

 Aetna Better Health® of Kentucky Aetna Better Health of Kentucky 9900 Corporate Campus Drive Suite 100 Louisville, KY 40223	Date:	10/14/2025
	To	All Network Providers
	From	Provider Experience
	Subject	Psychological & Neuropsychological Testing
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Aetna Better Health of Kentucky would like to provide information and education to assist with understanding the following about Psychological Testing services covered by Kentucky Medicaid.

- Who can provide Psychological Testing services?
- When is Psychological Testing not covered by Kentucky Medicaid?
- When is Psychological Testing medically necessary?
- What should providers know about requesting prior authorization for Psychological Testing?

Psychological tests can assess a range of mental abilities and traits, including achievement and ability, personality, and neurological functioning. Psychological testing, including Neuropsychological Testing, utilizes a set of standardized tests that are valid and reliable. They allow for an assessment of a recipient's cognitive and behavioral functioning and an analysis of changes related to mental or physical disease, injury, or abnormal development of the brain.

Neuropsychological testing is a subclassification of psychological testing and evaluates individuals who demonstrate cognitive or behavioral abnormalities. Neuropsychological testing is used when a differentiation between organic versus functional disorders is needed to direct proper therapy (e.g., occupational, physical, or speech and language therapy), predict neuropsychological recovery, or monitor progress.

Who can provide Psychological Testing services?

According to **Kentucky Administrative Regulations**, Psychological Testing must be provided by:

- A licensed psychologist.
- A licensed psychological practitioner.
- A licensed psychological associate under supervision.
- A certified psychologist with autonomous functioning.
- A certified psychologist under supervision.

When is Psychological Testing NOT covered by Kentucky Medicaid?

Kentucky Administrative Regulations (KARs) state that Psychological Testing for another agency, including a court or school, that does not result in the individual receiving psychiatric intervention or behavioral health therapy from the provider is NOT covered.

Psychological Testing for another agency means that Psychological Testing is being performed to provide findings which are used for decision-making purposes and not for treatment purposes.

See the following for some examples of Psychological Testing that would NOT be covered by Kentucky Medicaid under the provisions of the **KARs**.

- Child Protective Services evaluations where CPS agencies or courts may order psychological testing of parents or children to assess parenting capacity, emotional well-

being, and family dynamics.

- Psychological Testing at the request of the court or an attorney for legal purposes.
- Psychological Testing to determine eligibility for benefits, programs or Medicaid Waiver eligibility.
- Psychological Testing for hiring or pre-employment screening.
- Psychological Testing for educational purposes. Psychological Testing performed for educational reasons is not considered treatment of disease. This testing should be provided by school systems under applicable state and federal rules.
- Psychological Testing for any purpose other than for treatment.

When is Psychological Testing Medically Necessary?

Aetna Better Health of Kentucky utilizes **Milliman Care Guidelines (MCG)** to make determinations about the medical necessity of Psychological Testing. Aetna also has **Clinical Policy Bulletins (CPBs)** based on scientific literature, guidelines and expert opinion, that explain the services we may or may not cover.

[Neuropsychological and Psychological Testing - Medical Clinical Policy Bulletins | Aetna](#)

The following describes the conditions that must be met for Psychological Testing to be medically necessary.

Psychological Testing is medically necessary when ALL the following conditions are met:

- **Patient's abnormality requires quantification, monitoring of change, or differentiation of cause.**
 - *Quantification* means measuring the severity and impact of the abnormality.
 - *Monitoring* means comparing the condition over time to measure any changes.
 - *Differentiation* means that testing is needed to aid in the differential diagnosis of behavioral or psychiatric conditions because the patient's symptoms, history and observation in therapy do not clearly point to a specific psychiatric diagnosis.
- **Specific clinical question (identification, quantification, or assessment) is present that can be answered by testing to establish diagnosis or inform rehabilitation or treatment plan.**
 - *There must be a specific clinical question to be answered by testing that cannot be answered by a diagnostic/clinical interview, other assessment, observation in therapy, etc., or,*
 - *Testing is needed to develop treatment recommendations after the patient has been tried on various medications and/or psychotherapy and has not progressed in treatment and continues to be symptomatic.*
- **Proposed psychological testing can help answer question(s) that medical, neurologic, or psychiatric evaluation, diagnostic testing, observation in therapy, or other assessment cannot.**
 - *Psychological Testing is only one element of assessment and should never be used as the sole basis for a diagnosis. If a clinical interview, observations, or other assessments provide sufficient information to make a diagnosis or plan treatment, then Psychological Testing is not medically necessary.*
 - *If the clinical question(s) can be answered through other methods, e.g. clinical interview, observations, or other assessments, Psychological Testing is not medically necessary.*
- **Medical, neurologic, mental status, and psychiatric examinations have been done as indicated.**
 - *These assessments help to rule out any medical conditions that may be causing psychological symptoms.*

- *Additionally, psychiatric evaluations/examinations provide a comprehensive understanding of a person's mental health, which is crucial for developing a tailored treatment plan. By conducting these tests, healthcare providers can ensure that psychological testing is needed and is also not influenced by any underlying medical issues.*
- **Diagnostic testing has been done as indicated (e.g. CT scan, MRI).**
 - *Diagnostic testing, such as CT scans and MRIs, are often recommended before Psychological Testing to rule out any potential organic causes of mental health symptoms.*
 - *These imaging tests can help identify conditions such as brain tumors, strokes, or other structural abnormalities that might be contributing to psychiatric symptoms.*
 - *By ruling out these conditions, clinicians can ensure that the psychological testing is not influenced by any underlying medical issues, providing a more accurate and reliable assessment of the patient's mental health.*
- **Recommended testing is necessary, and information achieved by psychological testing is not attainable through routine medical, neurologic, or psychological assessment.**
 - *The information that is needed to answer the specific clinical question is not accessible through clinical interviews, assessments or direct observations alone.*
- **Results of proposed psychological testing are judged likely to affect care or treatment of patient.**
 - *Per CMS, diagnostic procedures that have no impact on a patient's plan of care or have no effect on treatment are not medically necessary.*
 - *Psychological Testing is medically necessary only if the result of the testing is likely to impact current behavioral health treatment strategies and interventions.*
- **Symptoms, behaviors, or functional impairments related to underlying behavioral health disorder have been identified as appropriate for evaluation by psychological testing.**
 - *In a clinical context, psychological testing is NOT appropriate when symptoms, behaviors, or impairments are the result of temporary or identifiable external factors and/or lack a clear link to a psychological condition.*
 - *Psychological testing is not appropriate when symptoms are a known result of a medical illness or its treatment. For example, memory problems may be caused by medication side effects, or a thyroid or neurological problem may cause behavior that mimics a mental health issue.*
 - *For patients with established diagnoses who experience temporary episodes of poor functioning, testing is not medically necessary.*
 - *Psychological and neuropsychological testing of children for the purpose of diagnosing attention deficit/hyperactivity disorder (ADHD) is not necessary, unless there is strong evidence of a possible neurological disorder. There are few medical conditions which present with ADHD-like symptoms and most patients with ADHD have unremarkable medical histories. In general, attention deficit disorders are best diagnosed through a careful history and the use of structured clinical interviews and dimensionally based rating scales.*
- **Psychological testing is to be administered by provider whose qualifications are appropriate to proposed assessment.**
- **Patient is able to participate as needed such that proposed testing is likely to be feasible**

(e.g. mental status, intellectual or cognitive abilities, language skills, or developmental level is appropriate to proposed testing).

- *Testing is not appropriate if the recipient is not able to participate in the testing in a meaningful way.*
- Patient is not engaged in active substance use, in withdrawal, or in recovery from recent chronic use.
 - *The results of psychological and neuropsychological assessment are unreliable when an individual is actively abusing alcohol or drugs and for some period of time after the acute phase of alcohol or drug withdrawal.*
- Psychological testing engages family, caregivers, and other people impacted by and in position to affect patient behavior, as appropriate.
- Time for testing administration, scoring, and interpretation (i.e. number of minutes/hours), and time for report preparation and explanation to patient reflects recognized norms for evaluation being completed.
- Frequency of testing evaluation reflects recognized norms for evaluation being completed (e.g. one initial testing evaluation, followed by no more than one additional re-testing evaluation within 12-month period).

What Should Providers Know About Requesting Prior Authorization for Psychological Testing?

A prior authorization request for Psychological Testing should include basic patient and provider information, a clear referral question explaining the purpose of the testing, a detailed clinical justification including presenting problems, relevant history, and prior treatment, and a description of the proposed treatment to be affected by the testing.

To obtain approval for Psychological Testing, a provider must demonstrate a clear clinical need for the testing and provide thorough documentation that the tests are necessary and were preceded by other necessary assessments and observations. A well-written justification detailing how the tests will inform treatment and addressing why other methods aren't sufficient is crucial for authorization.

The following will help providers demonstrate the medical necessity of Psychological Testing.

- Ensure the testing that is being requested is for the purposes of treatment only.
- Provide a detailed rationale for testing that explains precisely why testing is needed.
 - What is the specific question to be answered by Psychological Testing that cannot be determined by clinical interview, other assessments, or observations?
Note that a broad question like “rule out Autism” is too general. Explain what the specific behaviors/issues/concerns are that make a differential diagnosis not possible.
 - Explain why the clinical questions cannot be resolved by other assessments or observations in therapy alone.
- Describe how the test results will meaningfully impact the individual’s current or future behavioral health treatment.
 - What actions will be taken and how will the individual’s treatment be affected by the testing?
- List the specific tests to be administered and explain why they will help to resolve the clinical questions.
- Attach any relevant clinical information that supports the request for Psychological Testing.

References

1. Milliman Care Guidelines (MCG), Behavioral Health Guidelines, Psychological Testing, ORG: B-807-T (BHG).
2. Milliman Care Guidelines (MCG), Behavioral Health Guidelines, Neuropsychological Testing, ORG: B-805-T (BHG).
3. Aetna Clinical Policy Bulletin: Neuropsychological and Psychological Testing.
4. Billing and Coding: Psychological and Neuropsychological Testing. Article ID A57481, Centers for Medicare & Medicaid Services.
5. Community Mental Health Center Behavioral Health Services Manual.
6. 907 KAR 15:010. Coverage provisions and requirements regarding behavioral health services provided by individual approved behavioral health practitioners, behavioral health provider groups, and behavioral health multi-specialty groups.
7. 907 KAR 15:020. Coverage provisions and requirements regarding services provided by behavioral health services organizations for mental health treatment.
8. 907 KAR 15:022. Coverage provisions and requirements regarding services provided by behavioral health services organizations for substance use disorder treatment and co-occurring disorders.

Please note that all provider notices require Kentucky Department of Medicaid Services approval prior to dissemination.

Questions?

Simply contact your Network Relations Manager. Our most current listing is attached, the listing can also be found on our website.

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