Billing and Coding Guidelines
Psychological and Neuropsychological Testing

See (CMS Publication 100-02; Medicare Benefit Policy Manual, Chapter 15: §80.2 Psychological Tests

Medicare Part B coverage of psychological tests and neuropsychological tests is authorized under section 1861(s)(3) of the Social Security Act. Payment for psychological and neuropsychological tests is authorized under section 1842(b)(2)(A) of the Social Security Act. The payment amounts for the new psychological and neuropsychological tests (CPT codes 96102, 96103, 96119 and 96120) that are effective January 1, 2006, and are billed for tests administered by a technician or a computer reflect a site of service payment differential for the facility and non-facility settings. Additionally, there is no authorization for payment for diagnostic tests when performed on an “incident to” basis.

Under the diagnostic tests provision, all diagnostic tests are assigned a certain level of supervision. Generally, regulations governing the diagnostic tests provision require that only physicians can provide the assigned level of supervision for diagnostic tests. However, there is a regulatory exception to the supervision requirement for diagnostic psychological and neuropsychological tests in terms of who can provide the supervision. That is, regulations allow a clinical psychologist (CP) or a physician to perform the general supervision assigned to diagnostic psychological and neuropsychological tests.

In addition, nonphysician practitioners such as nurse practitioners (NPs), clinical nurse specialists (CNSs) and physician assistants (PAs) who personally perform diagnostic psychological and neuropsychological tests are excluded from having to perform these tests under the general supervision of a physician or a CP. Rather, NPs and CNSs must perform such tests under the requirements of their respective benefit instead of the requirements for diagnostic psychological and neuropsychological tests. Accordingly, NPs and CNSs must perform tests in collaboration (as defined under Medicare law at section 1861(aa)(6) of the Act) with a physician. PAs perform tests under the general supervision of a physician as required for services furnished under the PA benefit.

Furthermore, physical therapists (PTs), occupational therapists (OTs) and speech language pathologists (SLPs) are authorized to bill three test codes as “sometimes therapy” codes. Specifically, CPT codes 96105, and 96111 may be performed by these therapists. However, when PTs, OTs and SLPs perform these three tests, they must be performed under the general supervision of a physician or a CP.

Who May Bill for Diagnostic Psychological and Neuropsychological Tests
• CPs – see qualifications under chapter 15, section 160 of the Benefits Policy Manual, Pub. 100-02.


• Independently Practicing Psychologists (IPPs)

• PTs, OTs and SLPs – see qualifications under chapter 15, sections 220-230.6 of the Benefits Policy Manual, Pub. 100-02.

Psychological and neuropsychological tests performed by a psychologist (who is not a CP) practicing independently of an institution, agency, or physician’s office are covered when a physician orders such tests. An IPP is any psychologist who is licensed or certified to practice psychology in the State or jurisdiction where furnishing services or, if the jurisdiction does not issue licenses, if provided by any practicing psychologist. (It is CMS’ understanding that all States, the District of Columbia, and Puerto Rico license psychologists, but that some trust territories do not. Examples of psychologists, other than CPs, whose psychological and neuropsychological tests are covered under the diagnostic tests provision include, but are not limited to, educational psychologists and counseling psychologists.)

The carrier must secure from the appropriate State agency a current listing of psychologists holding the required credentials to determine whether the tests of a particular IPP are covered under Part B in States that have statutory licensure or certification. In States or territories that lack statutory licensing or certification, the carrier checks individual qualifications before provider numbers are issued. Possible reference sources are the national directory of membership of the American Psychological Association, which provides data about the educational background of individuals and indicates which members are board-certified, the records and directories of the State or territorial psychological association, and the National Register of Health Service Providers. If qualification is dependent on a doctoral degree from a currently accredited program, the carrier verifies the date of accreditation of the school involved, since such accreditation is not retroactive. If the listed reference sources do not provide enough information (e.g., the psychologist is not a member of one of these sources), the carrier contacts the psychologist personally for the required information. Generally, carriers maintain a continuing list of psychologists whose qualifications have been verified.

NOTE: When diagnostic psychological tests are performed by a psychologist who is not practicing independently, but is on the staff of an institution, agency, or clinic, that entity bills for the psychological tests.

The carrier considers psychologists as practicing independently when:
1. They render services on their own responsibility, free of the administrative and professional control of an employer such as a physician, institution or agency; and
2. The persons they treat are their own patients; and
3. They have the right to bill directly, collect and retain the fee for their services.

A psychologist practicing in an office located in an institution may be considered an independently practicing psychologist when both of the following conditions exist:

1. The office is confined to a separately-identified part of the facility which is used solely as the psychologist’s office and cannot be construed as extending throughout the entire institution; and
2. The psychologist conducts a private practice, i.e., services are rendered to patients from outside the institution as well as to institutional patients.
Payment for Diagnostic Psychological and Neuropsychological Tests
Expenses for diagnostic psychological and neuropsychological tests are not subject to the outpatient mental health treatment limitation, that is, the payment limitation on treatment services for mental, psychoneurotic and personality disorders as authorized under Section 1833(c) of the Act. The payment amount for the new psychological and neuropsychological tests (CPT codes 96102, 96103, 96119 and 96120) that are billed for tests performed by a technician or a computer reflect a site of service payment differential for the facility and non-facility settings. CPs, NPs, CNSs and PAs are required by law to accept assigned payment for psychological and neuropsychological tests. However, while IPPs are not required by law to accept assigned payment for these tests, they must report the name and address of the physician who ordered the test on the claim form when billing for tests.

CPT Codes for Diagnostic Psychological and Neuropsychological Tests
The range of CPT codes used to report psychological and neuropsychological tests is 96101-96120. CPT codes 96101, 96102, 96103, 96105, and 96111 are appropriate for use when billing for psychological tests. CPT codes 96116, 96118, 96119 and 96120 are appropriate for use when billing for neuropsychological tests.
All of the tests under this CPT code range 96101-96120 are indicated as active codes under the physician fee schedule database and are covered if medically necessary.

Payment and Billing Guidelines for Psychological and Neuropsychological Tests
The technician and computer CPT codes for psychological and neuropsychological tests include practice expense, malpractice expense and professional work relative value units. Accordingly, CPT psychological test code 96101 should not be paid when billed for the same tests or services performed under psychological test codes 96102 or 96103. CPT neuropsychological test code 96118 should not be paid when billed for the same tests or services performed under neuropsychological test codes 96119 or 96120. However, CPT codes 96101 and 96118 can be paid separately on the rare occasion when billed on the same date of service for different and separate tests from 96102, 96103, 96119 and 96120.

Under the physician fee schedule, there is no payment for services performed by students or trainees. Accordingly, Medicare does not pay for services represented by CPT codes 96102 and 96119 when performed by a student or a trainee. However, the presence of a student or a trainee while the test is being administered does not prevent a physician, CP, IPP, NP, CNS or PA from performing and being paid for the psychological test under 96102 or the neuropsychological test under 96119.

Text:
Psychological and Neuropsychological Testing are diagnostic procedures that must be used as an important tool in making specific diagnoses or prognoses to aid in treatment planning and to address questions regarding treatment goals, efficacy, and patient disposition. Diagnostic procedures that have no impact on a patient’s plan of care or have no effect on treatment are not medically necessary. The CPT Codes discussed in this LCD and Billing and Coding Guidelines are used to report the services provided during testing of the cognitive function of the central nervous system. The testing of cognitive processes, visual motor responses and abstractive abilities is accomplished by the combination of several types of testing procedures.

Coding Guidelines:
References to providers throughout this policy include non-physicians, such as clinical psychologists, independent psychologist, nurse practitioners, clinical nurse specialists and physician assistants when the services performed are within the scope of their clinical...
A minimum of 31 minutes must be provided to report any per hour code. Services 96101, 96116, 96118 and 96125 report time as (a) face–to–face with the patient and (b) time spent interpreting and preparing the report.

Typically, the neuropsychological evaluation requires 4-8 hours to perform, including administration, scoring, interpretation, report writing and interpretation to the patient and/or family. If the evaluation is performed over several days, the time should be combined and reported all on the last day of service.

CPT code equivalents of the most common components of the neuropsychological assessment include:

1. Direct clinical observation and interview with the patient, often with caregivers or significant others who serve as sources of information that the patient may be unable to provide (e.g., spouse, parent, adult child, care staff, therapists), 96116;
2. Review of medical records and, in some cases, other relevant records (e.g., work history, educational history, criminal or social services records, etc.), 96118;
3. Completion of forms and questionnaires by the patient and significant others (not billable);
4. Selection, administration and interpretation of neuropsychological tests, directly by the neuropsychologist (96118); or by a technician under the neuropsychologist's direct supervision (96119), or by computerized test administration (96120), or via some combination of these three approaches to test administration;
5. Integration of neuropsychological test findings, across tests, and with information from history, observation, questionnaire, and interview, by the neuropsychologist (96118);
6. Formulation of the differential diagnoses, diagnostic conclusions, prognosis, and treatment recommendations, by the neuropsychologist (96118);
7. Provision of a feedback or treatment planning conference to the patient, with significant others as needed, to explain the test procedures, results, implications, conclusions, recommendations, and follow-through as needed (96118);
8. Preparation and provision of a written report to the patient and referring health care provider, and to other treatment providers with written informed consent to release information signed by the patient (96118).

CPT code 96119 is reported for tests administration by a technician who is hired, trained, and directly supervised by a practitioner licensed by the State to provide neuropsychological testing: During testing, the qualified health professional frequently checks with the technician to monitor the patient’s performance and make any necessary modifications to the test battery or assessment plan. When all tests have been administered, the qualified health professional meets with the patient again to answer any questions (AMA CPT Assistant, November 2006). The time spent reviewing the results of these tests and writing the report is also reported using the same CPT code 96119.

Code 96120 is reported for computer-administered neuropsychological testing, with subsequent interpretation and report of the specific tests by the physician, psychologist, or other qualified health care professional.

Assessments may include testing by a technician and a computer with interpretation and report by the physician, psychologist or qualified health professional. Therefore, it is appropriate in such
cases to report all 3 codes 96118-96120. (AMA CPT Assistant, November 2006; CMS Medline, June 2008). However, when this is done each code must represent separately identifiable documented services. The time spent for the interpretation of a test can not be combined into the time spent on another service.

Psychological and Neuropsychological testing is medically necessary for multiple reasons. The medical record must document the reason the tests are being performed. This LCD does not define coverage for either the medical or psychiatric diagnosis that may require the services.

The only diagnosis that is discussed in this LCD is Alzheimer’s disease. This is because psychological and neuropsychological testing is not covered for Alzheimer’s diseases once a diagnosis has been made when the tests:

1. Are used as screening exams;
2. Have not been ordered by the patient’s physician;
3. If the patient is unable to participate in the testing;
4. If there is no plan of care/action plan showing there is a plan of care to improve the patient’s outcome.

Billing Guidelines

1. A technician employed and supervised by the primary qualified health care profession who interpretation tests, may perform Central Nervous System Assessments/Tests CPT codes 96102 or 96119. Central Nervous System Assessments/Tests CPT codes 96103 or 96120 may be performed by a computer supervised by the primary provider.
2. CPT codes 96102 and 96119 describe tests administered by a technician and the provider’s time for the interpretation and the report of each individual test and the report of each individual test result. The integration of all the test data determines the cognitive profile. The provider’s time for interpretation of the test is billed under CPT code used to bill the test.
3. CPT codes 96103 and 96120 describe computer tests and the provider’s time for the interpretation and the report. No time is billed for these codes.
4. Per Medicare regulations Central Nervous System Assessments/Tests CPT codes 96101-96125 may not be reimbursed to clinical social workers.
5. Physical therapists (PTs), occupational therapists (OTs) and speech language pathologists (SLPs) are authorized to bill CPT codes 96105, 96110 and 96111 as “sometimes therapy” services, services that follow the rules for Physical/Occupational/speech language pathologists. However, when PTs, OTs and SLPs administer these tests, they must be under the general supervision of a physician or clinical psychologists.
6. CPT code 96125 has been established to report tests performed by speech-language pathologists and occupational therapists. When the test is performed by other Medicare providers, they should not use CPT code 96125 but rather, the appropriate CPT codes 96101-96103 or 96118-96120 should be used.
7. To bill these services to Medicare the practitioner providing the testing must have a Medicare provider number and be appropriately licensed in the State where the services are performed.

Revision Effective Date
Revision Number
Revision History
02/01/2016: Annual review done 01/03/2016; and corrected typos. Under #5, code 96110 was added to PT, OT and SLP sometimes therapy codes.
08/01/2015: The word DRAFT was removed from the header and underlining was removed from within the document. No change in coverage.

02/01/2015: Annual review, formatting changes made with no change to coverage.