Medical Policy and Prior Authorization Notice

Psychological Testing

PURPOSE:

This policy establishes medical necessity criteria to guide Parkland Community Health Plan (PCHP) prior authorization decisions for psychological testing requests by in-network providers that exceed the allowable eight (8) hours per member, per year without prior authorization under the Texas Medicaid Provider Procedures Manual (TMPPM) and all requests for psychological testing submitted by out of network providers.

SCOPE:

This policy applies to requests for psychological testing submitted by providers on behalf of PCHP STAR and CHIP members.

POLICY:

When utilization by in-network providers exceeds the annual psychological testing limitations outlined in the Texas Medicaid Provider Procedures Manual (TMPPM), and when processing any psychological testing requests submitted by out of network providers, PCHP will consider the following criteria to establish Medical Necessity:

1. Testing is ordered, administered, and interpreted by a qualified behavioral health professional.

2. A clinical interview completed within 90 days prior to the request for psychological testing has assessed the member's clinical needs and identified a need for psychological testing. Clinical interviews conducted more than 90 days prior to the request may be considered when there has not been a significant change in the member's clinical presentation, functioning, or treatment needs reported or identified since the interview was completed.

3. Following a clinical interview, a specific clinical referral question remains which cannot be answered by interview of patient, collaborative information from

caregivers, direct observation, or brief self-administered rating scales, and can only be addressed through psychological testing.

4. Results of psychological testing must be expected to directly inform diagnosis, treatment planning, or clinical management. Psychological testing conducted exclusively for non-clinical purposes, including but not limited to educational, forensic, legal (e.g., custody evaluations, guardianship), employment, or disability determination purposes, is not medically necessary.

5. The rationale for psychological testing must be specific to the patient.

    A. A vague or general explanation; such as, stating “case formulation” or “treatment planning” does not meet the criteria for “case-specific rationale”.

6. Symptoms result in clinically significant impairment in functioning (e.g., school, work, home, social, daily activities, developmental functioning, self-care).

7. The patient can meaningfully participate in testing activity with any necessary and appropriate accommodations documented.

    A. Substance intoxication/withdrawal, medication effects, language or cognitive impairments may contraindicate testing.

8. The proposed list of tests is submitted, and the testing plan includes standardized, validated, norm-referenced, and age-appropriate instruments.

9. Proposed provider time for testing does not exceed typical standards for the selected instruments.

10. Multiple instruments for the same domain (for example, multiple cognitive/intellectual assessments, adaptive behavior assessments, sensory-motor assessments, or self-administered rating scales) require clear, case-specific rationale.

11. The request includes documentation of relevant behavioral health treatment history, including current medications, if applicable.

12. The request includes documentation of significant medical or neurological history, if applicable.

REGULATORY REFERENCES:

American Psychological Association, Guidelines for Psychological Assessment and Evaluation (2020)

Texas Medicaid Provider Procedures Manual (TMPPM), current edition