

Psychological Testing Authorization Process and Guidelines

Introduction

Magellan Health Services is committed to the philosophy providing effective and necessary care. While there are a number of valid reasons for administering psychological testing (e.g., school placement or vocation planning), the primary reason that health insurance benefits cover psychological testing is to facilitate the assessment and treatment of mental health and substance abuse disorders. This document is designed to explain when psychological testing benefits will be eligible for authorization. For psychological testing to be authorized, specific administrative procedures must be followed and specific guidelines must be met. The following sections describe the psychological testing authorization process and guidelines utilized by Magellan.

Definition

Psychological testing is defined as the use of one or more standardized measurements, instruments or procedures to observe or record human behavior, and requires the application of appropriate normative data for interpretation or classification. Psychological testing may be used to guide differential diagnosis in the treatment of psychiatric disorders and disabilities. Testing may also be used to provide an assessment of cognitive and intellectual abilities, personality and emotional characteristics, and neuropsychological functioning.

Requirements for authorization

Psychological testing will be authorized to a licensed doctoral level psychologist (Ph.D., Psy.D., or Ed.D.) who has been credentialed by and contracted with Magellan or to other qualified providers as permitted by applicable state and/or federal law. In addition, for psychological testing to be authorized, compliance with the following process is required:

- Requested tests must be valid and reliable, and the most recent version of the test must be used. The instrument must be age-appropriate and meet the patient's developmental, linguistics, and cultural requirements.
- Prior to testing, the patient must be assessed by a behavioral health care provider. The rationale for this is that, in many cases, a diagnostic assessment is sufficient for the diagnosis and treatment of behavioral health disorders. Exceptions are noted later in this document.
- A *Request for Psychological Testing Authorization* must be completed. The referring provider or testing psychologist may submit the form, however, Section IX, Requested Testing, must be completed by the testing psychologist and submitted to Magellan¹.
- A clear, specific rationale for testing must be provided.
- The rationale provided and the results of the testing must be likely to have a positive impact on treatment.

¹ Some Magellan Care Management Centers require a telephone call for psychological testing authorization, rather than completing the form. In this circumstance, the testing psychologist is required to call the Care Management Center.

Medical Necessity

Magellan defines medical necessity as “services by a provider to identify or treat an illness that has been diagnosed or suspected. The services are: a) consistent with: (1) the diagnosis and treatment of a condition; and (2) the standards of good medical practice; b) required for other than convenience; and c) the most appropriate supply or level of service².”

The following three guidelines are considered when making an authorization determination:

- 1) **The reason for testing must be based on a specific referral question or questions from the treating provider and related directly to the psychiatric or psychological treatment of the patient, and**
- 2) **The specific referral question or questions cannot be answered by means of diagnostic assessment and/or behavioral observations, and**
- 3) **The specific referral question or questions and testing results will have a meaningful impact on the course or outcome of therapy.**

The first guideline highlights the need for *a specific clinical reason or rationale* for psychological testing. Routine or “standard orders” testing does not meet this guideline. Psychological testing must serve a specific purpose for each individual patient.

The second guideline focuses on the *specialized need* for psychological testing. In most circumstances, a diagnostic assessment is sufficient to determine a patient’s diagnosis and treatment plan. For psychological testing benefits to be eligible for authorization, the provider must clearly delineate why an assessment and/or behavioral observations are not adequate, as well as explain how testing is likely to answer the referral question(s).

The third guideline emphasizes the importance of *utility* for the testing. For example, if a diagnostic assessment is unable to differentiate between several diagnoses, but testing is likely to clarify a specific diagnosis and facilitate appropriate treatment, then testing benefits may be authorized.

All three guidelines must be met for testing benefits to be eligible for authorization.

Reasons for Non-authorization

Psychological testing authorization may be denied for the following circumstances:

1. Testing is primarily for educational or vocational purposes.
2. Testing is primarily for the purpose of determining if a patient is a candidate for a specific type or dosage of psychotropic medication.
3. Testing is primarily for the purpose of determining if a patient is a candidate for a medical or surgical procedure.
4. Testing results may be invalid due to the active influence of a substance, substance abuse withdrawal, or similar cause.

² From Magellan’s, *Medical Necessity Criteria 2006*, page 1.

5. Testing is primarily for diagnosing Attention Deficit Hyperactive Disorder (ADHD), *unless* the diagnostic interview, clinical observations, and results of appropriate behavioral rating scales are inconclusive.
6. Two or more tests are requested that essentially measure the same functional domain.
7. Testing is primarily for legal purposes including custody evaluations, parenting assessments, or other court or government ordered or requested testing.
8. Tests requested are experimental, antiquated, or not validated.
9. Testing request is made prior to the completion of a diagnostic interview by a behavioral health provider. An exception may be made when a neuropsychological disorder screening evaluation is necessary to differentially diagnose between a neurological or psychiatric disorder and the patient's benefit plan covers this service.
10. Testing is primarily to determine the extent or type of neurological impairment, unless allowed under the patient's benefit plan.

Authorization Process

Before testing is administered, a [Request for Psychological Testing Authorization](#) form is completed and submitted or the appropriate Magellan Care Management Center is called for authorization. The testing request form or telephone call must be completed and submitted to Magellan prior to testing. An administrative non-authorization will occur if preauthorization is not obtained in routine circumstances. The [testing request form](#) and [instructions for completion](#) may be obtained from the appropriate Magellan Care Management Center, or online at www.MagellanHealth.com/provider.

Authorized administration time for tests is customarily based on the times listed in the latest edition of *Tests in Print*. If the requested test is not listed in this publication, or for self-administered tests that lack a range, then the times listed in publishers' catalogs or alternative sources are used. When testing benefits are authorized, the time authorized per test will be a maximum of one and one-half the time it takes to administer the test. The time authorized includes administration, scoring, interpretation, and report writing. Magellan will authorize testing administration by a psychologist (or other qualified providers as permitted by applicable state and/or federal law), computer or technician as defined by the expanded set of CPT[®] codes effective January 1, 2006. If a technician is used, the psychologist must sign the [Request for Psychological Preauthorization](#) form attesting to his or her oversight and supervision of the technician. Based on the American Psychological Association Practice Directorate billing guidelines, the computer billing code may only be used once regardless of how many tests are computer-administered. Further, only codes for psychological testing (96101, 96102, and 96103) or neuropsychological testing (96118, 96119, and 96120) may be used for a given battery of tests. The primary purpose of the testing determines which set of codes to use. Follow-up sessions are to be billed as individual (90806) or family therapy sessions (90847).

Although master's level care managers may conduct the initial reviews and provide authorizations for psychological testing, clinical non-authorizations are performed by doctoral level psychologists or, by a psychiatrist if required or allowed by state regulations.