

	Psychological/Neuropsychological Testing Guidelines	
Policy # 6673	Categories Clinical → Care Coordination, TCHP Guidelines	This Policy Applies To: Texas Children's Health Plan
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GUIDELINE STATEMENT:

Texas Children's Health Plan (TCHP) performs authorization of all Psychological, Neurobehavioral, and Neuropsychological Testing when billed outside of the guidance documented in the Texas Medicaid Provider Procedure Manual Behavioral Health and Case Management Handbook.

GUIDELINE

1. All requests for Psychological, Neurobehavioral and Neuropsychological Testing are received via fax, phone, online submission or mail by the Utilization Management Department and processed during normal business hours.
2. Psychological testing (procedure codes 96130, 96131, 96136, and 96137), neurobehavioral testing (procedure codes 96116 and 96121), and neuropsychological testing (procedure codes 96132, 96133, 96136, and 96137) are limited to four hours per client, per day and eight hours per client, per calendar year.
3. Prior authorization and clinical documentation is required to support medical necessity for additional testing after the 8 hour per calendar year limitation for psychological or neuropsychological testing or after the 4 hour per calendar year limitation for neurobehavioral testing has been met:
 - 3.1. Documentation must be maintained by the provider in the medical record.
 - 3.2. Additional testing may be reviewed by the medical director and considered for approval on a case-by-case basis.
 - 3.3. Prior authorization requests for psychological, neurobehavioral and neuropsychological testing services in excess of limitations must include:
 - 3.3.1. Identifying information for the person receiving the services
 - 3.3.2. Provider name and identifier
 - 3.3.3. Current DSM diagnoses
 - 3.3.4. Identification of court-ordered or DFPS-directed services
 - 3.3.5. Type of testing requested (psychological, neurobehavioral, or neuropsychological) including specific procedure codes
 - 3.3.6. Rationale for requested testing, to include current symptoms of the person

receiving the services.

3.3.7. Previous history and testing results

4. Medical necessity may be supported by documentation indicating:

4.1. Testing is needed for a differential diagnosis of a covered mental health condition, which is not clear from a traditional assessment (i.e., clinical interview, brief rating scales), and diagnostic clarity is needed for effective psychotherapy or psychopharmacotherapy treatment planning.

4.2. The individual has not responded to standard treatment with no clear explanation of treatment failure, and testing will have a timely effect on the individual treatment plan.

4.3. Testing is needed on a medical patient to provide a differential diagnosis between psychogenic versus a neurogenic syndrome affecting neurocognitive functioning and to determine the nature, scope and level of remediation of brain damage or organic brain disease under the following conditions:

4.3.1. When there has been a significant mental status change, memory/cognitive loss or change, or documented brain injury.

4.3.2. When there is a medical condition present associated with memory change.

Examples may include any of the following: cochlear implant, recent head injury, stroke, CNS neoplasm (pre- and post-surgery), radiation treatment, chemotherapy, sickle cell disease providing that neurological signs and symptoms are identified and documented, e.g. poor school performance, cerebral anoxia, cerebral hypoxia, CNS infection, vascular injury of the CNS, neurodegenerative disorders, dementia, demyelinating disease, extrapyramidal disease, metabolic encephalopathy after stabilization, exposure to agents known to be associated with cerebral dysfunction, ongoing seizures, or to assist the health care team in a decision regarding radiation vs. chemotherapy.

4.3.3. Other neurodevelopmental risk factors for neuropsychological deficits, e.g., low birth weight, spina bifida, etc. will be considered on a case by case basis with a neuropsychologist.

5. The following are not considered medically necessary:

5.1. Routine testing in facilities for admission or regularly provided upon commencement of treatment).

5.1.1. Persons in facilities with well-established mental or cognitive issues do not require additional testing.

5.1.2. **The administration of a standard battery of tests is not routinely considered medically necessary**; thus, the “process method” of selecting specific tests, which are directly responsive to the referral questions, and presenting problems is generally endorsed by Texas Children’s Health Plan. Frequently, a portion of testing request may be approved as a screening to determine the need for further testing, just as an x-ray might be approved before an MRI in an orthopedic work-up

5.2. Testing is primarily for legal, custody or placement purposes, unless court ordered.

5.3. Measures proposed have no standardized norms or documented validity.

6. The following are not considered a benefit:
 - 6.1. Assessment of possible learning disabilities or developmental disabilities is provided by the school system per federal mandate Public Law 94-142, the *Education of all Handicapped Children Act of 1975*.
 - 6.2. Testing requested by the legal system is not generally a covered benefit unless court ordered.
 - 6.3. Testing requested by the school system is not generally a covered benefit.
7. Supporting documentation psychological, neurobehavioral, or neuropsychological testing must include:
 - 7.1. Reason for referral and/or presenting problem
 - 7.2. The name of the tests (e.g. WAIS-R, Rorschach, MMPI) performed
 - 7.3. The scoring of the test
 - 7.4. Location the testing is performed
 - 7.5. The name and credentials of each provider involved in administering, interpreting, and preparing the report
 - 7.6. Interpretation of the test to include narrative descriptions of the test findings
 - 7.7. Length of time spent by each provider, as applicable, in face-to-face administration, interpretation, integrating the test interpretation, and documenting the comprehensive report based on the integrated data
 - 7.8. Recommended treatment, including how test results affect the prescribed treatment
 - 7.9. Recommendations for further testing to include an explanation to substantiate the necessity for retesting if applicable
 - 7.10. Rationale or extenuating circumstances that impact the ability to complete the testing, such as, but not limited to, the person's condition requires testing over two days and the person does not return, or the person's condition precludes completion of the testing.
8. Requests that do not meet the guidelines referenced here will be referred to a Physician Reviewer for review and the Denial Policy will be followed.
9. Preauthorization is based on medical necessity and not a guarantee of benefits or eligibility. Even if preauthorization is approved for treatment or a particular service, that authorization applies only to the medical necessity of treatment or service. All services are subject to benefit limitations and exclusions. Providers are subject to State and Federal Regulatory compliance and failure to comply may result in retrospective audit and potential financial recoupment.

REFERENCES:

Texas Medicaid Provider Procedures Manual, and other publications

Texas Medicaid Provider Procedures Manual, Behavioral Health and Case Management Services Handbook, Accessed March 3, 2025

https://www.tmhp.com/sites/default/files/file-library/resources/provider-manuals/tmppm/pdf-chapters/2025/2025-03-march/2_02_behavioral_health.pdf

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