



Medical Policy Name	Psychological and Neuropsychological Testing Criteria
Medical Policy Number	20.5.004
Issued By	Chief Medical Officer
Approved By	Medical Directors, Provider Advisory Committee, Corporate Quality Improvement Committee, Health Plans
Original Effective Date	01/2023

Applies To: 1/1/2025 to 12/31/2025

Description of Treatment

Psychological Testing - Psychological testing includes the administration, interpretation, and scoring of the medically accepted standardized tests for the evaluation of functional strengths, psychopathology, psychodynamics, mental health risks, insight, motivation, and other factors influencing treatment and prognosis. Psychological testing is one component of a psychological assessment.

Neuropsychological Testing - These tests are requested for patients with a history of psychological, neurological, or medical disorders known to impact cognitive or neurobehavioral functioning. Neuropsychological evaluations are used when there is evidence to suggest neurological problems like: autism spectrum, intellectual disabilities, learning disorders, brain injury, neurodegenerative diseases, and other neurologic conditions.

When Services May Be Eligible for Coverage

Coverage for eligible treatments or procedures may be provided only if:

- Benefits are available in the member's contract/certificate, and
- Medical necessity criteria and guidelines are met.

Criteria

- A. Psychological testing is considered medically necessary for **one or more** of the following indications, where there is a need to:
1. Assess the presence, severity, or functional impairment of a psychological disorder in order to determine psychiatric diagnosis. This includes differentiation among different medical/psychological disorders that present with similar constellations of symptoms (e.g., determine whether anxiety is contributing to the dyspnea experienced by a patient with asthma).
 2. Assess mental or behavioral factors impacting disease management. Some common, but not exclusive, examples are:

- a. Pre-surgical evaluation to identify psychological factors that may potentially affect or complicate the outcome of surgical procedures or aftercare (e.g., spinal surgery, bariatric surgery);
 - b. Assessment of psychological factors impacting physical disease management and ability to comply with and benefit from medical interventions; and
 - c. Assessment of psychological factors in patients experiencing chronic pain.
3. Assess specific psychological bases underlying functional complaints or disability.
 4. Assess psychological barriers and strengths to aid in treatment planning. This includes, but is not limited to, treatment selection, treatment prognosis and outcomes, and identifying potential reasons for poor treatment response.
 5. Assess risk factors needed to determine patients' risk of harm to self or others.
 6. Perform symptom assessment as part of treatment selection or evaluation of treatment effectiveness.
 7. Corroborate or refute impressions obtained from non-standardized interactions with patients, particularly when malingering or denial of psychological difficulty is suspected.
 8. Assess attention and concentration difficulties and other cognitive deficits that are the sequelae of many medical conditions and/or impede functional adjustment.
 9. Measure cognitive or functional deficits in children and adolescents based on an inability to develop expected knowledge, skills or abilities as required to adapt to cognitive, social, emotional, or physical demands.
- B. Neuropsychological testing is considered medically necessary for one or more of the following indications, where initial assessment or assessment over time is needed in order to:
1. Assess cognitive or behavioral deficits related to known or suspected CNS impairment, trauma, or neuropsychiatric disorders, including when the information will be useful in determining a diagnosis, prognosis, or informing treatment planning.
 2. Establish a treatment plan by measuring functional abilities/ impairments in individuals with known or suspected CNS and neuropsychiatric disorders.
 3. Determine the potential impact of substances that may cause cognitive impairment (e.g., radiation, chemotherapy, prescribed or illicit drugs, toxins) or result in measurable improvement in cognitive function, including when this information is utilized to determine treatment planning.
 4. Conduct pre-surgical or treatment-related measurement of cognitive function to determine whether one might safely proceed with a medical or surgical procedure that may affect brain function (e.g., deep brain stimulation, resection of brain tumors or arteriovenous malformations, epilepsy surgery, stem cell or organ transplant) or significantly alter a patient's functional status.

5. Determine whether a medical condition impairs a patient's ability to comprehend and participate effectively in treatment regimens (e.g., surgical procedures, determining functional capacity for health care decision-making) or will permit the individual to function consistent with pre-injury or pre-illness levels.
6. Design, administer, and/or monitor outcomes of cognitive rehabilitation procedures, such as compensatory memory training for brain-injured patients.
7. Measure cognitive or functional deficits in children and adolescents based on an inability to develop expected knowledge, skills or abilities as required to adapt to cognitive, social, emotional, or physical demands.
8. Evaluate primary symptoms of impaired attention and concentration that can occur in many medical and psychiatric conditions.

C. Limitations of Coverage - Psychological and Neuropsychological testing is not considered reasonable and necessary when:

1. The patient is neurologically, cognitively, or psychologically unable to participate in a meaningful way in the testing process.
2. The patient will not benefit from reasonable therapeutic or care options—there must be a reasonable expectation from a medical or psychological management perspective.
3. Used as a routine screening tool given to the individual or to general populations in the absence of clinical justification (e.g., medical or psychological rationale).
4. Administered for educational, vocational, or other non-clinical purposes that do not inform medical or health management (i.e., the purpose of testing is to alter or direct medical or health management).
5. Comprised exclusively of self-administered, self-created, or self-scored inventories.
6. Comprised exclusively of screening tests of cognitive function or neurological disease (whether paper-and-pencil or computerized, e.g., AIMS, Folstein Mini-Mental Status Examination).
7. Testing and/or repeat testing is not required for medical or clinical decision-making (e.g., when the repeat testing is because of patient request without clinical justification).
8. Administered when the patient is currently under the undue influence or impaired by alcohol, drugs (prescription or illicit), or other substances.
9. Administered when the patient is currently experiencing acute delirium or psychosis.
10. The patient has been diagnosed previously with brain dysfunction, such as Alzheimer's disease, and there is no expectation that the testing would impact the patient's medical, psychological, clinical, functional, or behavioral management.

D. Expectations of Care Delivery

1. The requested time for administration, scoring and interpretation of the proposed testing battery must be consistent with the time requirements indicated by the test publisher.
2. The qualified health professional responsible for the development of the test battery will adhere to CPT code definitions for screening tests, psychological tests, neuropsychological tests, use of technicians, and machine-administered tests.
3. An initial face-to-face complete diagnostic assessment will be completed.
4. The proposed battery of tests will be individualized to meet the member's needs and to answer the specific diagnostic/clinical questions identified by the diagnostic assessment.
5. The proposed battery of tests is standardized and has nationally accepted validity and reliability.
6. Testing is administered and interpreted by a licensed psychologist or other qualified mental health provider (as defined by applicable State and Federal law and scope of practice). Technician-administered and/or computer-assisted testing may be allowed under the direct supervision of a licensed psychologist or other qualified mental health provider. Neuropsychological testing must be supervised and interpreted by a licensed psychologist with specialization in neuropsychology.
7. The requested tests must have normative data and suitability for use with the member's age group, culture, primary language, and developmental level.
8. At the completion of the testing, a comprehensive report is generated that includes the tests used, scores, and an in-depth summary of the findings of the assessment.
9. The results of the proposed testing can reasonably be expected to contribute to the development and implementation of an individualized treatment plan.

Summary of Evidence

1. American Psychological Association (2024). 2024 Psychological and Neuropsychological Testing Billing and Coding Guide.
 - a. Contains the medical necessity criteria listed in A and B above.
 - b. Contains the limitations listed in C above.
 - c. Contains billing and coding guides.
 - d. Covers most of the expectations of care listed in D above.
2. American Psychological Association, APA Task Force on Psychological Assessment and Evaluation Guidelines. (2020). APA Guidelines for Psychological Assessment and Evaluation.
 - a. Lists 17 guidelines related to the expectations of care listed in D above.
3. Philip D. Harvey (2012) Clinical applications of neuropsychological assessment, Dialogues in Clinical Neuroscience.

- a. Identifies situations where neuropsychological assessment is indicated which supports the criteria listed in B above. Uses of neuropsychological assessment:
 - i. Diagnostic information for detection of dementias or other traumatic conditions
 - ii. Differential diagnosis of dementias vs less complex conditions
 - iii. Measurement of functional potential
 - iv. Course of degenerative conditions
 - v. Measurement of recovery of functioning
 - vi. Measurement of treatment response
- b. Identifies situations where neuropsychological assessment is not indicated which supports the limitations listed in C above.

Exceptions

Exceptions to this medical policy must be approved by the Chief Medical Officer or their designee.

References

1. American Psychological Association (2024). 2024 Psychological and Neuropsychological Testing Billing and Coding Guide. [2024 Psychological and Neuropsychological Testing Billing and Coding Guide \(apaservices.org\)](https://www.apaservices.org/billing-coding-guide)
2. American Psychological Association, APA Task Force on Psychological Assessment and Evaluation Guidelines. (2020). APA Guidelines for Psychological Assessment and Evaluation. Retrieved from <https://www.apa.org/about/policy/guidelines-psychological-assessment-evaluation.pdf>
3. Philip D. Harvey (2012) Clinical applications of neuropsychological assessment, Dialogues in Clinical Neuroscience, 14:1, 91-99, DOI: 10.31887/DCNS.2012.14.1/pharvey. [Clinical applications of neuropsychological assessment - PMC \(nih.gov\)](https://pubmed.ncbi.nlm.nih.gov/22111111/)

Related Documents

GUIDES / HANDOUTS

[Psychological-Neuropsychological Testing \(PNT\) WebPass Guide](#)
[Psychological/Neuropsychological Testing Guide – Corporate](#)
[Psychological/Neuropsychological Testing Guide – Florida](#)

FORMS

[Request For Psychological/Neuropsychological Testing](#)

Document History

Date	Action	By Whom	Summary
09/2024	Revision	Dr. John Langlow	
11/2023	Review		
01/2023	New		

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