Medicare Part C Medical Coverage Policy

Psychological Evaluations Covered as a Medical Benefit

Origination: December 16, 2002
Review Date: July 12, 2017
Next Review: July, 2019

DESCRIPTION OF PROCEDURE OR SERVICE
Psychological evaluations may be beneficial during the initial work-up for the diagnosis and treatment of behavioral adjustment, to identify the psychological components of a disease, illness, injury, or disability or to differentiate psychogenic from organic problems. These evaluations are designed to determine the functional status of known or suspected brain dysfunction through testing of the neuro-cognitive domains responsible for language, perception, memory, learning, problem-solving, and adaptation, and can include a medical assessment with physical examination.

The Episodic Care Manager (ECM) is responsible for determining if the authorization request will apply to the medical or mental health benefit.

POLICY STATEMENT
Coverage will be provided for psychological evaluations when it is determined to be medically necessary, as outlined in the below guidelines and medical criteria.

BENEFIT APPLICATION
Please refer to the member’s individual Evidence of Coverage (E.O.C.) for benefit determination. Coverage will be approved according to the E.O.C. limitations if the criteria are met.

Coverage decisions will be made in accordance with:
- The Centers for Medicare & Medicaid Services (CMS) national coverage decisions;
- General coverage guidelines included in original Medicare manuals unless superseded by operational policy letters or regulations; and
- Written coverage decisions of local Medicare carriers and intermediaries with jurisdiction for claims in the geographic area in which services are covered.

Benefit payments are subject to contractual obligations of the Plan. If there is a conflict between the general policy guidelines contained in the Medical Coverage Policy Manual and the terms of the member’s particular Evidence of Coverage (E.O.C.), the E.O.C. always governs the determination of benefits.
INDICATIONS FOR COVERAGE

1. Preauthorization by the Plan is required for medical psychological evaluations;

AND

2. Coverage will only be approved for a medical diagnosis under the medical benefit when the evaluation is performed by a clinically trained examiner (ex. clinical psychologist, psychologist, advanced nurse practitioner or physician assistant), including but not limited to one of the following:
   • Evaluation of chronic pain, especially when contemplating invasive treatment such as implantation of spinal stimulator or pain pumps;
   • Definition of the neurocognitive effects of central nervous system (CNS) disorders;
   • As part of the work up for a transplant;
   • As part of the work up for bariatric surgery.

WHEN COVERAGE WILL NOT BE APPROVED
Coverage for psychological evaluations will be directed to the members Mental Health provider if the member is experiencing mental health symptoms.

LIMITATIONS
Approval may be given for up to 4 visits to complete the evaluation.

BILLING/ CODING/PHYSICIAN DOCUMENTATION INFORMATION
This policy may apply to the following codes. Inclusion of a code in the section does not guarantee reimbursement.

Applicable codes– Psychiatric Diagnostic Interview Examination

90791- Psychiatric Diagnostic Interview Examination
90792- Psychiatric Diagnostic Evaluation with Medical Services.
96101, 96102, 96103- Psychological Testing

The Plan may request medical records for determination of medical necessity. When medical records are requested, letters of support and/or explanation are often useful, but are not sufficient documentation unless all specific information needed to make a medical necessity determination is included.

References:
1. Medicare Local Coverage Determination for Psychiatry and Psychology Services – Wisconsin Physician Service (L34616); Effective date: 10/01/2015, revised 01/01/2017; Accessed via www.cms.gov. Viewed on 7/12/17.
3. BCBSNC- Medicare Medical Policies regarding Spinal Stimulators; Neuropsychological Testing; Transplant; Morbid Obesity Surgery, and their respective references; Viewed online at http://www.bcbsnc.com/content/providers/blue-medicare-providers/medical-policies/alphabetical-list.htm; Viewed on 07/12/2017.

Policy Implementation/Update Information:
Revision Date: June 22, 2005; February 21, 2007: Updated codes, no criteria changes made.
September 2009: Formatting changes; Added “Delineation of the neurocognitive effects of central nervous system (CNS) disorders” and “As part of the work up for bariatric surgery” to when coverage will be approved.
March 2012: No criteria changes made.
Revision Date: 08/21/2013. Codes updated and completed annual review of policy. October 29, 2015 updated LCD due to ICD-10 update only.
Revision Date: January 5, 2016. Annual review, updated Description of Procedure/Service per LCD L34646, updated item #2 under Indications For Coverage, updated code and reference section. No additional CMS criteria, no further revisions to policy required.
Revision Date: July 12, 2017. Coding Section update. Removed 96105, 96111, and 90834. No further revisions to policy required.

Approval Dates:
Medical Coverage Policy Committee: July 12, 2017

Policy Owner: Carolyn Wisecarver, RN, BSN
Medical Policy Coordinator