
 Behavioral Health Department Alameda County Health	Signed by:  By: <u>BA167CA0C0D444A...</u> Karyn L. Tribble, PsyD, LCSW, Director
POLICY TITLE Psychological Testing Requirements	Policy No: 200-1 Date of Original Approval: 3/24/2021 Date(s) of Revision(s): 1/27/2026

PURPOSE

This policy describes the process for assuring that psychological testing is appropriately provided to members when it is medically necessary and/or clinically indicated to evaluate a mental health condition, to establish and/or clarify a diagnosis, and to guide treatment. This policy also details Alameda County Behavioral Health Department's (ACBHD) process for preventing fraud, waste, and abuse associated with psychological testing.

AUTHORITY

- [42 Code of Federal Regulations \(CFR\) 438.608: Program integrity requirements under the contract](#)
- [California Department of Health Care Services \(DHCS\) Mental Health Plan \(MHP\) Contract](#)

SCOPE

All ACBHD county-operated programs in addition to entities, individuals, and programs providing mental health services under a contract or subcontract with ACBHD are required to adhere to this policy.

BACKGROUND

Mental Health Plans (MHPs) must implement and maintain arrangements or procedures that are designed to detect and prevent fraud, waste and abuse, including maintenance of a comprehensive compliance program. MHPs are responsible for certifying that claims for all covered Specialty Mental Health Services (SMHS) meet Federal and State requirements, including medical necessity criteria.

POLICY

Psychological testing and assessment are covered by the MHP when performed as part of a behavioral health evaluation, intended to address a specific clinical question that impacts clinical management of the member and meets the guidelines for medical necessity.

DEFINITION

- **Psychological Assessment**

- A. Psychological tests assess a range of mental abilities and attributes, including achievement, ability, personality, and cognitive and neurological functioning. Psychological testing, including neuropsychological assessment, utilizes a set of standardized tests, whose reliability and validity have been well established empirically. These tests are used to provide a better understanding of an individual's psychological or cognitive functioning, assess personality factors, determine or clarify a diagnosis, and develop appropriate treatment planning. Psychological testing is recommended when other methods such as diagnostic screenings, psychiatric and medical history or treatment do not yield the sufficient information necessary to determine the most optimal treatment options for a member.
- B. Psychological testing/battery may be administered by a competent licensed clinical psychologist, psychiatrist, or pre-doctoral interns or post-doctoral fellows (post-doc/waivered psychologist) under the supervision of a licensed psychologist trained in the tests being administered. Any work performed by an unlicensed staff (i.e., pre-doc, post-doc, waived psychologist) administering, scoring, interpreting, and writing reports based on the findings of those tests, must be supervised. All notes and reports must be reviewed and co-signed by the licensed clinical psychologist.
- C. Psychological testing is distinguished from assessment inventories, tools, screeners, or scales (e.g. Child and Adolescent Needs and Strengths (CANS) assessment/Adult Needs and Strengths Assessment (ANSA), Beck Depression Inventory, State-Trait Anxiety Inventory, etc.), as the training and scope of practice requirements are much less rigorous for screening tools and inventories.

PROCEDURE

I. Criteria For Conducting Psychological Testing

- A. Only providers and organizations that are contracted to provide psychological testing may choose, administer, score, and interpret the results of psychological testing.
- B. Community Based Organizations, County Programs, or Level III Individual Providers that do not provide psychological testing must refer members that are requesting psychological testing to Acute Crisis Care and Evaluation for Systemwide Services (ACCESS). Providers should not refer members to other providers.

- C. If a member is monolingual or has limited English proficiency (LEP), a bilingual psychologist who speaks the same language as the member or family should perform psychological testing using tests that are approved for use with the specific language speaking population. If a provider chooses to use tests that are not designed to be used with non-English speakers, they must justify their use in the member's clinical record (i.e. there are no tests translated into the language, and they are the only ones that can be used) and note the limitations associated with their use in the psychological testing report.

II. Determining Medical Necessity for Psychological Testing

- A. Psychological testing is considered clinically indicated and/or medically necessary when the following guidelines are met:
1. **ONE** of these:
 - a) A current behavioral health evaluation has been conducted, and a specific diagnostic question still exists which cannot be answered through further conventional interviewing, history-taking, or adequate trial of treatment; or
 - b) A diagnostic formulation and adequate trial of an evidence-based treatment have been attempted but have been unsuccessful and/or have not resulted in expected outcomes or progress.
 2. And **ALL** of these:
 - a) Reasonable effort has been made to obtain reports of relevant psychological and neuropsychological assessment/testing within the last 5 years, results have been reviewed, and the previous reports do not answer the current referral or clinical question. For testing related to an Autism diagnosis, efforts should be made to obtain all childhood assessment and/or Individualized Education Programs (IEP) records.
 - b) The referral question is specific and targeted and not previously answered.
 - c) The selected tests/procedures are targeted to the identified referral question.
 - d) The answer to the identified referral question will lead to specific recommendations and actionable steps that are likely to directly impact treatment and clinical management.
- B. While psychological testing does not require prior authorization, it is considered an assessment activity and must be performed only when medically necessary.

Claims submitted for psychological testing and report writing will be monitored to detect and prevent fraud, waste, abuse and for medical necessity.

III. Limitations

- A. If a member has recently received a Medi-Cal Specialty Mental Health Assessment from a mental health provider and the member is referred by ACCESS to another provider for psychological testing, the testing psychologist may use the Medi-Cal Specialty Mental Health Assessment that has already been completed to justify medical necessity for conducting the testing. The provider conducting the testing is still responsible for assuring that the information in the Medi-Cal Specialty Mental Health Assessment is accurate.
- B. When a member requests psychological testing, but the provider determines that they do not meet medical necessity for such services, the member should be educated about the nature of psychological testing and offered mental health services for which they do meet medical necessity. If a member withdraws their request for psychological testing, the provider does not need to complete a Notice of Adverse Benefit Determination (NOABD). If a member does not withdraw their request for psychological testing, the provider must submit a NOABD within two (2) days of the decision.
- C. Payment for SMHS (including psychological testing) may be denied, often for the following reasons:
 - 1. General assessments unrelated to mental health treatment;
 - 2. Treating disorders not covered by SMHS or covered by Regional Centers:
 - a) Learning disabilities
 - b) Intellectual Disability or "Intellectual Developmental Disorder"
 - c) Pre-adoption studies
 - d) General intelligence testing;
 - 3. Testing is conducted primarily to make or confirm a diagnosis of Attention Deficit Hyperactivity Disorder (ADHD) that can reasonably be made or confirmed via conventional interviewing, screeners, history, and collateral contact/data collection;
 - 4. Court-ordered testing;
 - 5. Ruling out dementia or other neurologically based "disorders" prior to an evaluation by an appropriate medical specialist;
 - 6. Determining if psychotropic medication is warranted. Psychological testing shall not be performed solely to make decisions as to whether the member is to be on medication; and

7. Medical Necessity is not documented in the clinical record to support the service or claim. Providers may consult with an ACBHD psychologist prior to administering psychological testing if there are questions about testing or medical necessity.
8. The time requested or claimed for the testing significantly exceeds the time that has been indicated by the publisher or in the scientific literature, and the clinical information submitted does not support a need for the amount of time claimed (including ancillary time allowed under the procedure code, if any).
9. Psychological or Neuropsychological testing was administered and/or supervised by someone without the training or scope of practice to do so.

D. Psychological testing is not to be performed during a crisis, as any results will not be reflective of the member's baseline functioning.

IV. ACBHD Review of Psychological Testing for Medical Necessity (Post-Test Completion)

ACBHD reserves the right to review, approve, or deny claims submitted for psychological testing. Progress notes and the content of the final psychological testing report must clearly substantiate any claim.

Psychological Testing Report

A. Psychological testing reports must:

1. Follow American Psychological Association (APA) standards;
2. Be comprehensive and clinically accurate; and
3. Be placed in the member's clinical record.

B. In the highly unusual circumstance that the psychologist is unable to complete the psychological testing with the member, they must document what information was obtained and explain why the testing could not be completed and what determinations were made. Any consultations must be included in the documentation. Payment for psychological testing will not be allowed unless there is significant documentation indicating what was done and what limited conclusions were reached.

NON-COMPLIANCE

- Contractors not in compliance with contract provisions, or with State or Federal law and/or regulations, shall be immediately responsible for remedy.

- ACBHD may, at its discretion, issue a Corrective Action Plan (CAP) or Contract Compliance Plan (CCP), as appropriate.
- The cost to implement the CAP or CCP shall be borne by the Contractor.
- Staff shall report incidents of non-compliance to their department manager, who shall submit a Non-Compliance Report to ACBHD Quality Management (QM).
- Non-Compliance Reports shall be submitted within 15 days of reasonable awareness of the non-compliance.
- Failure to address identified issues may result in further action by ACBHD up to and including program termination, as specified in ACBHD Policy # 1302-1-1, [Contract Compliance and Sanctions for ACBHD Contracted Providers](#).
- Staff shall not face retribution for submitting a notice of non-compliance.
- Any communication that contains protected health information (PHI) or otherwise confidential information (e.g., as defined by Health Insurance Portability and Accountability Act (HIPAA), 42 CFR, Part 2, etc.) shall be sent through secure methods such as email with secure encryption.

CONTACT

ACBHD Office	Current As Of	Email
Quality Assurance (QA) Division	1/26/26	QATA@acgov.org

DISTRIBUTION

This policy will be distributed to the following:

- ACBHD Staff
- ACBHD Contract Providers
- Public

ISSUANCE AND REVISION HISTORY

Original Authors: Jeffery Sammis, Psy.D, QA Clinical Review Specialist Supervisor

Original Date of Approval: 3/24/2021 by Karyn L. Tribble, Behavioral Health Director

Revision Author	Reason for Revision	Date of Approval by (Name, Title)
Katy Trotta, Psy.D Torfeh Rejali, QA Division Director	Policy revised to update language, and to align with current MHP contract with DHCS and ACBHD policies.	1/27/2026 by Karyn Tribble, Behavioral Health Director

DEFINITIONS

Term	Definition
ACCESS	The Acute Crisis Care and Evaluation for Systemwide Services (ACCESS) Program is the system wide point of contact for information, screening and

	referrals for mental health and substance use services and treatment for Alameda County residents.
Prior Authorization	Approval of a specified service in advance of the provision of that service based upon a determination of medical necessity. (Welfare and Institutions Code (WIC) §14133)

APPENDICES

- None