

34 Psychologists

Licensed psychologists are enrolled only for services provided to QMB recipients or to recipients under the age of 21 referred as a result of an EPSDT screening.

The policy provisions for psychologists can be found in the *Alabama Medicaid Agency Administrative Code*, Chapter 11.

34.1 Enrollment

HP enrolls Psychology providers and issues provider contracts to applicants who meet the licensure and/or certification requirements of the state of Alabama, the Code of Federal Regulations, the *Alabama Medicaid Agency Administrative Code*, and the *Alabama Medicaid Provider Manual*.

Refer to Chapter 2, Becoming a Medicaid Provider, for general enrollment instructions and information. Failure to provide accurate and truthful information or intentional misrepresentation might result in action ranging from denial of application to permanent exclusion.

National Provider Identifier, Type, and Specialty

A provider who contracts with Alabama Medicaid as a psychology provider is added to the Medicaid system with the National Provider Identifiers provided at the time application is made. Appropriate provider specialty codes are assigned to enable the provider to submit requests and receive reimbursements for psychology-related claims.

NOTE:

All ten digits are required when filing a claim.

Psychology providers are assigned a provider type of 54 (Psychologist). Valid specialties for psychology providers include the following:

- Psychology (112)
- QMB/EPSDT (600)

Enrollment Policy for Psychology Providers

Psychologists must meet the following requirements for participation in Medicaid:

- Possess a doctoral degree in psychology from an accredited school or department of psychology
- Have a current license issued by the Alabama Board of Psychology to practice as a psychologist

- Operate within the scope of practice as established by the Alabama Board of Psychology

Minimum Qualifications for Psychology Providers Professional Staff

Medicaid reimbursement for allied mental health professional staff working for or supervised by Medicaid enrolled psychologists may be billed as follows:

- When services are directly provided by a professional counselor licensed under Alabama law (e.g. LPC, ALC) a modifier **U6** must be appended to the appropriate procedure code.
- When services are directly provided by a marriage and family therapist (LMFT) licensed under Alabama law a modifier **U7** must be appended to the appropriate procedure code.
- When services are directly provided by a certified social worker (LCSW) licensed under Alabama law, a modifier **AJ** must be appended to the appropriate procedure code.
- When services are provided directly by an individual possessing a master's degree or above from a university or college with an accredited program for the respective degree in psychology, social work, counseling, behavioral specialist or other areas that require equivalent clinical course work and who meets at least one of the following qualifications:
 - has successfully completed a practicum as a part of the requirements for the degree
 - has six months of post master's level clinical experience supervised by a master's level or above clinician with two years of post graduate clinical experience,
 - a modifier **HO** must be appended to the appropriate procedure code.
- When services are provided directly by a licensed psychological technician, only procedure codes 96102 or 96119 may be billed.

NOTE:
Services rendered to persons with a primary psychiatric diagnosis must be delivered by a person meeting the criteria listed above unless an exception is specifically noted and defined in the service description.

Psychologists who delegate work to employees take reasonable steps to (1) avoid delegating such work to persons who have a multiple relationship with those being served that would likely lead to exploitation or loss of objectivity; (2) authorize only those responsibilities that such persons can be expected to perform competently on the basis of their education, training, or experience, either independently or with the level of supervision being provided; and (3) see that such persons perform these services competently. {Please refer to Section 34-26-61 from the **Code of Alabama Governing Psychologists**, Duties – Supervisors, for more information and guidance; excluding #8, 9, and 10 under section (a)}.

Deleted: Professional Staff working...the service descriptions.

Added: Medicaid reimbursement for...billed as follows:

Added: When services are...appropriate procedure code.

Added: When services are...may be billed.

Added: NOTE

Added: Psychologists who delegate...under section (a)}.

For the supervision of licensed psychological technicians please follow the guidelines as set forth in the **Code of Alabama Governing Psychologists**, Section 34-26-62 Duties – Supervisees and Section 34-26-64 Supervision requirements.

Added: For the supervision...64 Supervision requirements.

Effective with dates of service July 1, 2010 and thereafter, the guidance for allied mental health professionals working under the direction of, or supervised by, a psychologist has been modified. The psychologist does not have to be present in the office when the practitioner is providing the service; however, the psychologist must be readily accessible by phone or pager and able to return to the office if the recipient's condition requires it.

Added: Effective with dates...condition requires it.

Practitioners must follow the guidelines below for services provided "incident to" the psychologist:

Added: Practitioners must follow...to" the psychologist.

- The psychologist must be able to provide evidence of management of the patient's care through, at a minimum, review of the intake notes and diagnostic impression within 30 days of the initial intake. Evidence of management of care includes:
 - 1) signing off on the intake notes and diagnostic impression,
 - 2) signing off on treatment plans,
 - 3) at least an annual review of the allied mental health professionals' performance, and
 - 4) signing off on any assessment report.
- The psychologist must employ the allied mental health professional **or** the professional must be employed by the same entity that employs the psychologist.

Added: The psychologist must...any assessment report.

Added: The psychologist must...employs the psychologist.

34.2 Benefits and Limitations

This section describes program-specific benefits and limitations. Refer to Chapter 3, Verifying Recipient Eligibility, for general benefit information and limitations.

Medicaid bases reimbursement of services on a fee for service for the procedure codes covered for psychology providers.

Psychology services are only covered for QMB recipients or for recipients referred directly as a result of an EPSDT screening.

NOTE:

Psychology providers can bill only those procedures listed in Section 34.5.3, Procedure Codes and Modifiers. Only the diagnosis codes within the range of 290-316 are covered for treatment services under this program. Mental retardation diagnosis codes (317-319) are not covered for treatment services; however, Medicaid will cover diagnostic testing, status exam (96101-96103, 96116 and 96118-96120), and interpretation of results (90887) even if the resulting diagnosis is mental retardation.

Client Intake

An intake evaluation must be performed for each client considered for initial entry into any course of covered services.

The intake evaluation process shall result in a determination of the client's need for psychological services based upon an assessment that must include relevant information from among the following areas:

- Family history
- Educational history
- Medical history
- Educational/vocational history
- Psychiatric treatment history
- Legal history
- Substance abuse history
- Mental status exam
- Summary of the significant problems the client is experiencing

Treatment Planning

The intake evaluation process shall result in the development of a written treatment plan completed by the fifth client visit.

The treatment plan shall:

- Identify the clinical issues that will be the focus of treatment
- Specify those services necessary to meet the client's needs
- Include referrals as appropriate for needed services
- Identify expected outcomes toward which the client and therapist will work to have an effect on the specific clinical issues
- Be approved in writing by a psychologist licensed in the state of Alabama

Services must be specified in the treatment plan in order to be paid by Medicaid. Changes to the treatment plan must be approved by the psychologist licensed in the state of Alabama.

The psychologist must review the treatment plan once every three months to determine the client's progress toward treatment objectives, the appropriateness of the services furnished, and the need for continued treatment. This review shall be documented in the client's clinical record by notation on the treatment plan. This review shall note the treatment plan has been reviewed and updated or continued without change.

Service Documentation

Documentation in the client's record for each session, service, or activity for which Medicaid reimbursement is requested shall include, at a minimum, the following:

Added: ---excluding time spent for interpretation of tests

- The identification of the specific services rendered
- The date and the amount of time (time started and time ended---excluding time spent for interpretation of tests) that the services were rendered
- The signature of the staff person who rendered the services
- The identification of the setting in which the services were rendered
- A written assessment of the client's progress, or lack thereof, related to each of the identified clinical issues discussed

All entries must be legible and complete, and must be authenticated and dated promptly by the person (identified by name and discipline) who is responsible for ordering, providing, or evaluating the service furnished. The author of each entry must be identified and must authenticate his or her entry. Authentication may include signatures, written initials, or computer entry.

The list of required documentation described above will be applied to justify payment by Medicaid when clinical records are audited. Payments are subject to recoupment when the documentation is insufficient to support the services billed.

Added: Additional Information

Additional Information

Added: Documentation

To further clarify service documentation questions/issues, please note the following:

Documentation

Added: Documentation should not...have no progression

Documentation should not be repetitive (examples include, but are not limited to the following scenarios):

- Progress Notes that look the same for other recipients.
- Progress notes that state the same words day after day with no evidence of progression, maintenance or regression.
- Treatment Plans that look the same for other recipients.
- Treatment Plans with goals and interventions that stay the same and have no progression.

Added: [Progress Notes section](#)

Progress Notes

- Progress Notes should not be **preprinted** or predated.
- The progress note should match the goals on the plan and the plan should match the needs of the recipient. The interventions should be appropriate to meet the goals. There should be clear continuity between the documentation.
- Progress Notes must provide enough detail and explanation to justify the amount of billing.

Added: [Treatment Plan section](#)

Treatment Plan

- The Treatment Plan should not be signed or dated prior to the plan meeting date.
- The Treatment Plan is valid when the recipient/legally responsible person **and** the person who developed the plan sign and date it.

Added: [Authentication section](#)

Authentication

- Authors must always compose and sign their own entries (whether handwritten or electronic). An author should never create an entry or sign an entry for someone else or have someone else formulate or sign an entry for them. If utilizing a computer entry system, the program must contain an attestation signature line and time/date entry stamp.
- If utilizing a computer entry system, the program must contain an attestation signature line and time/date entry stamp. There must also be a written policy for documentation method in case of computer failure/power outage.

Added: [Corrections section](#)

Corrections

- White Out, Liquid Paper, or any form of correctional fluid or correctional tape is not acceptable on **any** records whether being used as a corrective measure or to individualize an original template or for any other reason.

34.3 Prior Authorization and Referral Requirements

Psychology procedure codes generally do not require prior authorization. Any service warranted outside of these codes must have prior authorization. Refer to Chapter 4, Obtaining Prior Authorization, for general guidelines.

34.4 Cost Sharing (Copayment)

Copayment does not apply to services provided to recipients under the age of 18. A copayment of \$1.00 applies to psychology services provided to recipients over the age of 18.

34.5 Completing the Claim Form

To enhance the effectiveness and efficiency of Medicaid processing, providers should bill Medicaid claims electronically.

Psychology providers who bill Medicaid claims electronically receive the following benefits:

- Quicker claim processing turnaround
- Immediate claim correction
- Enhanced online adjustment functions
- Improved access to eligibility information

Refer to Appendix B, Electronic Media Claims Guidelines, for more information about electronic filing.

NOTE:

When filing a claim on paper, a CMS-1500 claim form is required. Medicare-related claims must be filed using the Medical Medicaid/Medicare-related Claim Form.

This section describes program-specific claims information. Providers should refer to Chapter 5, Filing Claims, for general claims filing information and instructions.

34.5.1 Time Limit for Filing Claims

Medicaid requires all claims for Psychology to be filed within one year of the date of service. Refer to Section 5.1.4, Filing Limits, for more information regarding timely filing limits and exceptions.

34.5.2 Diagnosis Codes

The *International Classification of Diseases - 9th Revision - Clinical Modification* (ICD-9-CM) manual lists required diagnosis codes. These manuals may be obtained by contacting the American Medical Association, P.O. Box 10950, Chicago, IL 60610.

NOTE:

ICD-9 diagnosis codes must be listed to the highest number of digits possible (3, 4, or 5 digits). Do not use decimal points in the diagnosis code field. Only the diagnosis codes within the range of 290-316 are covered for services under this program.

34.5.3 Procedure Codes and Modifiers

The following procedure codes apply when filing claims for psychologist services. The (837) Professional and Institutional electronic claims and the paper claim have been modified to accept up to four procedure code modifiers.

Claims without procedure codes or with invalid codes will be denied. Only the procedure codes listed in this section are covered under this program. Some codes are covered for QMB recipients only. Check the guidelines following this grid.

CPT Code	Description	See Note	Daily Max	Annual Max
90801	Psychiatric diagnostic interview examination		1	1
90802	Interactive psychiatric diagnostic interview examination using play equipment, physical devices, language interpreter, or other mechanisms of communication		1	1
90804	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approximately 20 to 30 minutes face-to-face with the patient	3	1	52
90805	With medical evaluation and management services	3	1	52
90806	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approximately 45 to 50 minutes face-to-face with the patient	3	1	26
90807	With medical evaluation and management services	3	1	26
90808	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approximately 75 to 80 minutes face-to-face with the patient	2, 3	1	12
90809	With medical evaluation and management services	2, 3	1	12
90810	Individual psychotherapy, interactive, using play equipment, physical devices, language interpreter, or other mechanisms of nonverbal communication, in an office or outpatient facility, approximately 20 to 30 minutes face-to-face with the patient	3	1	52
90811	With medical evaluation and management services	3	1	52
90812	Individual psychotherapy, interactive, using play equipment, physical devices, language interpreter, or other mechanisms of nonverbal communication, in an office or outpatient facility, approximately 45 to 50 minutes face-to-face with the patient	3	1	26
90813	With medical evaluation and management services	3	1	26

CPT Code	Description	See Note	Daily Max	Annual Max
90814	Individual psychotherapy, interactive, using play equipment, physical devices, language interpreter, or other mechanisms of nonverbal communication, in an office or outpatient facility, approximately 75 to 80 minutes face-to-face with the patient	2, 3	1	12
90815	With medical evaluation and management services	2, 3	1	12
90816	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an inpatient hospital, partial hospital, or residential care setting, approximately 20 to 30 minutes face-to-face with the patient	3	1	52
90817	With medical evaluation and management services	3	1	52
90818	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an inpatient hospital, partial hospital or residential care setting, approximately 45 to 50 minutes face-to-face with the patient	3	1	26
90819	With medical evaluation and management services	3	1	26
90821	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an inpatient hospital, partial hospital or residential care setting, approximately 75 to 80 minutes face-to-face with the patient	2, 3	1	12
90822	With medical evaluation and management services	2, 3	1	12
90823	Individual psychotherapy, interactive, using play equipment, physical devices, language interpreter, or other mechanisms of nonverbal communication, in an inpatient hospital, partial hospital or residential care setting, approximately 20 to 30 minutes face-to-face with the patient	3	1	52
90824	With medical evaluation and management services	3	1	52
90826	Individual psychotherapy, interactive, using play equipment, physical devices, language interpreter, or other mechanisms of nonverbal communication, in an inpatient hospital, partial hospital or residential care setting, approximately 45 to 50 minutes face-to-face with the patient	3	1	26
90827	With medical evaluation and management services	3	1	26

CPT Code	Description	See Note	Daily Max	Annual Max
90828	Individual psychotherapy, interactive, using play equipment, physical devices, language interpreter, or other mechanisms of nonverbal communication, in an inpatient hospital, partial hospital or residential care setting, approximately 75 to 80 minutes face-to-face with the patient	2, 3	1	12
90829	With medical evaluation and management services	2, 3	1	12
90847	Family medical psychotherapy (conjoint psychotherapy) with patient present	4	1	12
90849	Multiple-family group psychotherapy	4	1	12
90853	Group psychotherapy (other than of a multiple-family group)	5	1	12
90887	Interpretation of explanation of results of psychiatric data, other medical examinations and procedures, or other accumulated data to family or other responsible persons; or advising them how to assist patient	7	1	12
96101	Psychological testing (includes psychodiagnostic assessment of emotionality, intellectual abilities, personality and psychopathology, eg, MMPI, Rorshach, WAIS), per hour of the psychologist's or physician's time, both face-to-face time, both face-to-face time administering tests to the patient and time interpreting these test results and preparing the report.	6*,7	5*	5*
96102	Psychological testing (includes psychodiagnostic assessment of emotionality, intellectual abilities, personality and psychopathology, eg, MMPI and WAID), with qualified health care professional interpretation and report, administered by technician, per hour of technician time, face-to-face	6*,7	5*	5*
96103	Psychological testing (includes psychodiagnostic assessment of emotionality, intellectual abilities, personality and psychopathology, eg, MMPI), administered by a computer, with qualified health care professional interpretation and report	6*,7	1*	1*
96116	Neurobehavioral status exam (clinical assessment of thinking, reasoning and judgment, eg, acquired knowledge, attention, language, memory, planning and problem solving and visual spatial abilities), per hour of the psychologist's or physician's time, both face-to-face time with the patient and time interpreting test results and preparing the report	7,8	5	5

<i>CPT Code</i>	<i>Description</i>	<i>See Note</i>	<i>Daily Max</i>	<i>Annual Max</i>
96118	Neuropsychological testing (eg, Halstead-Reitan Neuropsychological Battery, Wechsler Memory Scales and Wisconsin Card Sorting Test), per hour of the psychologist's or physician's time, both face-to-face time administering tests to the patient and time interpreting these test results and preparing the report.	7*	5*	5*
96119	Neuropsychological testing (eg, Halstead-Reitan Neuropsychological Battery, Wechsler Memory Scales and Wisconsin Card Sorting Test), with qualified health care professional interpretation and report, administered by technician, per hour of technician time, face-to-face	7*	5*	5*
96120	Neuropsychological testing (eg, Wisconsin Card Sorting Test), administered by a computer, with qualified health care professional interpretation and report	7*	1*	1*

Guidelines for Covered Procedure Codes:

1. Individual psychotherapy codes should be used only when the focus of the treatment encounter involves psychotherapy. Psychotherapy codes should not be used as generic psychiatric service codes when another code, such as an E&M or pharmacologic management code, would be more appropriate.
2. Procedure codes 90808, 90809, 90814, 90815, 90821, 90822, 90828, and 90829 (75-80 minutes) are covered for QMB recipients only. These codes are reserved for exceptional circumstances and should not be routinely used. The provider must document in the client's clinical record the medical necessity of these services **and** define the exceptional circumstances
3. Medicaid will not accept psychiatric therapy procedure codes 90804-90829 being billed on the same date of service as an E&M service by the same physician or mental health professional group.
4. Procedure codes 90847 and 90849 are used to describe family participation in the treatment process of the client. Code 90847 is used when the patient is present. Code 90849 is intended for group therapy sessions for multiple families when similar dynamics are occurring due to a commonality of problems in the family members in treatment.
5. Procedure code 90853 is used when psychotherapy is administered in a group setting with a trained group leader in charge of several clients. Personal and group dynamics are discussed and explored in a therapeutic setting allowing emotional catharsis, instruction, insight, and support. Group therapy must be led by a clinical psychologist licensed in the state of Alabama.

6. Procedure code 96101-96103 includes the administration, interpretation, and scoring of the tests mentioned in the CPT description and other medically accepted tests for evaluation of intellectual strengths, psychopathology, mental health risks, and other factors influencing treatment and prognosis. The clinical record must indicate the presence of mental illness or signs of mental illness for which psychological testing is indicated as an aid in the diagnosis and therapeutic planning. The record must show the tests performed, scoring and interpretation, as well as the time involved (time started and time ended---excluding time spent for interpretation of tests). Procedure codes 96101 and 96102 can be billed separately or in combination with code 96103 for **no more than** five hours per year. Procedure code 96103 can only be billed for one encounter per year. The units of measure for testing codes 96101 – 96103 has been changed from a 1 hour measurement increment to a 30 minute measurement increment, therefore when billing claims .5 units will equal 30 minutes; 1 unit will equal 1 hour; 1.5 units will equal 1 ½ hours, etc. Providers **cannot** bill less than a 30-minute increment.
7. Mental retardation diagnosis codes (317-319) are not covered for treatment services; however, Medicaid will cover diagnostic testing, status exam (96101-96103, 96116 and 96118-96120), and interpretation of results (90887) even if the resulting diagnosis is mental retardation. The record must show the tests performed, scoring and interpretation, as well as the time involved (time started and time ended---excluding time spent for interpretation of tests). Procedure codes 96118 and 96119 can be billed separately or in combination with code 96120 for **no more than** five hours per year. Procedure code 96120 can only be billed for one encounter per year. The units of measure for testing codes 96118 – 96120 has been changed from a 1 hour measurement increment to a 30 minute measurement increment, therefore when billing claims .5 units will equal 30 minutes; 1 unit will equal 1 hour; 1.5 units will equal 1 ½ hours, etc. Providers **cannot** bill less than a 30-minute increment.
8. Procedure Code 96116 is intended to describe the performance of gathering information to provide an important first analysis of brain dysfunction and progression and changes in the symptoms over time. This exam must include screening for impairments in acquired knowledge, attention, language, learning, memory, problem solving, and visual-spatial abilities.

Each test performed must be medically necessary; therefore, standardized batteries of tests are not acceptable. Nonspecific behaviors that do not indicate the presence of, or change in, a mental illness would not be an acceptable indication for testing. Psychological or psychiatric evaluations that can be accomplished through the clinical interview alone would not require psychological testing and such testing might be considered medically unnecessary.

Added: ---excluding time spent for interpretation of tests.

Added: 1 unit will...30-minute increment.

Added: The units of... equal 30 minutes.

Added: ---excluding time spent for interpretation of tests

Added: The units of...equal 30 minutes.

Added: 1 unit will...30-minute increment.

Use of ModifiersAdded: Use of Modifiers section

When one of the following disciplines is the performing provider, please append the following modifiers:

<i>Modifier</i>	<i>Allied Mental Health Professional</i>
U6	Licensed Professional Counselor (LPC) or Associate Licensed Counselor (ALC)
U7	Licensed Marriage and Family Therapist (LMFT)
AJ	Licensed Certified Social Worker
HO	An individual with a masters degree or above, not yet licensed but has successfully completed a practicum as a part of the requirements for the degree or has six months of post master's level clinical experience supervised by a master's level or above clinician with two years of post graduate clinical experience.

Codes billed with the above modifiers will be reimbursed at 75% of the allowable amount.

Added: Codes billed with...the allowable amount.

Services performed by an allied mental health professional but not billed with the modifier will be subject to recoupment on post payment review.

Added: Services performed by...post payment review.**NOTE:**

Procedure codes 90862, pharmacologic management, and 90865, narcosynthesis for psychiatric diagnostic and therapeutic purposes, **are covered for physicians only** and may not be performed or billed by psychologists.

34.5.4 Place of Service Codes

The following place of service codes apply when filing claims for psychology services:

<i>POS Code</i>	<i>Description</i>
11	Office
12	Home
21	Inpatient Hospital
22	Outpatient Hospital
23	Emergency Room – Hospital
31	Skilled Nursing Facility or Nursing Facility
32	Nursing Facility
51	Inpatient Psychiatric Facility
52	Psychiatric Facility Partial Hospitalization
53	Community Mental Health Center
54	Intermediate Care Facility/Mentally Retarded
55	Residential Substance Abuse Treatment Facility
56	Psychiatric Residential Treatment Center
72	Rural Health Clinic
99	Other Unlisted Facility

34.5.5 Required Attachments

To enhance the effectiveness and efficiency of Medicaid processing, your attachments should be limited to the following circumstances:

- Claims With Third Party Denials

NOTE:

When an attachment is required, a hard copy CMS-1500 claim form must be submitted.

Refer to Section 5.7, Required Attachments, for more information on attachments.

34.6 For More Information

This section contains a cross-reference to other relevant sections in the manual.

Resource	Where to Find It
CMS-1500 Claim Filing Instructions	Section 5.2
Medical Medicaid/Medicare-related Claim Filing Instructions	Section 5.6.1
Electronic Media Claims (EMC) Submission Guidelines	Appendix B
AVRS Quick Reference Guide	Appendix L
Alabama Medicaid Contact Information	Appendix N