



Magellan Compliance Notebook

Magellan Behavioral Health of Pennsylvania, Inc. (Magellan) strives to be proactive and use education as a preventative tool to help ensure our members receive the highest quality of care through you, the provider. The Compliance Department at Magellan is committed to sending monthly e-mails to targeted providers regarding a Compliance-related subject.

This e-mail communication is specific to your HealthChoices (Pennsylvania Medicaid) Contract with Magellan.

This communication is directed to Individual or Group contracted Psychologists as well as Outpatient Clinics that conduct **Neuropsychological Testing** and **Psychological Testing** in order to review some important billing and documentation reminders.

Neuropsychological and Psychological Testing are unique services within the Medicaid HealthChoices continuum in that time spent in interpretation and report writing may be billable when authorized. However, the documentation and billing requirements remain unchanged. Providers must have documentation (i.e., progress notes) to support the time spent rendering services on behalf of a Magellan member that correlates to the date of service and units billed.

- **Psychological Testing** (CPT 96130 first hour; 96131 each additional hour)
 - Evaluation services by a physician or other qualified health care professional, including integration of patient data, interpretation of standardized test results and clinical data, clinical decision making, treatment planning and report, and interactive feedback of the patient, family member(s), or caregiver(s), when performed.

- **Neuropsychological Testing** (CPT 96132 first hour; 96133 each additional hour)
 - Similar evaluation services focused on cognitive and neurological functioning, including interpretation, clinical decision-making, treatment planning, report writing, and feedback.

- **Test administration and scoring:** (CPT 96136 first 30 minutes; 96137 each additional 30 minutes for provider-administered testing)
 - Administration and scoring of standardized psychological or neuropsychological tests by a physician or other qualified health care professional (QHP), including test delivery, collection of responses, and scoring of results.

The following example outlines how the documentation and billing could occur for a Psychological Testing episode (totals for the entire testing process):

- Total time: 8 hours
 - 96136: 1 unit (first 30 minutes)
 - 96137: 3 units (each additional 30 minutes)
 - 96130: 1 unit (first hour of testing; billed once at the start of the testing episode)
 - 96131: 5 units (each additional hour across all dates of service)

Date	Activity	Units Billed	Correct Code(s)	Documentation Requirement
5/9/26	2 hours of test administration and scoring	4	96136 (1) + 96137 (3)	Progress notes documenting test administration and scoring (e.g., 2:00–4:00 PM)
5/16/26	2 hours interpretation/analysis	2	96130 (1) + 96131 (1)	Progress notes documenting interpretation/analysis time (e.g., 4:00–6:00 PM)
5/18/26	1 hour interpretation/analysis	1	96131 (1)	Progress notes documenting interpretation/analysis time (e.g., 4:00–5:00 PM)
5/19/26	3 hours report writing	3	96131 (3)	Progress notes documenting report writing time (e.g., 1:30–4:30 PM)

*** Rounding of time and bundling of units across dates of service are not permitted; each date of service must be billed separately and may not be combined time from multiple dates.*

Key Billing and Compliance Expectations:

Providers must:

- Verify member benefits prior to testing services
- Obtain prior authorization
- Ensure the authorized hours align with planned services

*** Failure to obtain authorization or exceeding approved units may result in denied claims.*

Documentation must clearly support:

- The **date of service**
- The **specific activity performed** (e.g., face-to-face testing, interpretation, report writing)
- **Start and stop times**
- Clinical necessity and outcomes

Accurate documentation is essential to:

- Support claims submission
 - Avoid audit findings
 - Demonstrate medical necessity
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At Magellan, we will continue to educate our providers with updated MA Bulletins, regulations, and other pertinent information to ensure Compliance. Although providers are ultimately responsible for knowing and complying with all applicable regulations, we proactively engage providers on an ongoing basis to make sure they are aware of compliance-related requirements and expectations. Medicaid Program Integrity is truly a collaborative effort between our providers, county customers, Magellan, Bureau of Program Integrity (BPI) and other oversight agencies. The monthly e-mail blast topics are generated from audit results and trends; however, they are also sent in response to recent Magellan policy updates; newly released or relevant MA Bulletins and Policy Clarifications; or Regulation changes. The intention is to afford our providers with as many resources as possible to combat FWA and reduce overpayments.

Thank you for your ongoing hard work and dedication to our members!

Magellan of Pennsylvania's Compliance Team

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