



Parkland
Community Health Plan

Medical Policy and Prior Authorization Notice

Psychiatric Diagnostic Evaluations

PURPOSE:

The goal of this policy is to establish standards and medical necessity criteria to guide Parkland Community Health Plan (PCHP) authorization decisions for requests for Psychiatric Diagnostic Evaluations, when prior authorization is required.

SCOPE:

This policy only applies to requests for Psychiatric Diagnostic Evaluation services that exceed the limitations outlined in the Texas Medicaid Provider Procedures Manual (TMPPM).

POLICY:

1. When utilization has exceeded the annual limitations outlined in the Texas Medicaid Provider Procedures Manual (TMPPM), PCHP will consider the following criteria to establish Medical Necessity:
 - A. Significant Change in Clinical Status: There has been a substantial change in the member's mental status, symptoms, or functioning (e.g., new onset of psychosis, mania, suicidal ideation, or major mood change) requiring a comprehensive reassessment to guide treatment.
 - B. New or Emerging Diagnosis: There is reasonable clinical suspicion of a new psychiatric disorder or comorbid condition not previously identified that necessitates full diagnostic clarification.
 - C. Post-Hospitalization or Post-Crisis Event: The member has experienced psychiatric hospitalization, emergency department stabilization, or crisis

Notification Posting Date: 12/01/2025

Policy Effective Date: 01/01/2026

intervention since the last evaluation, and an updated diagnostic assessment is required to revise the treatment plan.

- D. Treatment Resistance or Poor Response: The member has shown inadequate response or adverse reactions to treatment, suggesting the need for diagnostic reconsideration and updated formulation.
- E. Neurodevelopmental or Cognitive Concerns: Emerging evidence of cognitive, neurodevelopmental, or neuropsychiatric issues (e.g., suspected intellectual disability, autism spectrum disorder, neurocognitive disorder) requires a new diagnostic evaluation.
- F. Mandated or Third-Party Requirement: A new diagnostic evaluation is required by court order or other regulatory or funding body as part of ongoing treatment or placement planning.

REGULATORY REFERENCES:

- APA Practice Guideline for the Psychiatric Evaluation of Adults, Third Edition (2016)
- Attachment A – Medicaid and CHIP Managed Care Services RFP, Uniform Managed Care Contract Terms and Conditions
- Texas Medicaid Provider Procedures Manual