generally certified by National Alliance of Recovery Residences state affiliates. Unregistered facilities are neither licensed nor certified by these entities. Responding facilities could select multiple work and pay arrangements, indicating that they had at least some residents who worked in more than one of the selected arrangements. Thus, the counts for each work and pay arrangement cannot be added together. Rather, they can be interpreted as, for example, 34 of 36 responding licensed treatment facilities that had workers in jobs with external entities in 2022 reported that at least some of those residents were paid directly by the external entity. The remaining facilities not selecting yes for any given pay arrangement may have reported that none of their residents had that arrangement or that they did not know or chose not to respond.

[a]Includes external jobs that residents obtained independently and external jobs arranged by the facilities.

Among 44 responding licensed treatment facilities that reported having at least some residents working in one or more of the work arrangements above, 13 reported having at least some residents work for no or reduced

pay.[34] Among 44 certified recovery residences that reported having at least some residents in one of these work arrangements, six reported that at least some residents work for no or reduced pay.[35] One certified recovery residence, which received the pay for at least some of its residents who worked for an external entity, reported keeping some of the pay to cover residents' room and board and their various treatment expenses. Similarly, among the eight licensed treatment facilities that had at least some residents working for the facility itself for no pay, facilities reported that the monetary savings from not having to pay a more costly outside hire was used to cover residents' room and board (two facilities), various medical or treatment expenses (two facility), or other facility expenses (three facilities).[36]

Across the selected facilities we visited, residents' pay varied, and some residents worked without pay, according to facility representatives. At an unregistered facility in Louisiana where the facility connects people to jobs similarly to a staffing agency, the majority of residents start at $8.25 per hour and become eligible for a raise after 3 months of working. Under this staffing model, residents earn less than the amount the facility receives from the employer for the residents' work. One unregistered facility in West Virginia has residents work for the facility and does not pay them unless they are promoted into a supervisory position.

Additionally, representatives of some facilities we visited said their facilities offset a resident's program fee through unpaid work for the facility. Lowering the fee may benefit residents by making the facility more affordable. According to a facility representative at an unregistered facility we visited covertly in West Virginia, residents pay no fees, although residents are required to work for the facilities for no pay. At a certified

[34]This includes arrangements in which: 1) residents worked for an external entity and were not paid or the facility received the pay for residents' labor and passed on none or some of it to those residents, 2) residents worked for a separate entity managed or owned by the facility and were not paid or the facility received the pay for residents' labor and passed on none or some of it to those residents, and 3) residents worked for a facility itself and were not paid or were paid less than outside hires with a similar skill level would have been for similar work. Some of these facilities may have had at least some workers in multiple arrangements in which they received no pay or reduced pay.

[35]We did not evaluate the legality of reported work or pay arrangements at specific facilities.

[36]Facilities could select multiple responses to this survey question. Not all facilities responded to the survey question asking how they used the monetary differences, including the monetary difference between how much a facility would pay a resident and how much a facility would pay a more costly outside hire.

recovery residence in South Carolina where residents are required to work without pay, residents pay $100 per week during the first phase of the program. Facility representatives said they would need to raise the weekly fee to at least $160 if they were not supported by residents' unpaid work.

Facilities we visited also took various approaches related to residents' financial privacy and control over their accounts, as described by representatives of facilities we interviewed. For example, a certified recovery residence in Maine helps residents open a bank account but allows residents to independently manage their finances. A certified recovery residence in South Carolina allows residents to have private bank accounts but requires residents to show their weekly spending and savings to staff. A licensed treatment facility in Louisiana holds residents' money in a facility-controlled account. When residents start working, they typically turn their paycheck over to the facility, and they can access certain amounts per week. After they leave the program, residents receive the balance of money in their accounts, according to a facility representative.

Services for Residents

Based on our survey, residents at licensed treatment facilities and certified recovery residences may receive (1) substance misuse therapy services and (2) work-related services, such as training on job search skills or interviewing.[37]

- We estimate that residents at 34 to 68 percent of licensed treatment facilities nationwide and 26 to 62 percent of certified recovery residences received substance misuse individual or group therapy or counseling. In addition, seven of 21 responding unregistered facilities reported that residents received such services. When including other types of therapy or counseling without a licensed professional present, such as recovery groups led by peer support workers, residents at an estimated 92 to 100 percent of licensed treatment facilities nationwide and 76 to 97 percent of certified recovery

[37]We did not ask facilities whether they provided the services directly to residents or referred residents to other providers.

residences received services.[38] Also, 18 of 21 responding unregistered facilities reported that residents received such services.

- We estimate that residents at 72 to 87 percent of licensed treatment facilities nationwide and an estimated 100 percent of certified recovery residences received work-related services, such as services to build job search skills or interviewing skills.[39] Among unregistered facilities, 20 of 21 reported that residents received work-related services.[40]

Representatives of selected facilities we visited described a range of substance misuse therapy services that residents receive, including at their facilities or through referrals to other organizations. For example, one licensed treatment facility in Maine treats substance misuse and co-occurring mental health diagnoses through contracted medical and psychiatric care, including medications. Residents also participate in group and individual therapy, according to a representative of the facility. Using a different approach, a representative from a certified recovery residence in South Carolina described how the facility partners with a treatment provider where residents participate in an intensive outpatient program. Alternatively, at an unregistered facility in West Virginia, a facility representative said they do not have medical staff or counselors, and they do not allow medications to assist in withdrawal management or to treat mental illnesses. Instead, the facility relies on faith and prayer.

Selected Facilities Combine Work and Pay Practices in Various Ways

Representatives of selected facilities we visited—some of which we visited covertly—reported incorporating a variety of work and pay practices into their programs. We discuss below how representatives at six of the selected facilities described their practices to us, as well as their rationales for the practices.

[38]According to SAMHSA officials, therapy and counseling only refer to activities that include a licensed professional. For the purposes of this report, we use the terms “therapy” and “counseling” more broadly, to also include services in which no licensed professional participated, to be consistent with how we used these terms in our facility survey.

[39]The approximate one-sided lower bound for our estimate for certified recovery residences is 93 percent at the 95 percent level of confidence.

[40]See appendix II for more information of work-related services.

Facility #1

A 4-to-6-month, 15-bed, licensed treatment facility we visited covertly in Maine does not require residents to work. However, residents are allowed to work in external jobs obtained independently, typically after they have resided at the facility for 30 days. The facility does not manage residents' finances, but it does assist with life skills, including budgeting. The facility addresses substance misuse and any mental health diagnoses through services such as contracted medical and psychiatric care.

Facility #2

A 1-year program at a six-bed certified recovery residence in South Carolina requires residents to work after completing about 3 weeks in the program. Then, residents begin work both for the facility and an outside employer. Residents perform unpaid work for the facility—about 10 hours each month—creating handmade jewelry for sale to help support the facility (see fig. 9). The facility uses this model because it supports about one-third of its operating budget. A facility representative said this approach also allows residents to stay at the facility for a lower fee than they otherwise would, helps develop soft skills, and provides part-time work they can list on their resume. Around the same time they start working for the facility, residents begin working for external employers independent from the facility. The facility helps residents obtain part-time jobs with local employers that are willing to accommodate the residents' intensive outpatient treatment schedules. After the residents complete outpatient treatment, they transition into full-time jobs but are not allowed to work more than 40 hours per week. For this work, residents are paid directly by the external employers.

Figure 9: Supplies for Residents to Make Jewelry at a South Carolina Certified Recovery Residence

Source: GAO. | GAO-24-106101

Note: Certified recovery residences are generally certified by National Alliance of Recovery Residences state affiliates.

The facility monitors residents’ pay and spending to prevent any spending that does not support sobriety. In addition, residents deposit at least $50 per week into a savings account managed by the facility. Residents receive the balance of their savings upon leaving the program, to pay for expenses like a deposit on an apartment. Residents receive treatment through local providers and attend daily recovery meetings.

Facility #3

A group of 15 certified recovery residences in Indiana has work requirements that evolve as residents progress through the program, which typically lasts around 9 months. Within days of entry, for the first 6 to 7 weeks, residents work on-site for community partners that have contracts with the facility. Residents complete tasks such as creating wire harnesses, replacing electrical wiring heads, boxing and packaging, and building pallets, dressers, and drawer boxes. Residents work part-time and are not paid for this work. However, residents do not pay rent to the facility during this time. A facility representative said that working at the facility helps residents improve their skills and increase future employability, and the facility also provides support services and care as needed.

About 6-7 weeks after entry, residents typically transition from working on-site at the facility into external jobs in the community. Residents are paid directly by the employer for this work. About 50 to 70 percent of residents are hired directly by the companies that had contracted work through the facility, according to a facility representative. Once residents begin earning an income and are able to pay, they start to pay rent and fees to the facility. The facility is not directly involved in managing residents' money. However, residents complete a weekly budgeting worksheet together with facility staff. The facility provides services including faith-based classes and mental health services from contracted licensed clinicians.

Facility #4

An unregistered facility we visited covertly in Maine requires residents to work 40 hours per week in warehouses, where they sort and pack donated goods to be distributed to thrift stores. Residents are not paid for their work, except for a "gratuity" starting at $7 per week, which rises to a maximum of $25 per week (amounting to 62.5 cents per hour) at the end of the 6-month program. A facility representative said the unpaid work is considered "work therapy" for the residents' benefit, but it also funds the residents' stays and facility operations. The facility is free to residents, except that they pay a portion of any government benefits they receive.[41]

[41] Such government benefits may include Social Security Disability Insurance, according to a facility representative.

The facility provides services including individual counseling, classes, and Alcoholics Anonymous meetings located in the facility.[42]

Facility #5

An unregistered facility we visited covertly in West Virginia requires residents of a year-long program to work inside the facility making items such as shirts, jewelry, and tumblers, an activity known as “work details.” Residents are not paid for this work. On the weekends, they set up in front of retail stores where they give away the items in exchange for donations to the facility and distribute outreach materials.[43] According to facility representatives, the fundraising supports the program, enabling it to be free to residents. Residents also have the option of completing extra work details in the evenings, for which they are paid minimum wage. Any money residents may earn from extra work details is held by the facility, although residents can request access to their money to pay for groceries and other specific needs. The facility provides services including faith-based recovery activities, classes, and group therapy. An official with the state NARR affiliate said the affiliate declined to certify the facility because of concerns about problematic work practices.[44]

Facility #6

An unregistered facility we visited covertly in South Carolina requires residents to work at least 40 hours per week in food processing plants or warehouses, according to a facility representative. Residents are required to begin work as soon as they enter the facility, needing to be “100 percent fully functional [for] a full-time job when [they] come in here, both mentally and physically.” Residents make a minimum 90-day commitment to work when they enter. The facility cashes residents’ paychecks on their behalf and withholds pay amounts to cover any balance owed to the facility, including intake fees and rent. Residents attend Alcoholics Anonymous or Narcotics Anonymous-related activities.[45] A NARR state

[42]According to its website, Alcoholics Anonymous is a fellowship of people who come together to solve their drinking problems. There is no fee to attend, and membership is open to anyone. Its primary purpose is to help to achieve sobriety.

[43]For examples of two other facilities’ outreach materials, see appendix III.

[44]After interviewing NARR state affiliate officials, we used the information obtained, among other factors, to select facilities to visit. We did not disclose the names of facilities we visited covertly with NARR state affiliate officials.

[45]According to its website, Narcotics Anonymous USA is a fellowship of people who meet regularly to address drug problems. There is no fee to attend, and membership is open to anyone with a desire to stop using substances. The goal is abstinence from all drugs.

affiliate official said the NARR affiliate ended its association with the facility due to concerns about the facility's work practices.

Work Can Support Recovery but Should Be Incorporated Appropriately, According to Selected Stakeholders

The selected stakeholders we spoke with generally agreed that work can contribute to individuals' success in recovering from substance misuse. They identified two key ways—financial stability and structure—that work can support recovery.[46]

Financial stability. According to officials from two SSAs and two NARR affiliates, as well as a researcher, work can support recovery by helping residents move toward financial stability. For example, a Louisiana SSA official said promoting financial stability through work helps individuals avoid financial stress, which is a common trigger for relapse. The official also said employed individuals are more likely to be able to afford health insurance, which may help individuals access health services. A NARR affiliate official in South Carolina said work aids the recovery process by helping individuals pay bills and become contributing members of society. A NARR affiliate official in Indiana said that paid work supports recovery because individuals in modern society must spend money to maintain good health, and in particular, to recover from substance misuse.

Structure. According to officials from two SSAs, one NARR affiliate, and one drug court, as well as two researchers, work can aid recovery by providing structure to residents' days. For example, an official from the NARR affiliate in West Virginia said work helps residents build structure and learn to schedule daily responsibilities, which can contribute to recovery success. Similarly, a researcher said work provides residents with daily expectations: getting up, getting dressed, and going to work in the morning. One local drug court official in Louisiana noted that having structure in residents' lives is important because having tasks to occupy their time may help prevent them from returning to substance misuse.

[46]For our interviews of selected stakeholders, we used a semi-structured interview protocol that included open-ended questions. Stakeholders volunteered information in response but were not systematically asked to indicate whether they agreed with particular benefits or factors. We selected stakeholders based on their knowledge about and familiarity with residential treatment and recovery facilities or how work affects substance misuse treatment and recovery. We selected officials from SSAs, state NARR affiliates, and drug courts, as well as researchers, selected in part because of their research cited by SAMHSA. See, for example, SAMHSA's publication "Evidence-based Resource Guide Series: Substance Use Disorders Recovery with a Focus on Employment and Education."

In addition to citing the benefits of work, stakeholders identified several factors to consider when incorporating work into residential treatment and recovery programs, including the timing of work, adequate pay, access to pay, and balancing work with treatment and recovery services (see fig. 10).[47]

Figure 10: Factors to Consider When Incorporating Work into Residential Substance Misuse Treatment and Recovery Programs, According to Stakeholders GAO Interviewed

Source: GAO analysis; GAO (icons). | GAO-24-106101

Timing of work. According to officials from four SSAs and two NARR affiliates, as well as a researcher, residents should not work too soon into their treatment and recovery, although one researcher said it should be an individual's decision. For example, SSA officials in Maine said work could impede treatment and recovery if residents begin working before they have developed appropriate skills to manage stress. SSA officials in South Carolina said an individual who has ceased severe opioid use may need up to 6 months to recover from the "fog" of use. In this case, officials said working too soon may impede recovery if a resident does not yet have the cognitive or physical ability to work. Further, an official from the South Carolina NARR affiliate said the timing of residents' return to work should be evaluated on a case-by-case basis as some individuals may need more adjustment time than others. However, according to one

[47]We did not assess these factors or facility practices as part of this study, and their inclusion in this report should not be interpreted as GAO endorsing any of them.

researcher, an individual should decide when to start work, and a resident need not be fully abstinent from substance use before starting work.

Adequate pay. According to officials from three SSAs, three NARR affiliates, and one drug court, as well as two researchers, residents should be paid adequately for their work. To earn a certified status, NARR's 2018 National Standard requires documentation from recovery residences that employ their residents stating they pay a fair wage, and at least minimum wage.[48] A researcher also said that residents should be paid at least minimum wage during treatment and recovery. She said that not paying residents for their work is poor policy, because it inhibits their independence, and with it, their recovery. One drug court official in Louisiana said her court only works with facilities that either pay or partner with employers who pay their residents, because residents should be paid for their work. However, an official from the NARR affiliate in Indiana said some compensation in the form of discounted rent may be appropriate, if the agreement is documented, and as long as residents receive some cash payment to purchase items they need.

Access to pay. According to officials from one SSA and two NARR affiliates, as well as one researcher, residents should have access to their financial accounts while in facilities; however, one SSA official did not share this view. An official from the NARR affiliate in Indiana said residents should control their own pay while staying at a facility so that they build self-worth and money management skills, which will support recovery after they leave the facility. SSA officials in South Carolina said facilities managing residents' bank accounts or otherwise controlling residents' finances would raise significant concerns because it takes away residents' autonomy with regard to work. In addition, a researcher said residents should control their own financial accounts to have the freedom to make spending decisions, such as spending money on their children after not having been able to do so previously. However, an official from the SSA in Indiana said there may be benefits to facilities managing residents' accounts, as some residents may not be ready to make responsible spending decisions. For example, a facility representative said if residents manage their own money, they may spend it in ways that are unhelpful to their recovery.

[48]National Alliance for Recovery Residences, *NARR National Standard 3.0* (November 2018).

Services for Residents. According to officials from two NARR affiliates and all three researchers, facilities with work components should provide residents appropriate treatment and recovery services. For example, if facilities require work but do not provide adequate services, those facilities may be exploiting residents for their labor without supporting recovery, said one researcher. An official at the NARR affiliate in South Carolina said they were concerned about a facility that they said did not provide access to adequate treatment or recovery services and required residents to work long hours at an external factory.[49] In addition, an official at the NARR affiliate in West Virginia expressed concerns about several facilities with work practices where the official said residents were not receiving appropriate treatment or recovery services. For instance, the official said that one facility's model of requiring residents to work all day does not allow sufficient time to focus on recovery and cultivate a sober way of living.

SAMHSA Guidance is Limited Regarding Residents' Work

SAMHSA Has Published Some Guidance, but Gaps Remain in Informational and Grant-related Guidance

Informational Guidance

SAMHSA has provided some publicly available informational guidance on the role of work in treatment and recovery.[50] Publications include:

- "Evidence-based Resource Guide Series: Substance Use Disorders Recovery with a Focus on Employment and Education" describes evidence-based practices related to employment and workforce training for individuals in recovery.[51]

[49]We did not evaluate individual facilities' practices as part of this study.

[50]SAMHSA compiles existing information rather than funding original research, according to officials.

[51]SAMHSA, *Substance Use Disorders Recovery with a Focus on Employment and Education,* HHS Publication No. PEP21-PL-Guide-6 (Rockville, MD: 2021).

- “Advisory: Integrating Vocational Services into Substance Use Disorder Treatment” summarizes strategies for clinicians to help individuals find and keep work and manage workplace stresses.[52]
- “Treatment Improvement Protocol (TIP) 38, Integrating Substance Abuse Treatment and Vocational Services.”[53] This document is an earlier, more detailed version of SAMHSA’s Advisory listed above. It describes benefits and challenges of work for individuals in recovery, strategies to help individuals in recovery find and keep work, and other topics such as organizational collaboration.
- “Best Practices for Recovery Housing” describes work as a goal for recovery.[54]

However, officials at four of the five SSAs we spoke with said additional guidance from SAMHSA or other federal agencies on incorporating work into residential treatment and recovery programs would be helpful, such as how to implement effective or evidence-based work practices. For example, SSA officials in two states said they would like to have guidance on how to assess when residents have successfully progressed to a threshold in their recovery where they can healthfully start working. Officials in another state said guidance about ethical issues related to work in the substance misuse context would be helpful. SSAs are key partners. They administer SAMHSA’s SUPTRS Block Grant funding to facilities; they may provide guidance; and, according to SAMHSA officials, they may license and monitor facilities.[55]

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[52]SAMHSA, *Integrating Vocational Services into Substance Use Disorder Treatment. Advisory*, HHS Publication No. PEP20-02-01-019 (Rockville, MD: 2021).

[53]SAMHSA, *Integrating Substance Abuse Treatment and Vocational Services. Treatment Improvement Protocol (TIP) Series, No. 38,* HHS Publication No. (SMA) 12-4216 (Rockville, MD: 2000). In 2017 SAMHSA published a short summary of updated terminology, information, and resources found in TIP 38. SAMHSA, *Editor’s Note on TIP: 38, Integrating Substance Abuse Treatment and Vocational Services,* HHS Publication No. (SMA) 12-4216 (Rockville, MD: 2017).

[54]SAMHSA, *Best Practices for Recovery Housing,* Publication No. PEP23-10-00-002 (Rockville, MD: 2023). According to officials, SAMHSA updated this document as part of its increased focus on recovery services accompanying the 2023 Consolidated Appropriations Act expansion of recovery services eligible to receive SAMHSA SUPTRS Block Grant funding.

[55]The SUPTRS Block Grant to states funds services to individuals and families affected by substance use disorder. Example of services that might be funded under this grant include clinician-led therapy, peer-led support groups, medication distribution, recovery housing, resume building, and culturally based activities such as learning circles, according to SAMHSA information.

SAMHSA does not have a formal process for surveying or collecting input from SSAs about what guidance they might find useful, according to officials, because it collects input from SSAs informally. Officials said SAMHSA collects feedback from SSAs through informal communications between SSAs and SAMHSA regional directors and project officers, among other methods. This feedback is then shared with SAMHSA leadership to inform decisions on future guidance, according to officials. However, SAMHSA officials said that they do not routinely ask SSAs if they need additional guidance.

SAMHSA's approach for developing guidance focuses primarily on stakeholders other than SSAs. SAMHSA officials said they have processes to assess guidance needs and plan the topics they will cover in new guidance. For example, SAMHSA's Knowledge Application Program, which develops the Treatment Improvement Protocols, submits an annual Product Development Plan to SAMHSA leadership, according to officials. Knowledge Application Program staff gather information on needed guidance from interviews with SAMHSA staff, SAMHSA regional directors, policymakers, consultations with experts in the field of substance misuse treatment, and other sources, officials said.

Providing informational guidance on how to incorporate work into substance misuse treatment and recovery aligns with SAMHSA's mission to provide supports to foster recovery while ensuring better outcomes.[56] SAMHSA's fiscal year 2023 to 2026 Strategic Plan includes as one of the agency's goals enhancing protective factors against substance misuse, such as employment.[57] Federal internal control standards also state that agencies should establish reporting lines that allow them to receive information from external stakeholders and externally communicate necessary information to achieve their objectives.[58] By developing a formal process that more specifically asks SSAs about their guidance needs related to resident work practices or requirements (or by incorporating SSAs into existing guidance development processes), and incorporating SSA feedback into the development of new guidance, SAMHSA would better promote effective ways of incorporating work into

[56]SAMHSA's mission is to lead public health and service delivery efforts that promote mental health, prevent substance misuse, and provide treatments and supports to foster recovery while ensuring equitable access and better outcomes. SAMHSA, *Strategic Plan: Fiscal Year 2023-2026,* Publication No. PEP23-06-00-002 (Rockville, MD: 2023).

[57]SAMHSA, *Strategic Plan: Fiscal Year 2023-2026*.

[58]GAO-14-704G.

treatment and recovery. SAMHSA would also help SSAs support residential treatment and recovery facilities. The guidance SAMHSA produces might also be used by facilities and residents.

Grant-related Guidance

SAMHSA officials told us that residential treatment facilities that receive SUPTRS Block Grant funds should not require work as a condition of receiving treatment services. While in treatment, according to officials, residents should primarily focus their time and efforts on intensive treatment that addresses the physical and mental aspects of recovery. The duration of treatment varies among individuals, officials said, but having someone work too early could leave insufficient time for treatment, trigger stress, and increase the risk of a relapse. Officials said the appropriate time to start work also varies for other reasons. For example, women who are pregnant or have young children may need to focus on childcare while addressing their substance misuse, so work may not be appropriate for them early in treatment, according to officials. They emphasized that treatment facilities should only have a resident begin work following an individualized assessment and decision that work is appropriate for that individual.

However, SAMHSA officials said that SUPTRS Block Grant documents do not explicitly state that facilities may not require work as a condition of accessing services for residents undergoing treatment. Officials said they believe SSAs and facilities understand this, but did not have documentation to support that this is universally understood. We reviewed SUPTRS Block Grant application and guidance documents and did not identify any discussion of the appropriateness of facility work requirements for residents in these documents.[59] SAMHSA officials said they are not aware of any treatment facilities receiving block grant funding that require residents to work as a condition of accessing services. Officials added that if SAMHSA became aware of such requirements, they would take steps with the state's SSA to address it because it may not be acceptable if access to services is conditioned on work. SAMHSA officials said that although the grant application form does not ask SSAs

[59]Specifically, we reviewed the fiscal years 2024-2025 SUPTRS Block Grant application and letter, as well as SAMHSA guidance on SUPTRS Block Grant reporting requirements and allowable expenditures. SAMHSA, *Block Grant Reporting Section: CFDA 93.959: Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUPTRS BG).* n.d. https://www.samhsa.gov/sites/default/files/fy24-25-subg-report.pdf. Accessed on 11/29/23. See also SAMHSA, *Allowable Recovery Support Services (RSS) Expenditures through the SUBG and the MHBG* (August 2023). https://www.samhsa.gov/sites/default/files/recovery-support-services-subg-mhbg.pdf. Accessed on 11/29/23.

about facility work requirements, SSAs may choose to voluntarily mention facilities' work requirements on the application.

Similarly, SAMHSA's block grant guidance materials do not clearly articulate whether or how recovery housing may require work as a condition of accessing recovery services. SAMHSA recently published guidance on best practices for recovery housing, but this guidance is unclear on the appropriateness of uniform work requirements as a condition of accessing services. According to block grant guidance, programs that provide recovery housing and are funded by the grant are required to ensure consistency with these best practices.[60] However, the best practices document includes information that may be interpreted as contradictory. For example, it suggests that uniform work requirements as a condition of accessing recovery services would not be appropriate, because it states that recovery services should be individualized to meet each person's needs and preferences, and resident rights should include freedom from forced or coerced labor.[61] According to SAMHSA officials, this right means that facilities should always determine together with an individual resident when work is appropriate for that individual, and incorporate it as one element of the individual's overall recovery plan. However, the best practices for recovery housing are unclear because they also describe facilities as "typically requiring residents to work, go to school, and/or volunteer." This may be interpreted as suggesting that uniform work requirements as a condition of accessing services may be appropriate.

Federal internal control standards state that agencies should communicate quality information to external partners to help achieve goals and manage risks.[62] SAMHSA's mission includes leading public health and service delivery efforts that provide substance misuse treatments and supports to foster recovery.[63] By not explicitly stating in SUPTRS Block Grant application and guidance materials that treatment

[60]SAMHSA, *Best Practices for Recovery Housing.* See also SAMHSA, *Allowable Recovery Support Services (RSS) Expenditures through the SUBG and the MHBG*.

[61]SAMHSA, *Best Practices for Recovery Housing.* According to the guidance, freedom from coerced labor and other resident rights, along with facility policies, should be clearly written and provided to new residents upon arrival.

[62]GAO-14-704G.

[63]SAMHSA, *Strategic Plan: Fiscal Year 2023-2026*. Additionally, SUPTRS Block Grant guidance states that facilities that provide recovery services and are funded by the grant are required to ensure consistency with best practices.

facilities should determine if work is appropriate for an individual resident and that requiring work as a condition of receiving treatment services is not acceptable, and by not stating clearly whether recovery housing may require work as a condition of accessing services, SAMHSA raises the risk that SSAs fund facilities with work requirements that are inconsistent with its best practices. This may also lead to negative outcomes for some residents.

Residents May Be Vulnerable to FLSA Violations, and WHD Takes Steps to Detect Possible Violations against Vulnerable Workers

Residents at treatment and recovery facilities are vulnerable to experiencing FLSA violations, and less likely to file complaints, due to several factors, according to WHD officials and selected stakeholders. Residents without jobs may have limited work opportunities and those with jobs may not be able to afford to lose them. Residents may also feel they have limited housing and treatment alternatives due to a shortage of residential facilities and thus be hesitant to raise concerns with authorities, stakeholders said.[64] Residents who stay at a facility due to a drug court order may feel they cannot complain of FLSA violations because they may fear employer retaliation, according to WHD officials. Experiencing employer retaliation, such as termination, may affect a resident's ability to remain at a facility and complete treatment that has been ordered by a drug court. Officials from two drug courts and one NARR affiliate said that residents who fail to complete court-ordered treatment might be sent to prison in some cases. Additionally, WHD officials said residents may believe their work is part of their substance misuse treatment program or vocational rehabilitation services.

WHD takes an industry-based strategic enforcement approach to protecting workers who are most vulnerable to FLSA violations.[65] To maximize the impact of agency resources, WHD prioritizes investigations and outreach activities involving industries with large populations of workers who are more likely to experience violations and less likely to lodge complaints.[66] Because vulnerable workers are less likely to complain, WHD officials said they use a range of information sources to help detect high-risk industries and target investigations. These sources

[64]We previously found that a lack of mental health residential treatment facilities, among other shortages, limits access to needed mental health care. See GAO, *Mental Health Care: Access Challenges for Covered Consumers and Relevant Federal Efforts*, GAO-22-104597 (Washington, D.C.: Mar. 29, 2022).

[65]DOL, *FY 2022–2026 Strategic Plan*. https://www.dol.gov/sites/dolgov/files/OASAM/pmc/FY2022-2026-Strategic-Plan.pdf. Accessed on May 22, 2023.

[66]DOL, *FY 2022–2026 Strategic Plan*.

include statistical data such as the Current Population Survey; external studies; media coverage; and outreach to government, non-profit, and private for-profit stakeholder organizations.

Residents of treatment and recovery facilities work in various industries, according to WHD officials and our own site visits to facilities, and WHD's enforcement and outreach activities may include these residents. For example, officials said some residents—especially those working directly for the facilities they live in—work in the caregiving industry, which WHD considers a high-risk industry and prioritizes for enforcement.[67] Residential treatment and recovery facility representatives we interviewed, some covertly, discussed residents working in a variety of industries. We found that several of these are industries that WHD identifies as low-wage and high-violation, which officials said WHD may prioritize for enforcement. These industries include construction, food services, landscaping services, retail, and warehousing.

Given its mission, WHD's data management systems are designed to track information needed for investigations, such as the employer industry type, rather than the worker's residence type, according to officials. As a result, officials said they did not know how many investigations or outreach activities WHD had conducted involving residents of treatment and recovery facilities.[68]

However, officials recalled that WHD investigated a residential treatment and recovery facility in 2022 that WHD found had placed almost 500 residents with third-party employers and kept their wages. WHD

[67]Officials said that the caregiving industry may include treatment and recovery facilities, as well as nursing homes, assisted living homes, home health and companionship agencies, and those involved in both child and adult daycare services. WHD launched the initiative to improve compliance among care-focused industry employers in November 2021. Department of Labor, *News Release: US Department of Labor Launches Initiative to Protect Professional Caregivers' Wages, Rights; Ensure Industry Employers Comply with Law* (Nov. 23, 2021).

[68]See appendix IV for a description of the steps officials said they would take if they received a complaint of a possible FLSA violation from a treatment and recovery facility resident.

recovered $100,000 in back wages for the residents.[69] Officials also said treatment and recovery facility residents and organizations they are involved with may have participated in WHD outreach activities. These activities include conducting trainings and other information sharing events, providing information through phone calls and correspondence, and proactively disseminating WHD's publicly available guidance.[70]

Conclusions

For the millions of Americans struggling with substance misuse, residential treatment and recovery facilities may provide much-needed housing and healthcare. Selected stakeholders said some residents may benefit from the financial stability and structure that working can provide. However, others may find working too soon to be detrimental to their recovery, SAMHSA officials said, or be vulnerable to labor violations, according to WHD officials. SAMHSA has an important role in providing informational guidance to help facilities incorporate work effectively into their treatment and recovery programs in ways that are beneficial to residents. By consulting SSAs—its key partners in managing SUPTRS Block Grant funds and generally promoting effective treatment and recovery services—on their needs for new guidance, SAMHSA could more effectively help SSAs, facilities, and residents who work. Further, by communicating to block grant awardees and facilities whether and when requiring residents to work as a condition of accessing services is acceptable, SAMHSA could help ensure that facilities receiving block grant funds align with best practices and more effectively support residents' treatment and recovery.

[69]This violation was determined based on additional facts and circumstances of the case. See Department of Labor, *News Brief: U.S. Department of Labor Recovers $100K in Wages for Oklahoma City Rehabilitation Program Residents Denied Minimum Wage, Overtime* (Sept. 22, 2022). State wage and hour agencies also investigate possible violations of state wage and hour laws. For example, the Maine Department of Labor Bureau of Labor Standards found in 2019 that a construction company failed to pay two employees because the company had sent wages directly to the employees' residential treatment and recovery facility, which had required the residents work at the construction company. See Maine Department of Labor Bureau of Labor Standards, *McLaughlin Builders v. Maine Bureau of Labor Standards,* Case no. BLS-19-434118 (Nov. 14, 2019).

[70]See, for example, WHD's *Digital Reference Guide to the Fair Labor Standards Act*, available at https://www.dol.gov/sites/dolgov/files/whd/legacy/files/digital_reference_guide_flsa.pdf. Accessed on October 30, 2023. See also WHD's *Handy Reference Guide to the Fair Labor Standards Act*, available in English at https://www.dol.gov/sites/dolgov/files/whd/legacy/files/wh1282.pdf and Spanish at https://www.dol.gov/sites/dolgov/files/whd/legacy/files/wh1282_spanish.pdf. Accessed on July 24, 2023.

Recommendations for Executive Action

We are making the following two recommendations to HHS:

The Assistant Secretary of SAMHSA should incorporate single state agencies (SSA) into existing guidance development processes or develop a formal process to proactively consult SSAs about the information they need regarding how work should be incorporated into substance misuse treatment and recovery, and use the SSA feedback from such processes to inform the development of publicly available guidance. (Recommendation 1)

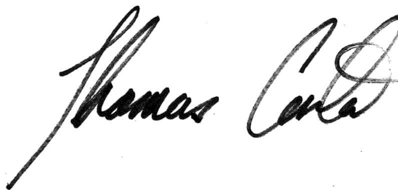
The Assistant Secretary of SAMHSA should explicitly state in SUPTRS Block Grant application materials (1) that incorporating work into a treatment facility resident's treatment plan should involve an individualized assessment to determine if and when work is appropriate, and that requiring work as a condition for accessing treatment services is not acceptable, and (2) if and when requiring work as a condition of accessing services is acceptable at recovery housing. (Recommendation 2)

Agency Comments

We provided a draft of this report to HHS and the Department of Labor for review and comment. In its comments, reproduced in appendix V, HHS agreed with both our recommendations. Regarding recommendation 1, HHS noted that informational guidance it develops would focus on how work should be incorporated into substance use disorder treatment and separately how work should be addressed with respect to recovery housing. Regarding recommendation 2, HHS stated it will incorporate a statement in the fiscal years 2025-2026 SUPTRS Block Grant application materials to address the recommendation. HHS and the Department of Labor also provided technical comments, which we incorporated as appropriate. In particular, we revised recommendation 2 to reflect HHS' technical and formal comments related to the different ways that work may be incorporated into treatment and recovery facilities.

We are sending copies of this report to the appropriate congressional committees, the Secretary of Health and Human Services, and the Secretary of Labor. In addition, the report is available at no charge on the GAO website at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-4769 or costat@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix VI.



Thomas Costa, Director
Education, Workforce, and Income Security

Appendix I: Objectives, Scope, and Methodology Overview

This report examines (1) the prevalence of work arrangements at residential treatment and recovery facilities, and the types of pay practices they use, (2) the views of selected stakeholders on the role of work in substance misuse treatment and recovery, and (3) the extent to which federal guidance and enforcement address work and pay at these facilities.[1]

To examine the prevalence of work arrangements at residential treatment and recovery facilities, and the types of pay practices they use, we surveyed and visited facilities, as described below. We surveyed and visited three types of residential facilities: those (1) licensed by state agencies ("licensed treatment facilities"), (2) certified by the state affiliates of the National Alliance for Recovery Residences (NARR) ("certified recovery residences"), and (3) neither licensed nor certified by these entities ("unregistered facilities").[2] Our survey asked about facilities' work policies, types of work, payment for work, treatment and services provided for residents, and other topics. In addition to our survey, we conducted in-person and virtual site visits (some covert) at 17 residential treatment and recovery facilities in five states (Indiana, Louisiana, Maine, South Carolina, and West Virginia) to obtain information on facility practices and facility representatives' views about work and recovery. The visits provide context and illustrative examples of facility work and pay practices.

To obtain stakeholders' views about the role of work in substance misuse treatment and recovery, we interviewed representatives of 13 groups selected based on their knowledge about and familiarity with residential treatment and recovery facilities or how work affects substance misuse treatment and recovery. These included single state agencies (SSA), state NARR affiliates, and drug courts from the five states where we conducted site visits.[3] We also selected and interviewed three

[1]We use the phrase "substance misuse" broadly to include misuse, abuse, chemical dependence, or addiction to drugs, alcohol, or other illicit or regulated substances. This includes, but is not limited to, substance use disorder, which SAMHSA defines as the recurrent use of alcohol or drugs when it causes clinically significant impairment, including health problems, disability, and failure to meet major responsibilities at work, school, or home.

[2]For the purposes of this study, we categorized facilities that are both licensed by their state agencies and certified by their state NARR affiliates as licensed treatment facilities.

[3]Because there is no NARR affiliate in Louisiana, we could not interview a NARR affiliate in that state. We did not interview drug court officials in West Virginia because officials did not respond to our requests for interview.

researchers recommended by state and NARR stakeholders and cited in recent publications by the Department of Health and Human Services' (HHS) Substance Abuse and Mental Health Services Administration (SAMHSA). For all interviews, we used a semi-structured interview protocol that included open-ended questions. The 16 selected stakeholders volunteered information in response, so the counts of stakeholders citing each response may not include all stakeholders who would agree with the response if they were asked about it specifically.

To assess the extent to which federal guidance and enforcement address work and pay at these facilities, we reviewed documents and interviewed officials with HHS's SAMHSA regarding federal funding of residential treatment and recovery facilities and issues related to work requirements at these facilities.[4] We reviewed documents from and interviewed officials with the Department of Labor's (DOL) Wage and Hour Division (WHD) regarding its enforcement of wage and hour laws and regulations for working residents, as well as issues related to worker vulnerability to experiencing violations. We compared SAMHSA informational guidance and requirements for its Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUPTRS Block Grant) with its 2023-2026 Strategic Plan, which includes plans for supporting employment;[5] SAMHSA's mission statement, which includes fostering substance misuse recovery;[6] and federal internal control standards regarding organizational structure and externally communicating quality information.[7] We also reviewed the Fair Labor Standards Act of 1938, as amended (FLSA), and related federal regulations. Finally, we interviewed the selected stakeholders regarding the federal role in providing guidance

[4]SAMHSA uses the terms substance use disorder treatment facilities and recovery housing, according to officials. For the purposes of this report, we use the term residential treatment and recovery facilities.

[5]Objective 1.2 of the plan includes enhancing protective factors against substance misuse, which include employment. SAMHSA, *Strategic Plan: Fiscal Year 2023-2026*.

[6]SAMHSA's mission includes leading public health and service delivery efforts that provide substance misuse treatments and supports to foster recovery while ensuring equitable access and better outcomes. SAMHSA, *Strategic Plan: Fiscal Year 2023-2026*.

[7]Federal internal control standards state that agencies should establish reporting lines that allow them to receive information from external stakeholders. The standards also state that management should externally communicate necessary quality information to achieve their objectives, and so that partners can help achieve goals and manage risks. GAO-14-704G.

and enforcing wage and hour laws and regulations related to residential treatment and recovery facilities and residents.

Survey of Residential Treatment and Recovery Facilities

Overview

To examine the prevalence of work arrangements at residential treatment and recovery facilities and the types of pay practices they use, we designed and administered a web-based survey to statistically representative samples of licensed treatment facilities and certified recovery residences. We also surveyed a nongeneralizable sample of unregistered facilities. We administered the surveys from March 27 to June 30, 2023. The survey covered whether facilities require or encourage their residents to work, what kinds of work arrangements their residents participate in, whether and how their residents are paid for their work, and what kind of services facilities provide their residents, among other topics. We took a number of steps to ensure the quality of the survey instrument, including pretesting questions with selected facility representatives and soliciting feedback from internal and external stakeholders. We used this feedback to improve question wording and measurement.

Licensed Treatment Facilities

Contact information for this survey population is maintained at the state government level. To survey this population, we used a two-stage cluster sample. In the first stage of sampling, we stratified the 50 states and District of Columbia by Census region, with the South region split further into South Central and South Atlantic sub-regions. We used simple random selection to obtain two states per stage one stratum. Our random selection of 10 states resulted in Louisiana and Kentucky (South Central), South Carolina and West Virginia (South Atlantic), New Jersey and Maine (Northeast), Indiana and North Dakota (Midwest), and Hawaii and Alaska (West).

We obtained the list of residential licensed treatment facilities from the SSA in each of these 10 states. For organizations that operated across multiple physical locations, we considered the location with the most beds to be the facility for the purposes of our analysis. Under the assumption of a design effect of 1.09, a desired margin of error no greater than plus or minus 10 percentage points at the 95 percent level of confidence, and an adjustment for an assumed response rate of 60 percent, we arrived at a

stage two sample size of n=20 for each state. If there were 20 or fewer licensed treatment facilities in the state, we selected all of them in the second stage of sampling. If there were 21 or more licensed treatment facilities located in the state, we randomly sorted the list and selected the first 20 facilities. This resulted in a sample size of 180 residential licensed treatment facilities.

To notify facilities of the survey, we emailed selected facilities information about the survey the week prior to launching it. We distributed the survey by emailing facility contacts links to the web-based Qualtrics survey platform. We followed up with non-responding facilities with emails and phone calls. As needed, we resent the survey link to email addresses we corrected after speaking to facility contacts by phone.

We identified and excluded as out-of-scope facilities in our sample that were no longer in operation, were a detox-only facility, did not provide residential treatment services, or the contact person receiving the survey had already been identified as the point of contact for a prior selection in the sample. We capped survey receipt at one survey per person to minimize the response burden. When we identified a duplicate selection, we replaced the duplicate with the next eligible record from the state's random sort. We also identified and excluded some survey respondents as out-of-scope based upon their responses to questions on the survey.[8] We used the standard design-based weight adjustment for second stage nonresponse. We treated all partial respondents who provided answers to question 13 and any part of question 14 as respondents and included them in our analysis.[9]

We obtained 96 responses for a weighted survey response rate of 57.6 percent.

Certified Recovery Residences

Seven of the 10 states we selected in stage one of the residential licensed treatment facility sample also have state NARR affiliates,

[8]We excluded as out-of-scope facilities that indicated they do not have substance misuse residents or do not provide substance misuse treatment or recovery services to their residents. This included short-term acute-care hospitals and detox-only facilities. We also excluded facilities that identified their standard of care as NARR level 1, indicating they are peer-led, do not have paid staff, and do not provide substance misuse treatment services or only provide services such as therapy without a licensed professional.

[9]Question 13 of our survey asked about the extent to which residents were required or encouraged to work, and question 14 asked what proportion of residents worked in various arrangements.

signifying that they have certified recovery residences. Six of these seven states provided contact lists of certified recovery residences (Hawaii, Indiana, Kentucky, Maine, South Carolina, West Virginia). New Jersey provided a list of certified recovery residences but could not provide contact information, so we did not sample this type of facility for New Jersey. Within the six states with certified recovery residences that provided contact information for them, we selected a simple random sample of certified recovery residences to survey. If there were 20 or fewer certified recovery residences in the state we selected all of them in the second stage of sampling. If there were 21 or more certified recovery residences located in the state we randomly sorted the list and selected the first 20 facilities. This resulted in a stage 2 sample size of 109 certified recovery residences.

We took the same steps to notify certified recovery residences of the survey, distribute the survey link, and follow up with non-responders as we did with residential licensed treatment facilities.

We identified and excluded as out-of-scope facilities in our sample that were no longer in operation, were a detox-only facility, did not provide residential treatment services, or the contact person receiving the survey had already been identified as the point of contact for a prior selection in the licensed treatment facility sample or the certified recovery residences sample. We capped survey receipt at one survey per person to minimize the response burden. When we identified a duplicate selection, we replaced the duplicate with the next eligible record from the state's random sort. We also identified and excluded some survey respondents as out-of-scope based upon their responses to questions on the survey. We used the standard design-based weight adjustment for second stage nonresponse. We treated all partial responses with question 13 and any part of question 14 as completions and included them in our analysis.

We obtained 48 responses for a weighted survey response rate of 52.9 percent.

Unregistered Facilities

Five states provided lists of unregistered facilities of which they were aware (Alaska, Maine, North Dakota, South Carolina, West Virginia). We administered the survey to all the identified unregistered facilities. This resulted in 75 unregistered facilities in our initial sample.

We took the same steps to notify facilities of the survey, distribute the survey link, and follow up with non-responders as we did with licensed treatment facilities.

We identified and excluded as out-of-scope facilities in our sample that were no longer in operation, were a detox-only facility, did not provide residential treatment services, or the contact person receiving the survey had already been identified as the point of contact for a prior selection in the licensed treatment facility sample or the certified recovery residences sample.

We obtained responses from 21 unregistered facilities.

Generalizability and Efforts to Minimize Response Errors

Generalizable results for the licensed treatment facility and certified recovery residence samples are statistically weighted to reflect the design and adjust for nonresponse. Statistical estimates for the licensed treatment facility survey are generalizable to the nationwide population for this type of facility. Those for the certified recovery residence survey are generalizable to the population of certified recovery residences located in states with a NARR affiliate where the state government's substance misuse agency has contact information for this type of facility.[10]

Because we followed a probability procedure based on random selections, our sample is one of a large number of samples that we might have drawn for each type of facility. Since each sample could have provided different estimates, we express our confidence in the precision of our particular sample's results as a 95 percent confidence interval (for example, plus or minus a certain number of percentage points). This is the interval that would contain the actual population value for 95 percent of the samples we could have drawn.

For estimates with a margin of error greater than plus or minus 20 percentage points and for all results from the survey of unregistered facilities we report nongeneralizable counts instead.

The practical difficulties of conducting any survey may introduce errors, commonly referred to as nonsampling errors. For example, difficulties in interpreting a particular question or sources of information available to respondents can introduce unwanted variability into the survey results. We took steps in developing the questionnaire, collecting the data, and

[10]NARR has affiliates in 30 states, according to its website. For the seven states we contacted for this survey that had NARR affiliates, six state government substance misuse agencies provided contact lists of certified recovery residences (Hawaii, Indiana, Kentucky, Maine, South Carolina, West Virginia). For the remaining 23 states that have NARR affiliates but that we did not contact for this survey, we do not know which states have contact information for certified recovery residences.

analyzing the results to minimize such nonsampling error. To minimize errors related to difficulties interpreting questions, we pretested the survey with five residential treatment and recovery facility representatives and one SSA official to ensure that our questions were clear, complete, and unbiased, and that answering the survey did not place an undue burden on respondents. Two of our methodology specialists assisted in developing our survey to ensure that survey questions captured the intended information. We revised our survey questions based on feedback from the pretesters and our methodologists.

Definitions

Most questions related to calendar year 2022. We defined the following terms for respondents:

- Substance misuse: Includes misuse, abuse, chemical dependence, or addiction to drugs, alcohol, and/or other illicit or regulated substances.
- Facility: Includes any facility, institution, residence, association, group, community, corporation, partnership, or program within which individuals receive substance misuse treatment or support services.
- Substance misuse residents: Adults who stay at a facility overnight and who receive substance misuse treatment or support services from the facility.
- Work: Activity in a job or workplace setting, regardless of whether paid or unpaid, the location, or for what entity the resident is working, including formal employment, work assignments, or other activity that approximates employment. Such arrangements could be part of the treatment or support program and provide residents with therapeutic benefits or could be distinct from the treatment or support program and simply be part of residents' responsibilities. Work does not include unpaid community service (e.g., court-ordered), and does not include daily chores. (Daily chores are activities that are ordinarily done on a daily basis in a private home, are solely for the mutual benefit of the occupants of the facility, and would not ordinarily be performed by full-time employees of the facility. Examples might include cleaning or washing dishes, tidying one's living space, or vacuuming a common area.)

We described facilities in the survey using the term "residential substance misuse treatment and recovery facilities," and the shortened term "residential substance misuse facilities." For reporting purposes, we used the shortened term "residential treatment and recovery facilities" to describe all facilities.

Site Visits to Residential Treatment and Recovery Facilities

Overview

We conducted site visits at 17 residential treatment and recovery facilities in five states from April to May 2023.[11] To obtain candid responses from facility representatives about their work and pay practices and treatment services, GAO criminal investigators posed as individuals seeking help and covertly visited nine of the facilities. Our analysts visited the remaining eight facilities (either in-person or via videoconference), which were aware of our affiliation with GAO. We do not report the names or identifying information for any facility or individual we interviewed. Due to our criminal investigators' covert status, we were not able to ask all of the same questions at all of our interviews, so the information we collected varies.

State Selection

From our pool of 10 randomly selected states for the survey, we selected Indiana, Louisiana, Maine, South Carolina, and West Virginia as the five states for our facility site visits and state-level stakeholder interviews (e.g., NARR state affiliates, drug courts, SSAs).

We selected these states primarily to capture variation by region, but we excluded the West region for resource considerations. Specifically, we initially considered the five states that were the first (of two) states randomly selected from each of the five Census regions that we had used for our survey. Next, we excluded the West region. We instead selected West Virginia, because a NARR official described challenges with work at residential treatment and recovery facilities in the state. In the Northeast Region, we selected Maine instead of New Jersey because drug court officials in New Jersey declined to speak with us.

Facility Selection

We selected facilities in our five site visit states based on several factors, including variation in facility type (licensed treatment facilities, certified recovery residences, and unregistered facilities), information from selected stakeholders about facilities that may have work requirements or concerning practices, and—in the case of non-covert site visits—

[11]We relied on the reporting of facility representatives and did not independently verify the information they provided.

scheduling availability. The information obtained from our site visits is not generalizable or indicative of prevalence.

We conducted this performance audit from June 2022 to July 2024 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. We conducted our related investigative work in accordance with investigation standards prescribed by the Council of the Inspectors General on Integrity and Efficiency.

Appendix II: Additional Survey Data

Below are some additional data from our survey. We administered a survey to three types of residential treatment and recovery facilities to examine the prevalence of work arrangements at such facilities and the types of pay practices they use. We obtained 96 responses from licensed treatment facilities, 48 responses from certified recovery residences, and 21 responses from unregistered facilities. Where our results are generalizable, we present a percentage range for each estimate.[1] Where they are nongeneralizable, we report the number of responding facilities instead.[2]

Work requirements. Of 89 licensed treatment facilities that provided information on their work practices and length of stay, all 21 licensed treatment facilities that require residents to work, and most facilities that either encourage work (12 facilities) or make it available (10 facilities), provide longer-term housing of more than 30 days (see table 2). These facilities may also provide shorter-term housing of 30 days or less for some residents. All of the responding certified recovery residences (48 facilities) and unregistered facilities (21 facilities) reported providing longer-term housing of more than 30 days.

[1]We report the lower and upper bound of the 95 percent confidence interval as a range for each estimate. Statistical estimates from the licensed treatment facility survey are generalizable to the nationwide population for this type of facility. Statistical estimates from the certified recovery residence survey are generalizable to the population of certified recovery residences located in states with a NARR affiliate where the SSA has contact information for this type of facility. For licensed treatment facility and certified recovery residence estimates with a margin of error greater than plus or minus 20 percentage points, and for all results from the survey of unregistered facilities, we report nongeneralizable counts instead of percentage ranges.

[2]See appendix I for additional detail on survey methodology.

Table 2: Length of Housing Stays at Responding Residential Licensed Treatment Facilities in 2022

	Work required	Work encouraged but not required	Work available but neither required nor encouraged	Work is not part of program
Provides at least some longer-term housing (more than 30 days)[a]	21	12	10	30
Provides just shorter-term housing (30 days or less)	0	2	1	13
Total	**21**	**14**	**11**	**43**

Source: GAO survey of residential treatment and recovery facilities. | GAO-24-106101

Notes: Licensed treatment facilities are generally licensed by state agencies. Of the 96 responding licensed treatment facilities, seven are excluded from this table because they had missing or ambiguous responses to the work expectations or housing duration questions.

[a]Some of the facilities that reported providing longer-term housing reported also providing shorter-term housing. To avoid counting facilities more than once, if a facility provided some housing of both duration categories, they are included in the longer-term housing group.

Work arrangements. Of 17 responding licensed treatment facilities that reported requiring residents to work and responded to the question regarding residents' full-time work, six facilities reported that all or most of their residents who worked typically worked full-time. Sixteen of 25 certified recovery residences reported the same.

Pay arrangements. Among 44 responding licensed treatment facilities that reported having at least some residents working in one or more work arrangements, 13 facilities reported having some residents working for no pay or for reduced pay.[3] Six of 44 certified recovery residences reported the same. Of these facilities where some residents work for no pay or reduced pay, five (of 13) licensed treatment facilities and three (of six) certified recovery residences require residents to work. Three of the licensed treatment facilities and one of the certified recovery residences encourage but do not require residents to work.

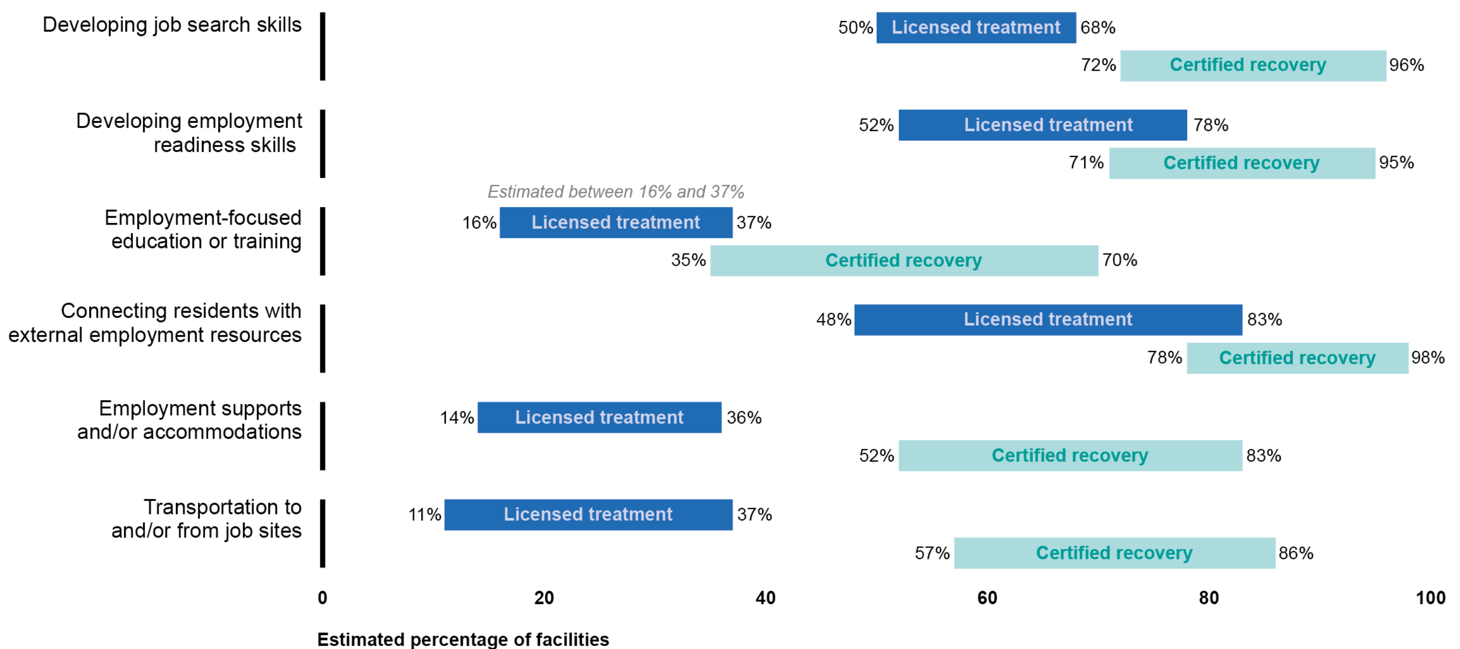
In addition, of the 13 licensed treatment facilities that reported having residents working for no pay or reduced pay, six facilities also reported

[3]Some of these facilities may have had at least some workers in multiple arrangements in which they received no pay or reduced pay.

that they had received federal funding in 2020, 2021, or 2022.[4] Two of the six certified recovery residences reported the same. These facilities varied in location and size.[5]

Services for residents. Based on our survey, residents at licensed treatment facilities and certified recovery residences receive work-related services of various kinds (see fig. 11). In addition, 20 of the 21 unregistered facilities reported that their residents receive work-related services of various kinds.

Figure 11: Estimated Percentages of Residential Treatment and Recovery Facilities that Have Residents Who Receive Various Work-Related Services, Upper and Lower Bounds of Estimates



Source: GAO survey of residential treatment and recovery facilities. | GAO-24-106101

[4]Facilities did not report whether the federal funding came from SAMHSA's Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUPTRS Block Grant) or other federal funding sources. We did not analyze whether individual facilities' pay practices were consistent with SAMHSA SUPTRS Block Grant requirements.

[5]The responding licensed treatment facilities with these pay arrangements were located across six of the 10 selected states and the responding certified recovery residences were located across four of the six selected states with certified recovery residences. The licensed treatment facilities ranged in size from 25 to more than 300 individuals served in 2022 and the certified recovery residences ranged in size from one to 299 individuals served in 2022.

Notes: Licensed treatment facilities are generally licensed by state agencies. Statistical estimates for licensed treatment facilities are generalizable to the nationwide population for this type of facility. Certified recovery residences are generally certified by National Alliance of Recovery Residences (NARR) state affiliates. Statistical estimates for certified recovery residences are generalizable to the population of certified recovery residences located in states with a NARR affiliate where the single state agency has contact information for this type of facility. Bars shown in the figure represent the range between the lower and upper bound of the 95 percent confidence interval. This figure does not include residential treatment and recovery facilities that are not licensed or certified by a state or NARR state affiliate.

Appendix III: Examples of Residential Treatment and Recovery Facility Outreach Materials

We collected examples of outreach materials from two of the residential treatment and recovery facilities we visited covertly (see figs. 12 and 13).

Figure 12: Example of Residential Treatment and Recovery Facility Outreach Material

Facility logo

Facility motto

Contact:

Phone number and address

MORE THAN A SECOND CHANCE

WE BELIEVE THAT EVERYONE DESERVES TREATMENT FOR ADDICTION AND AN OPPORTUNITY TO REBUILD THEIR LIVES.

Follow us on Facebook at:

Facility name

and join our meetings on Zoom:

Phone number

Password:

RECOVERY

5 PHASES OF RECOVERY

1 In your 1st 30 days you will have a 10PM curfew, mandatory substance abuse classes 7 nights a week, must secure a full time job and be steadily working a program of recovery. We assist finding full time employment. Memorize first 3 principles and working definitions of those principles.

2 For the next 60 days you must secure a sponsor. Curfew is extended to 11PM . Mandatory substance abuse classes 7 nights a week and must memorize steps 4,5, and 6 both spiritual and working definitions.

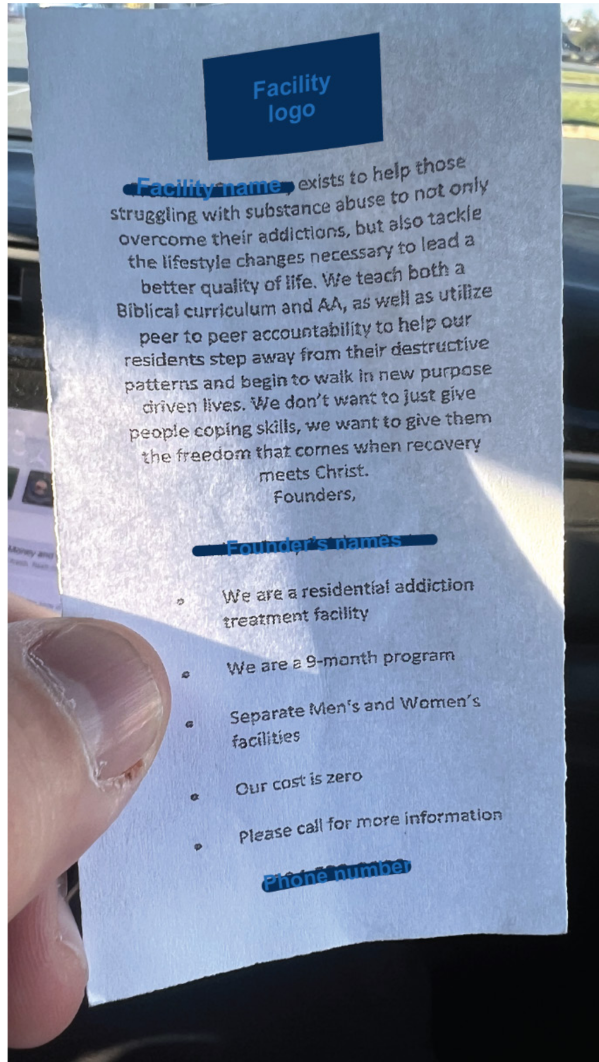
3 The next 60 days curfew remains 11PM but now have the ability to request weekend passes as long as program fee is within $100-$0 balance and is approved by a staff member. Meetings are mandatory 7 nights a week, but only 3 are required to be at [redacted]. A home group must be secured.

4 For 60 days, curfew is extended to 12AM. Weekend passes & meeting schedule remain the same. Must memorize steps 7,8, and 9 spiritual principles and working definitions. In this phase you are thinking about sponsees.

5 "Graduate Phase" In this minimum of 60 days everything remains the same as in Phase 4 but you will memorize steps 10, 11, and 12 spiritual principles & working definitions. You will start chairing meetings, working with sponsees, & your sponsor. You will be living a program of action.

Source: Facility advertisement. | GAO-24-106101

Figure 13: Example of Residential Treatment and Recovery Facility Outreach Material



Source: Facility advertisement. | GAO-24-106101

Appendix IV: Department of Labor Wage and Hour Division (WHD) Complaint Follow-up

WHD officials said if they received a complaint of a possible Fair Labor Standards Act (FLSA) violation from a treatment and recovery facility resident, they would first conduct an initial assessment to determine whether opening an investigation is warranted. If WHD accepted the complaint for investigation, officials said that an investigator would then make determinations, such as whether a violation occurred. Although each initial assessment and investigation varies, officials said they would likely address several questions (see table 3).

Table 3: WHD Assessment of FLSA Complaints

Assessment Question	Context
Does the information provided indicate a reasonable probability that an FLSA violation occurred?	To help assess whether a violation of FLSA's minimum wage or overtime standards may have occurred, the WHD official needs to analyze the wage amount and hours worked. FLSA provisions include whether to count work time for activities such as travel, training, and remaining on-call or waiting.[a]
Were any workers affected by the possible violation?	WHD assesses complaints to determine if one or more workers were negatively affected, according to officials.
Is there a reasonable probability that the FLSA covers the organization or the worker(s) involved?	The FLSA covers certain organizations and workers. For example, hospitals and businesses providing medical care to residents are covered, as well as organizations that have at least two employees and $500,000 volume of business. The FLSA covers workers engaged in interstate commerce, among other workers.[b]
Is there a legal employment relationship between the employer and the worker?	FLSA protections only apply when a worker is an employee, and is not otherwise exempt. Several factors are considered when assessing an employment relationship, including the worker's degree of independence in decision making, the permanence of the work relationship, and whether the work performed is integral to the employer's business.[c]
Do any exemptions to FLSA apply?	Certain workers are exempt from FLSA minimum wage standards, overtime pay standards, or both. For example, certain agricultural workers and workers at seasonal and recreational establishments are exempt from both minimum wage and overtime provisions.[d]
Is the employer able to claim credit towards wages?	In some cases, the FLSA allows employers—including residential treatment and recovery facilities that employ some of their own residents—to include the reasonable costs of services they provide employees, such as room and board, in employees' pay, potentially resulting in take-home pay that is less than minimum wage. Facilities can only claim the credit if they meet certain requirements, including that the services are provided primarily for the benefit of the employee (rather than the facility), the service is customarily provided to the employee, the employee voluntarily receives the service, and that the facility maintains accurate records of the reasonable costs of providing the services. The FLSA and related regulations also stipulate how to determine the "reasonable" cost of services, and which types of services may be credited.[e] WHD officials we interviewed said that the reasonable cost of substance misuse treatment and recovery services may in some cases be credited towards wages.

Source: Department of Labor Wage and Hour Division (WHD) documents, interviews with officials, and related regulations. | GAO-24-106101

Note: Individual assessments of complaints vary. WHD enforces other laws in addition to the FLSA.

[a]Department of Labor Wage and Hour Division, *Fact Sheet #22: Hours Worked Under the Fair Labor Standards Act (FLSA)* (revised July 2008).

[b]Department of Labor Wage and Hour Division, *Fact Sheet #14: Coverage Under the Fair Labor Standards Act (FLSA)* (revised July 2009).

[c]Department of Labor Wage and Hour Division, *Fact Sheet 13: Employee or Independent Contractor Classification Under the Fair Labor Standards Act (FLSA)* (revised March 2024). See also

Department of Labor Wage and Hour Division, *Field Operations Handbook: Chapter 10: FLSA Coverage: Employment relationship, statutory exclusions, geographical limits,* 10b34-35. Accessed on May 1, 2024.

[d]Department of Labor, *eLaws Advisors: Fair Labor Standards Act (FLSA) Advisor: Exemptions*. Accessed on October 30, 2023.

[e]Department of Labor Wage and Hour Division, *Field Assistance Bulletin No. 2015-1: Memorandum for Regional Administrators and District Directors: Credit toward Wages under Section 3(m) of the FLSA for Lodging Provided to Employees* (Dec. 17, 2015). 29 U.S.C. § 203(m). See also 29 C.F.R. § 531.40.

Appendix V: Comments from the Department of Health and Human Services

DEPARTMENT OF HEALTH & HUMAN SERVICES

OFFICE OF THE SECRETARY

Assistant Secretary for Legislation
Washington, DC 20201

June 6, 2024

Thomas Costa
Director, Education, Workforce, and Income Security
U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

Dear Mr. Costa:

Attached are comments on the U.S. Government Accountability Office's (GAO) report entitled, **"SUBSTANCE MISUSE TREATMENT AND RECOVERY: Federal Guidance Needs to Address Work Arrangements for Those Living in Residential Facilities" (GAO-24-106101).**

The Department appreciates the opportunity to review this report prior to publication.

Sincerely,

Melanie Anne Egorin

Melanie Anne Egorin, PhD
Assistant Secretary for Legislation

Attachment

GENERAL COMMENTS FROM THE DEPARTMENT OF HEALTH & HUMAN SERVICES ON THE U.S. GOVERNMENT ACCOUNTABILITY OFFICE'S DRAFT REPORT TITLED SUBSTANCE MISUSE TREATMENT AND RECOVERY: FEDERAL GUIDANCE NEEDS TO ADDRESS WORK ARRANGEMENTS TO THOSE LIVING IN RESIDENTIAL FACILITIES GAO-24-106101

The Department of Health and Human Services (HHS) Substance Abuse and Mental Health Services Administration (SAMHSA) appreciates the opportunity to review and comment on the Government Accountability Office (GAO) draft report. SAMHSA is strongly committed to program integrity efforts in our Substance Use Prevention, Treatment, and Recovery Services Block Grant Program (SUPTRS BG) and providing access to substance use disorder (SUD) treatment and recovery support services to everyone who needs it.

Although work can be used as a tool to aid a client in their recovery, the appropriateness of employment for each client in SUD treatment is based on each client's individual treatment plan. The client's individual treatment plan is formulated based on the clinical judgement of the client's treatment team and includes the expressed goals and interests of the client as incorporated through the client's participation in the development of their individual treatment plan. Requiring work as a condition of treatment would mean that in order for a patient to receive treatment, they would be required to work. SAMHSA's programs do not include any statutory or regulatory provisions regarding the inclusion of work as a part of an individual client's treatment plan. The treatment plan is individualized based on the needs, interests, and goals of the client.

It is important to note that throughout this engagement, SAMHSA clarified that recovery housing is starkly different than residential SUD treatment. They have distinct functions and purposes. A residential SUD treatment facility is a health care facility in which individuals reside for the duration of their treatment services for SUDs. Residential treatment care usually lasts for a few weeks to a few months and treatment for more complex SUDs and related health conditions may mean staying with a program for a year or more.

Recovery housing, on the other hand, is a distinct recovery support service that is designed to support recovery from SUDs. Recovery housing provides a substance-free, typically non-clinical living environment and is commonly used to help individuals transition from residential SUD treatment programs back into their day-to-day lives. SAMHSA recommends that recovery housing programs promote the four major dimensions that support a life in recovery: Health, Home, Purpose, Community. While SAMHSA does not require or support work requirements for individuals in order to receive SUD treatment services, whether provided in a residential or any other treatment setting (e.g., traditional outpatient, intensive outpatient, etc.), work requirements in recovery housing are not uncommon and are often required as work supports the major dimensions of recovery.

GAO used the phrase "substance misuse" throughout the report to broadly include substance misuse, abuse, chemical dependence, or addiction to drugs, alcohol, or other illicit or regulated substances. They stated this includes, but is not limited to, SUD. "Substance use disorder" is the overarching diagnostic category delineated in the Diagnostic and Statistical Manual Version 5 (DSM-5) that describes the symptoms that define the range of SUDs. "Substance misuse" is not a recognized diagnosis or diagnostic category in any diagnostic schema but is rather a way of describing the broader range of problematic substance use, even if people do not meet any of the diagnostic criteria for a SUD. Since treatment requires a diagnosis (i.e., a SUD), the usage of the umbrella term of "substance misuse" with regard to treatment is a misnomer. Further, the terms

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"substance abuse" and "substance dependence" are, dated DSM-IV diagnostic categories that were replaced with the term "substance use disorder" with the publication of the DSM-5 in 2013.

It is worth reiterating that although work can be used as a tool to aid a client in their recovery, the appropriateness of employment for each client in treatment is based on each client's individual treatment plan.

Recommendation 1
The Administrator of SAMHSA should incorporate single state agencies (SSA) into existing guidance development processes or develop a formal process to proactively consult SSAs about the information they need regarding how work should be incorporated into substance misuse treatment and recovery, and use the SSA feedback from such processes to inform the development of publicly available guidance.

HHS Response
SAMHSA concurs with this recommendation with the caveat that the guidance developed would focus on information regarding how work should be incorporated into SUD treatment and separately how work should be addressed with respect to recovery housing.

Recommendation 2
The Administrator of SAMHSA should explicitly state in SUPTRS Block Grant application materials that:

- Incorporating work into a facility resident's treatment or recovery plan should involve an individualized assessment to determine if and when work is appropriate and
- Requiring work as a condition for accessing services at residential treatment and recovery facilities without such an individualized assessment is not acceptable.

HHS Response
SAMHSA concurs with this recommendation and will incorporate a statement to this effect in the FY 2025-FY 2026 SUPTRS Block Grant application materials.

Page **2** of **2**

Appendix VI: GAO Contact and Staff Acknowledgments

GAO Contact

Thomas Costa, (202) 512-4769 or costat@gao.gov

Staff Acknowledgments

In addition to the contact named above, Lorin Obler (Assistant Director), Michael Kniss (Analyst-in-Charge), Linda A. Collins (Analyst-in-Charge), Anna Cielinski, Alanna Miller, and Abena Serwaa made key contributions to this report. Also contributing to this report were J. Howard Arp, Carl Barden, David Barish, James Bennett, Tracey Cross, Brendan Culley, Karen Doran, April Gamble, Danielle Giese, Alexis E. Hartranft, Joshua Hatter, Gabriel Jimenez-Barron, Cheryl Jones, Linda S. Keefer, Kirsten Lauber, Nicholas Lessard-Chaudoin, Mark MacPherson, Robin Marion, Maria McMullen, Amanda Miller, Aaron Olszewski, Sara Pelton, Patricia L. Powell, Joy Solmonson, Almeta Spencer, Amy Sweet, and Adam Wendel.

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