

**Submission by the
Australian Psychological Society**

**ACCC Report to Senate
on
Private Health Insurance**

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October 2012

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About the APS

The Australian Psychological Society (APS) is the largest professional organisation for psychologists representing over 20,000 members. The APS has a long history of working collaboratively with the Australian Government and other agencies to help address major social, emotional and health issues for local communities and ensuring health care is equitable and accessible to all members of the Australian community. In addition however, the APS represents the interests of 20,000 psychologist members and the psychology profession to ensure its members are fairly represented within the health system and health care policy.

Issues identified by the ACCC for consideration

The APS thanks the Australian Competition and Consumer Commission (ACCC) for the opportunity to provide feedback on issues for consideration in its yearly report to the Senate on private health insurance matters. The focus of this submission will be those issues identified by the ACCC in its correspondence of September 3, 2012. It expressed the desire to examine the effects of distinctions between different providers of the same or similar services and whether the distinction is warranted or maybe the basis of competitive disadvantage.

In preparing this submission, the APS conducted an on-line search of major health funds, focusing particularly on provider eligibility and any restrictions on service access by patients. The full list of our search is attached at the end of this submission for consideration by the ACCC and provides a basis for many of the comments below.

In reviewing the funds' eligibility criteria and access policies that may bear on the terms of reference identified by the ACCC, the APS has found some practices which would certainly come under the concerns raised. In the cases below, the distinction or discrimination between providers of psychology services, the basis for discrimination is in fact between health providers within the same profession rather than providers in different professions.

1. Definition of psychology

Some PHI funds specify that they only recognise "clinical psychologists". Whether this is based upon a lack of awareness or actual discriminatory practice is not clear. What it does is to effectively limit other specialised and general psychologists from providing services to their clients when they are both appropriately trained and, in many cases, have extra training that makes their services more than appropriate. The funds that clearly make this distinction are CUA Health Ltd and HBF Health Ltd.

It may assist the commission if the APS explains that clinical psychology is just one of nine endorsed areas of practice in psychology under the Australian Health Practitioner Regulation Agency (AHPRA) (see below). While clinical psychology is a significant aspect of the psychology discipline, other endorsed areas of practice, such as clinical neuropsychology, educational

and developmental psychology, health psychology and counselling psychology also are more than eligible to provide services patients with PHI. Other endorsed areas of practice in psychology are also recognised by other PHI funds.

The greatest concern of the APS in relation to the recognition of “clinical psychologists” over other psychologists is the potential to misidentify all psychologists as practising exclusively in the mental health domain, or that *only* clinical psychologists can practise in the mental health domain. As explained below, many other endorsed areas of psychological practice extend beyond the mental health aspects and include whole of health, chronic disease and disability management. Moreover, other endorsed areas of psychological practice (e.g., counselling, health) can also contribute to patients’ mental health recovery (see below) and wellbeing.

An even greater concern is that around half of all registered psychologists do not have an area of endorsed practice and still provide sound services to clients with both mental health issues and other health disorders.

Case Example 1:

A 54-year-old man with Type II diabetes, problems with obesity and with moderate depression sought the services of a psychologist to assist him with both his mood concerns and adherence to his diet and exercise program. It was suggested to him that a health psychologist would be the most appropriate and he sought their services, gaining an appropriate referral from his GP. However, when he sought to gain rebates from his PHI - which was CUA health - they declined to honour the insurance arrangements as he had not seen a *clinical psychologist*.

2. Provider recognition

A second and more subtle discriminatory arrangement insisted on by a number of PHIs is the requirement for the provider to hold a Medicare Provider registration. Many insurance providers default to Medicare Provider registration for psychologists. Medicare Australia (Department of Human Services) is not a provider registration body, but a government service agency and a service contractor. In this context, they are not substantially different to a private health insurance (PHI) provider. Examples of funds that make this requirement are BUPA Australia Proprietary Limited and Medibank Private Limited.

While this is a convenient measure, it is tantamount to requiring a car driver to have a license from another state before their current home state is prepared to grant them a driver’s license. A more suitable form of provider recognition can be provided by the Psychology Board of Australia, which is the official Government practitioner recognition process and part of (AHPRA). This method of recognition can also highlight important and relevant areas of endorsed practice, formally recognised by AHPRA (see below). Endorsed areas of practice promote selecting the most appropriate type of psychologist relevant to the individual’s needs.

Case Example 2:

A highly experienced psychologist who has conducted a private practice for many years in a local community and provided valuable health services to a couple of local general practices has, for reasons of personal ethical concern, decided not to provide Medicare funded services. As a consequence he has never sought, or received, a Medicare provider number. His patients have generally paid for his services privately or sought coverage from their PHI. However, at least two of the funds have declined to register him as a provider because he has no Medicare provider number.

3. Restricted access to psychology to only those with mental health plan

Once more this is a subtle form of discrimination, but not so much between providers of services but against the recipients of services thereby denying access. In this case, the PHI is placing requirements on the terms of treatment provided to clients which make it difficult for them to access services that should be freely available under the terms of the insurance. The mechanism for limiting access and discriminating against patients is the practice of requiring that for patients to claim against the PHI, they must have been seen by a GP and placed on a mental health care plan. This essentially states that the health condition for which the patient is seeking health services is a mental health condition and that for no other condition can the patients seek treatment if they wish to see a psychologist.

As mentioned above, psychology is a broad discipline. In addition to clinical psychology, the Psychology Board of Australia has eight other areas of endorsed practice:

- Clinical neuropsychology
- Community psychology
- Counselling psychology
- Educational and developmental psychology
- Health psychology
- Forensic psychology
- Organisational psychology
- Sport and exercise psychology

The APS contends that all psychologists can contribute to the health and wellbeing of individuals. In addition, there are areas of endorse practice which are highly relevant for patients with private health insurance. For example, health psychologists may be more appropriate for someone trying to maintain motivation for their diet modifications as part of their overall obesity management plan. Similarly, an educational and development psychologist would be appropriate for assisting parents to manage children with development disorders. Other areas where psychologists can play an essential role in health care are cancer recovery, cardiac rehabilitation, post-surgical recovery (e.g., amputations), medication adherence and behaviour management in dementia or other neurological disorders.

If a health fund narrowly defines psychological practices as pertaining to only those under the current Medicare mental health items, a significant portion of their members will not have any access to psychologists. This is particularly relevant for clients of PHIs who have the initiative and motivation to actively seek professional help.

In the example above, a person who wishes to seek help from a psychologist for weight management issues cannot do so under some funds' rules as obesity is not classified as a mental health issue and therefore would not be eligible to be treated under the Medicare system. This has implications not only for the person involved, but also to the community at large due to long term health costs associated with obesity.

Case Example 3:

A 45-year-old female who has recently suffered a heart attack is recovering well but still evidencing some of the features of stress and lifestyle that are known to be associated with continuing risk of heart attack. Her GP is familiar with the significant evidence suggesting that good management of coronary heart disease, and particularly post-cardiac rehabilitation, will include psychological interventions for stress management and cognitive therapy. She is referred by a GP to a clinical psychologist but as there are no clear evidences of a mental health disorder, a mental health care plan is not completed. Despite the crucial nature of the services provided, her PHI fails to reimburse her claims.

Other Issues Impacting on Anti-competitiveness

While the following issues are only obliquely related to the specific terms of reference, they continue to provide concern to the APS as practices which are very likely to limit access of consumers to their health insurance and also put patient's privacy at risk.

1. Cost shifting to the Commonwealth

HCF stipulates that it will *"only pay benefits for patients who have been referred by their general practitioner, onto a Mental Health Plan, through Medicare and once the (sic) Medicare entitlements are exhausted"*. It further stipulates that *"this benefit acts as a safety net after Medicare and is not payable in any other circumstances"*. This condition forces HCF fund holders to access the Medicare system and for Medicare to bear the associated costs. This appears to the APS to not only limit consumers access to their paid for insurance by imposing market restrictions on their access but also appears to be a blatant cost shifting exercise from their own private health reserves to the public domain.

Data from Medicare Australia indicates that many patients who use the Better Access Medicare program may only access psychologists for 4-6 treatment sessions. This means many HCF fund holders may never be able to access psychologists outside the Medicare system, as the Better Access Medicare program has the potential to provide up to a maximum of 10 sessions, and 16 under exceptional circumstances.

2. Privacy of patient information

The APS has been concerned for some time now regarding the access to patients' mental health information by third parties, particularly in relation to their employment opportunities and life insurance coverage. By restricting consumers wishing to access psychological services to the narrow mental health domain, there is a danger that not only will patients be forced into a mental health model, which may not be appropriate, but that some of this information that has been collected under false pretences, and may be accessed and used with potential negative consequences.

For example, it is usual practice for a life insurer, or even travel insurer, to gain permission from applicants to seek access to their GP. If the applicant saw their GP and obtained a Mental Health Treatment Plan in order to access psychological services, as required by some health funds at present, that information then becomes more readily available than it might have been and has been well known to prompt refusal of insurance because there exists a "mental health disorder".

Case Example 4:

Sally was an older teenager currently studying for her HSC exams. She explained to her GP that she becomes very agitated before formal examinations, does not sleep well and has difficulty concentrating during examination. Her GP considered referring her to a psychologist for anxiety management. As Sally had limited resources, he placed her on a mental health care plan with a diagnosis of anxiety disorder. She was seen by the psychologist and successfully reduced her anxiety, slept better and successfully completed an HSC. Two years later when she sought to begin some life insurance, the report from her GP included the diagnosis of anxiety disorder and the fact that she had been placed on a mental health care plan. The insurance company denied her the life insurance she sought without a significant premium increase.

Health Fund	Description of psychological services	Psychologist Credentials	Referral
ahm Health Insurance	Psychology and hypnotherapy are put together. No description.	<p>Board registered providers - You should have qualifications in the relevant discipline and be registered with the appropriate National Registration Board for your area of practise.</p> <p>If you're registered with your Registration Board, ahm Health Insurance would normally automatically recognise you when we get your details from the Board.</p>	
Australian Unity Health Limited	Covers psychology sessions, but has not further information. Cannot find full policies online		
Bupa Australia Pty Ltd	<p>Help for mental health problems section: For emotional problems and mental health issues a number of health professionals who can help: your GP, a psychiatrist, a psychologist, a psychotherapist or counsellor. With a guide to what the different practitioners do. They also have exclusions for particular psychological services: Ancillary benefits are not payable for a number of services e.g. IQ testing; Personal assessments for career planning; Vocational guidance; Corporate assessments to determine a person's suitability for a position; Sports psychology; Anxiety management groups; Stress relief (e.g. leading up to exams); Email/tele communication and telephone consultations.</p>	<p>To attain Bupa recognition as a psychologist you must be registered with Medicare Australia and be in private practice. Medicare Australia will notify us of the provider number and relevant practice information.</p>	<p>General information in the 'Help for mental health problems section' - You will need a referral from your GP to see some of these mental health professionals but some of them can be seen directly simply by booking an appointment.</p>
CUA Health Limited		'Clinical psychology' but no definition.	
GHMBA Limited		<p>A Psychology Provider must be registered with The Psychology Board in the state in which they reside. GHMBA receive an updated list from Medicare on a regular basis and the Medicare Provider Number is the provider number they generally use for paying claims.</p>	<p>Depending on the level of cover a member has depends on the benefits payable for psychology and the annual limits.</p>

<p>HBF Health Limited</p>	<p>From the fund rules: J10 23 http://www.hbf.com.au/about-us/pdf/HBF_Fund_Rules.pdf</p> <p>HBF will pay Benefit for Medically Necessary services listed in the 'Clinical Psychology Schedule' below where services are rendered by an Approved Provider in the course of Private Practice. The Approved Provider must be registered with the relevant national board with an endorsement that they are approved to practise clinical psychology. Also included underneath that is the same, but without the use of the word 'Clinical' just 'psychology schedule'</p>	<p>Psychologists specialised in approved disciplines such as Clinical, Counselling, Educational & Development Psychology. Psychologists must complete a provider form and either supply evidence 'WA Specialist Registration' (Obviously outdated info) or 'A copy of full member of a Specialist College of Australian Psychological Society' Full form - http://www.hbf.com.au/pdf/HBF_Provider_Rego_Form_1.pdf</p>	
<p>HCF</p>	<p>Psychology Some covers include benefits for consultations with an HCF recognized psychologist. On most covers that include Psychology benefits, HCF will only pay benefits for patients who have been referred by their general practitioner, onto a Mental Health Plan, through Medicare and once the Medicare entitlements for the calendar year are exhausted. This benefit acts as a safety net after Medicare and is not payable in any other circumstances.</p>	<p>Psychologists must fill out an application form (generic) with their registration details to be a HCF provider https://www.hcf.com.au/Provider_Portal_Internet/LoginInfo/ancpro_reg6_AncRegForm.pdf No mention of endorsed areas of practice.</p>	<p>If your cover includes psychology benefits, you will need to use this form to make a claim. Benefits are available to members who were referred by their general practitioner to claim for psychology benefits under Medicare and have exhausted their Medicare entitlements in the current calendar year. The psychology treatment must be necessary and ongoing, and with an HCF recognised psychologist who is treating you as a private patient. Under Medicare, eligible patients can claim up to 10 Medicare rebates per calendar year. If you are uncertain about Medicare entitlements for psychology, talk to your GP or call Medicare on 13 20 11. See here http://www.hcf.com.au/pdf/Psychology_Form.pdf</p>
<p>Medibank Private Limited</p>	<p>In their Fund Rules http://www.medibank.com.au/Client/Documents/Pdfs/MPL_Fund_Rules.pdf</p> <p>Clinical Psychology means professional Treatment that is: (a) approved by Medibank Private, and (b) provided during a Consultation with a practitioner who is recognised by Medibank Private as a psychologist.</p>	<p>For recognition with Medibank Private as a Psychologist, you must be registered with Medicare Australia. Medicare Australia notifies us of Provider numbers issued on a daily basis, which is then automatically updated in our systems.</p>	

<p>NIB Health Funds Ltd</p>	<p>No benefits for tests, assessments or couple/group sessions</p>	<p>Only pay benefits for Extras services from nib recognised providers. Providers must meet certain criteria to be recognised by NIB:- They must be in private practice,- They must have professional qualifications that are recognised by nib.</p>	<p>Consultations covered by a Medicare Primary Health Care Plan.e.g. psychology or dental plans.</p>
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