

Australian Association of Psychologists incorporated (AAPi)



Pre-Budget Submission 2022-2023

The Australian Association of Psychologists incorporated (AAPI) thanks the Federal Government for the opportunity to provide information and recommendations for the 2022-23 Federal Government Budget.

As we are starting to see what we expect will be a huge spike in mental health challenges ranging from presenteeism through to self-harm, it is essential that priority is given to making highly skilled mental health professionals accessible to Australians.

We have already seen a growing trend in anxiety, and indicators of PTSD and depression. Australia needs to start flattening the mental health curve urgently. We simply cannot afford another national crisis and the long-term, far reaching effects on our health, economy, society, and education.

AAPI represents psychologists traversing a wide range of areas of practice around the country who are on the front line.

Using these insights, we would urge the federal government to strongly consider our recommendations to address a developing national mental health crisis.

Sincerely,



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Summary of Recommendations

We recommend four initiatives that will quickly address this, in a cost-effective and powerful way:

1. One-tier Medicare rebate for the clients of all registered psychologists in Australia.
2. Raise the Medicare rebate to \$150 per session to allow for greater access, to facilitate more bulk billing, and to enable appropriate treatment rather than an inadequate psychological health care response.
3. Implementing the Productivity Commission recommendation for up to 40 rebated sessions per annum.
4. Establish a 'Provisional Psychologist' Medicare rebate

1. One-tier Medicare rebate for the clients of all registered psychologists in Australia

The Medicare system currently puts psychologists into two different categories that see them on two different rebate amounts for patients.

The current two-tier Medicare system is fundamentally flawed and needs to be immediately discontinued. Predicated on false assumptions and lack of any supporting evidence, AAPI seeks for this government to implement a one-tier system to improve access to vital mental health services.

AAPI is concerned that the inequity of the two-tier system has led to misinformation about the skills of all psychologists and restrictive access for the public to psychological services. Some examples of where this occurs are in Government businesses such as Centrelink, Department of Veteran Affairs, the public sector including hospitals and health services and private health funds.

Especially at a time when Australians need access to skilled psychologists, improving access is very literally, critical.

One profession yet two rebate levels

In 2006 the Australian Government implemented health reforms that saw psychological services included in Australia's Medicare system under the Better Access Scheme. The Medicare items for psychologists under Better Access were drafted into two categories: clinical psychology services and general psychology services. This became the two-tiered model that provides higher rebates for clinical psychologist's clients (\$128.40 for a 50-minute session) and a lower rebate for the clients of all other registered psychologists (\$87.45 for a 50-minute session).

This division has created significant inequitable access to mental health treatment for the Australian public and discord within the psychology profession. Medicare items are generally linked to the service provided, rather than the qualifications of the professional providing the service, so psychology has become an anomaly. This anomaly has had serious financial consequences for consumers.

The system suggests that the 30% of psychologists deemed 'clinical psychologists' should attract a higher level of Medicare funding than the remaining 70% who are 'registered psychologists' or have endorsement in areas of than clinical psychology and provide the same service to the same client population, client condition type and severity. The scientific literature supports the position of AAPI, and clearly demonstrates that there is no difference, and rather that all registered psychologists are capable of providing the same level of psychological services.

The two-tier rebate pushes the Australian population toward 30% of psychologists, exacerbating waiting times and limiting accessibility. While those Australians who see the 70% of psychologists on the lower rebate, have a greater expense which creates further stress when seeing a psychologist should only ease burdens.

Mistaking Area of Practice Endorsement for Area of Practice

Psychologists practice within their scope of experience and the current two-tier system has erroneously confused area of interest with area of competency. All psychologists must complete APAC accredited degrees to qualify for national registration. These courses must teach the same set of core competencies. Psychologists may then diversify their practice into different areas of psychology such as forensic or educational/developmental by attending specific training, engaging in further study, or gaining employment in certain areas. For example, typically forensic psychologists were drawn to working in the juvenile justice system; clinical psychologists were drawn to working in hospital and psychiatric settings; educational and developmental psychologists were drawn to working in schools or working with people along the lifespan. This does not equate different skill sets or competencies. Psychologists are psychologists.

All psychologists complete a minimum six-year sequence of education and training. All psychologists must initially complete a four-year APAC-accredited sequence in psychology. To become registered and be able to use the title 'psychologist' they must complete one of the following programs:

- an approved postgraduate degree (such as a two-year Masters in one of the 9 areas of endorsement) or higher (such as a three or four year Doctorate); or
- a 5+1 internship program (a fifth year of study and one year of on-the-job supervised practice); or
- a 4+2 internship program (two years of on-the-job supervised practice). This pathway will cease in 2027.

The Psychology Board of Australia (PsyBA) currently recognises 9 areas of practice endorsement within the psychology profession. These include;

1. Clinical neuropsychology
2. Clinical psychology
3. Community psychology
4. Counselling psychology
5. Educational and developmental
6. Forensic psychology
7. Health psychology
8. Organisational psychology
9. Sport and exercise psychology

We believe it is unjust and unreasonable that psychologists who have completed a prodigious amount of education, training, and supervised practice cannot provide an equal rebate to their clients, simply because they are not clinically endorsed.

Many psychologists have completed the same Australian Qualifications Framework (AQF) level of training (or higher) as clinical psychologists and use the same psychological assessments, same therapeutic approaches, and work with the same client populations in the assessment, diagnosis, and treatment of all mental health conditions and severities.

Active Continuing Professional Development (CPD) and recent work experience are the best predictors of a psychologist's recent skill set. This does not limit, and neither should it, the ability of the psychologist to work in other workplace settings: the skills of a psychologist are generalisable across workplace settings as the fundamental core competencies are met via tertiary studies approved by the Australian Psychology Accreditation Council (APAC), an independent quality and standards organisation appointed by Australian Governments under the Health Practitioner Regulation National Law Act 2009 as the accrediting authority for the education and training of psychologists in Australia.

If a client is seeking an educational assessment, they may select to choose an Educational and Developmental Psychologist, however, if that psychologist has moved their area of interest to the therapeutic, counselling or clinical realm and is working with patients in a hospital setting, or working with clients in a private practice, and if they do not focus on educational assessments, then the endorsement is confusing and misleading to a member of the public who is seeking an assessment for their child.

All Psychologists Share Core Competencies and Equivalent Treatment Outcomes

Research demonstrates that both registered psychologists and clinical psychologists achieved beneficial outcomes. At the same time, there is no evidence to support that clinical psychologists are better skilled at providing services than other psychologists. There is simply no evidence to warrant a difference in funding or endorsement. A notable research project commissioned by the Australian Government itself (Pirkis et al., 2011) clearly indicates that psychologists treating mental illness across all training pathways (operationalised through both tiers of Medicare Better Access), produce strong treatment outcomes for mild, moderate, and severe cases of mental illness (Jorm, 2011).

All psychologists provide the same service, to the same standards (as governed by their registration with AHPRA), and to the same population group. The dual Medicare rebate system has caused divisiveness in the

profession, financial disadvantage to the Australian public, misleading information to the Australian public, and restriction of psychological service provision to the Australian public.

Ultimately, it is the community members in need who are missing out. This erroneous notion of superior skills based on area of interest versus actual competency has additionally contributed severe negative impacts at an economic/financial level, on career viability and to the wellbeing of the psychology profession. Both clinical psychologists and all other psychologists have the same operating costs including insurance, registration fees, administration support, rent and continuing professional development requirements. In view of the accelerating need for mental health support for Australians, all psychologists need to be supported to continue delivering these vital services.

The current Medicare Benefits Schedule overlooks the real costs associated with accessing and delivering vital mental health support, shutting out many clients from psychologists' care when Australians need them most. Clients still need to pay more out of pocket due to the lower rebates eligible to most practitioners in the country. On average, they are paying \$175 each session to see a registered psychologist, and they are only able to claim back \$87.45 from Medicare. If they are seeing a clinical psychologist, they can claim back \$128.40. Many clients cannot afford these out-of-pocket expenses, so do not seek the help they need when they need it, nor for the appropriate duration required for adequate treatment. This keeps them untreated and perpetually unwell, so they return for services but are unable to receive adequate intervention because of the financial disparity.

Ultimately, this prevents Australians from accessing mental health support as we continue to deal with heightened levels of anxiety, depression, and stress. The federal government has tabled a major pandemic mental crisis plan following research that forecasts suicides directly related to the economic shutdown. The associated distress could outstrip direct deaths from the coronavirus by 10 times.

Given that the government strongly recommends making mental health a priority, the rebate amount for all psychology services needs to be urgently increased. We proposed that this amount is \$150 rebate for all psychologists with no differentiation regardless of area of practice endorsement, that has been shown to be solely a function of area of interest and not of competency nor of practice.

Now is the time to make these important changes before it too late, and we see a needless loss of life as predicted in recent suicide modelling. We are in the midst of a mental health crisis, as people not getting help in a timely manner this will lead to greater pressure on hospitals and other treatment facilities, not to mention the long-term, far-reaching effects on our national

health, economy, society, and education. We need to start now to urgently flatten the mental health curve.

Psychologists need to be made more accessible to all Australians while ensuring psychologists can function with financial viability whilst they are providing their vital services.

Additional Deleterious Impact in Regional Australia

Currently, the two-tiered system acts to limit or reduce the public's ability to see the psychologist of their choice in both practical and financial terms. Firstly, given that most psychologists operating in regional and rural areas are registered psychologists, their clients cannot receive affordable treatment as their urban counterparts, because a registered psychologist currently is only eligible to apply a lower rebate for their clients. Conversely, the majority of psychologists who hold an endorsement in clinical psychology, also live in urban areas. It was previously shown here that this endorsement erroneously entitles them to provide a different yet higher rebate amount to their clients, who are more likely to also live in urban areas. The two-tiered system also disadvantages people from culturally and linguistically diverse communities (including Aboriginal and Torres Strait Islanders), that often desire to access psychological services from bilingual/multilingual and culturally competent psychologists (Tan & Denson, 2019), yet if their treating psychologist does not hold an endorsement in clinical psychology, they too are subject to the same lower rebate.

The AAPI would like to strongly advocate that one Medicare rebate system be implemented for clients accessing psychological services. The AAPI simultaneously strongly cautions against the use of area of practice endorsement as a means of restricting client access to services as has recently occurred.

AAPI strongly opposes the endorsement process as an indicator of specialist skills and any additional Medicare rebate as the endorsement process solely measures area of interest and NOT area of competence nor area of practice. AAPI firmly believes the Australian public deserves accessible, affordable, and equitable mental health care.

All registered psychologists can treat the full range of mental health conditions from mild to severe and complex. ***The treatment provided should be the only reason for applying a Medicare rebate, not the endorsement of the practitioner, and government funding should reflect this reality.***

It is critical to urgently arrive at a solution that benefits both the Australian community and the psychology profession delivering these services. We need to remove barriers to the access and provision of mental health services and enable individuals to get the help they need from ALL

psychologists. Failing to do so will cause an even greater decline in the nation's mental health, as Australians must pay more out of pocket due to the lower rates eligible to 70% of practitioners in the country and thereby to each of their clients.

We have also written a petition that lists these advocacy items. At the time of writing, we have over 8,800 signatures, primarily from psychologists. The petition can be accessed below:

<https://www.change.org/p/department-of-health-minister-greg-hunt-one-telehealth-medicare-rebate-for-all-psychologists>

2. Raise the Medicare rebate to allow for greater access and facilitate more bulk billing

Raising the Medicare rebate will enable more psychologists to bulk bill; it will enable more clients to stay in treatment so their condition is adequately treated; it will also retain more psychologists in the profession that has increasingly become financially unviable and professionally restrictive due to the aforementioned Medicare two-tier rebate complications.

The current Medicare rebate for psychology is insufficient to cover the true cost of care and this directly affects access of psychological services. This leaves the option of passing this on to the consumer, who often must choose between vital mental health care or other essentials of daily life or leaves psychologists with a financially unviable service. The financial challenge of providing care and covering costs, results in the psychologist being under undue financial distress or has them leaving the profession - often earning more in lower skilled areas of employment.

The current system is hindering career progression, income (due to the two-tier Medicare rebate system), and employment opportunities. Many registered psychologists are getting so frustrated with the current structure that they are leaving the workforce. Considering that over 80% of registered psychologists are women, this is having a massive impact once again on female workers.

The Australian government purports to value mental health yet is placing at serious risk the occupational health and safety of psychologists, the service delivery professionals, and the ongoing flow to the Australian public.

The current Medicare rebate is set at \$87.45 for the majority of psychologists. This is insufficient for expert mental health care. The Medicare rebate for Psychology has only increased by \$2.65 since the inception of Better Access in 2006. This is far below inflation rates and does not reflect the significant and exorbitant costs of maintaining professional educational or registration requirements, let alone running a professional private practice. Private

practice is the most accessible means of service provision for Australians and needs to be funded adequately.

We call on the government to raise the rebate to \$150 for a standard 50-minute session. This long-awaited higher rebate will assist those most vulnerable in making mental health services more accessible and encouraging more psychologists into private practice, which will help alleviate those areas with waiting lists, which is most definitely a problem in a high number of areas across the country.

AAPI conducted a Private Practice Survey in 2020 and 2021. Over **80% of respondents said they would bulk bill more if the rebate were raised to \$150.**

Affordable and accessible mental health care has been discussed in some detail in the media of late. As noted above, the other clear factor in the problem with bulk billing and the Medicare rebate is the erroneous, misleading, and destructive two-tier system that needs to be immediately terminated and replaced by one set of item numbers for all psychologists. The burden of the national mental health crisis is being propped up by a broken system. We need to move beyond a list of numbers on a Medicare Benefits Scheme, and look at the individuals who are suffering across Australia.

Increasing the rebate to \$150 for all psychologists will allow psychologists to bulk bill more clients while also attracting more psychologists into private practice thus reducing many of the barriers to accessing the expert mental health care that registered psychologists provide.

We call on the government to run through the modelling of the cost of this increase and compare it to the cost of what we will face with inaction and short-term band-aid solutions. The looming cost of a major mental health care crisis would far outstrip a sensible measure, such as what we are proposing.

3. Implementing Productivity Commission recommendation for up to 40 sessions

Much commentary has been written about the current increase to session numbers in the media. According to the Better Access finding, in 2016/17, only 4.64 sessions of the 10 allowable were accessed by Australians. Some sectors of the medical community point to this figure as a reason why session numbers should not be increased more widely. However, this fails to consider the myriad of reasons people have less than 10 sessions and completely ignores those who use well over this number.

For some that use less sessions, it is because their reason for presenting can be managed in a shorter number of sessions. Some find that by the time they

commence mental health assistance, the calendar year rolls over, and they have not reached their limit. Yet for many, it is the financial burden due to the low rebate applied to mental health providers – in particular, since over 70% of registered psychologists in Australia are only eligible for lower rebates due to a legislative mistake that we have shown above needs to be urgently rectified.

We advocate for self-referral to psychologists for rebatable sessions to remove the barriers for people seeking help. There are barriers that typically stop people from seeking support such as a GP referral or Mental Health Plan to access support.

There is also a substantial drop in people utilising their first 10 sessions once their Mental Health Plan requires them to go back to their GP after their 6th session to get another referral.

Through consultation with our membership base, we have identified that many members provide pro-bono services each year when clients' 10 rebated sessions run out. This is not reflected in the Medicare usage data.

Even though a small number of clients access over 10 sessions in a calendar year, these clients return year after year because they do not reach optimum treatment levels to resolve their illness because of the annual cap at 10 rebated sessions, representing 10 hours for serious/severe psychological conditions. This is simply not sensible nor sustainable, and in fact is irresponsible and re-traumatising. For some illnesses, this will require up to 40 sessions. If this treatment is provided, they will then exit treatment and be more able to engage fully and productively in the community, reducing disease burden. Providing adequate and consistent treatment will also reduce the pressure on emergency departments and mental health wards of hospitals.

The Australian Government should not be expecting individual providers to be propping up an underfunded system. This will result in financial distress for providers as well as increase their risk of burnout. Many psychologists have pared back their work because of the impact of pandemic on their well-being and that of their families. This is a serious occupational health and safety risk for psychologists and becoming more evident with each passing year and particularly during the Covid-19 pandemic.

4. Establish a 'Provisional Psychologist' Medicare rebate

As of December 2021, there are over 6,400 provisional psychologists available in Australia. Provisional psychologists are at a minimum, four or five-year education psychologists, embarking on a final period of 'supervised practice', overseen and mentored by a qualified psychologist. They have studied across each of the competencies required for registration and are

gaining relevant experience and supervision to meet full registration requirements.

At present, a significant proportion of provisional psychologists engage in unpaid employment to meet their requirements for full registration. Given the increasing demand for psychology services and increasing waiting lists to access psychologists, we believe the deployment of provisional psychologists is an ideal solution to not only the provision of an adequate service from a trained psychologist with the benefit of a supervisor, but to also increase the value of the psychologist in the payment for their valuable services, for which they have invested significant funding to complete their tertiary qualifications and supervision process. Having a 'provisional psychology' Medicare rebate will enable this strategy and its benefits.

In essence, the Australian government has over 6,000 university trained mental health professionals available at your fingertips, to address the growing need for mental health support that goes beyond an urgent phone call to a helpline.

Creating a provisional psychologist Medicare rebate will provide an assured funding stream to allow for more placement opportunities, reducing the current bottleneck in advancing students into fully qualified psychologists.

We are calling on the Government to support these future mental health experts in their training and development whilst also providing the community with an affordable option for Medicare rebated services. Tapping into our future mental health professionals to support the current crisis is the ideal solution.

With appropriate funding, AAPI can provide a 'Provisional Psychology Better Access' pilot project before rolling out a wider scheme.

References:

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