



**Psychotherapy & Counselling  
Federation of Australia**

# **Submission to the ACCC on private health insurance**

**Submission to:  
Australian Competition and Consumer Commission**

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## INTRODUCTION

Counsellors and psychotherapists provide the same or similar services as psychologists and other health providers: psychological therapies that support clients with their mental health challenges. Despite the fact that the services provided are essentially the same, most Private Health Funds recognise psychologists but do not recognise counsellors and psychotherapists.

Counselling and psychotherapy are interdisciplinary activities that are provided by a range of professionals, including psychologists, social workers, occupational therapists, nurses, doctors and psychiatrists, as well as counsellors and psychotherapists. Counselling and psychotherapy are not 'owned' by any one of these professional groups.

Approximately 17,000 counsellors currently work in Australia, according to census data collected by the Australian Bureau of Statistics on occupations (Australian Government, 2014). By 2020, the number of counsellors in Australia is predicted to rise strongly to 20,500.

Currently, limited coverage is provided for counselling or psychotherapy by four Private Health Funds. Other Private Health Funds provide rebates for "psychology" which may involve psychologists providing counselling or psychotherapy services. This is very confusing for consumers, as psychologists are not the only health professionals who provide counselling and psychotherapy services.

The overall lack of recognition of counsellors and psychotherapists by Private Health Funds makes it difficult for consumers to access information about private health insurance rebates for counselling and psychotherapy. Private Health Funds do not provide clear and accessible information for consumers about rebates available for counselling and psychotherapy (when they are offered). To improve consumer access to information on available rebates, Private health insurance products should include information on the rebates related to particular services such as counselling or psychotherapy services, rather than identifying only one type of practitioner that provides those services, e.g. psychologists.

In this submission, the Psychotherapy and Counselling Federation of Australia (PACFA) argues that failure by Private Health Funds to recognise counsellors and psychotherapists has placed counsellors and psychotherapists at a significant competitive disadvantage compared with psychologists. There are no valid regulatory, medical, evidence-based or other reasons for excluding counsellors and psychotherapists from private health insurance rebates, and this exclusion has made it difficult for consumers to freely select private health insurance policies that will meet their needs for counselling or psychotherapy services.

## BACKGROUND TO PACFA

### What is PACFA?

PACFA represents the self-regulating profession of counselling and psychotherapy. PACFA is a federation of twenty-seven Member Associations which cover a range of counselling and psychotherapy modalities including family therapy, experiential therapies, hypnotherapy, expressive arts therapies, integrative counselling, psychodynamic psychotherapy, and psychoanalysis.

PACFA advocates for appropriate, accessible health services to meet the bio-psychosocial needs of consumers. Counselling and psychotherapy focus on the prevention of mental illness, support during life transitions, and the provision of psychotherapeutic interventions for psychological difficulties, while actively promoting the self-development, mental health and wellbeing of consumers.

PACFA operates a National Register of suitably qualified and experienced counsellors and psychotherapists. PACFA Registrants are subject to the PACFA Code of Ethics as well as the Codes of Ethics of the Member Associations to which they belong. PACFA's 1,300 Registrants have completed training in counselling and psychotherapy to at least Bachelor degree level or equivalent, and many are trained to post-graduate level. The most recent Australian counselling and workforce study (Schofield & Roedel, 2012) with a sample of 1,003 practitioners found that 43.3% of the sample (n = 431) held Bachelors, Graduate Diplomas or Postgraduate Diploma qualifications. Forty-one percent held Masters degrees, professional doctorates or PhD qualifications (n = 411). PACFA Registrants have also attained required levels of supervised practice experience and demonstrate that they meet ongoing professional development requirements. All PACFA Registrants are therefore suitably qualified and experienced to provide psychological therapies.

PACFA Registrants are also listed on the Australia Register of Counsellors and Psychotherapists, a national register for the profession established in collaboration with our partner, the Australian Counsellors' Association (ACA). To view the ARCAP, go to [www.arcapregister.com.au](http://www.arcapregister.com.au).

## RESPONSE TO ACCC CONSULTATION

### Private health insurers and policies

#### 1. What do you think are consumers' experiences in relation to accessing accurate and complete information about their existing policy or new policies? Please provide details.

Consumers have reported to PACFA that when they enquire about policies that provide rebates for counselling and psychotherapy services, they are often advised that the Private Health Fund's rebates only cover psychologists. In fact, four Private Health Funds do provide some coverage for counselling and psychotherapy services provided by counsellors or psychotherapists; however this information is not made available to the public on their websites or on health insurance comparison websites.

In 2011, PACFA Registrants were recognised for the first time by Medibank Private, following accreditation by Medibank under the *Private Health Insurance (Accreditation) Rules 2008*. Despite this accreditation, the insurance coverage offered by Medibank Private is very limited and rebates are only available for counselling to customers with 'package bonuses'. Psychotherapy is excluded from these rebates. Some of the insurance products offering these bonuses were discontinued for new customers from January 2011, which means that shrinking numbers of consumers are able to access rebates for counselling under these policies, although some new policies also offer package bonuses. This is a complex and confusing situation for consumers.

Only three other Private Health Funds provide some limited coverage for counselling or psychotherapy, as detailed in Table 1.

**Table 1: Private health insurance rebates available for counselling and psychotherapy**

Private Health Fund	Rebates available
Medibank Private	<p>Rebates for counselling are available to Medibank Private members with policies with the package bonus feature. The following Medibank Private products include package bonuses that can be used for counselling:</p> <ul style="list-style-type: none"> <li>• Family Essentials</li> <li>• Family Comprehensive</li> <li>• PremierPlus, AdvantagePlus, Smartplus, HealthyPlus or their VIP corporate equivalents. These policies can no longer be purchased but more than one million people still have these policies.</li> </ul>
Australian Unity	<p>Rebates for counselling for Australian Unity members with the following policies:</p> <ul style="list-style-type: none"> <li>• Life Choice – 80% of the cost up to a maximum of \$200 per person, or \$500 for a family policy</li> <li>• Life Choice Plus – 80% of the cost up to a maximum of \$400 for an individual or \$400 for each person in a family policy</li> </ul> <p>Members with these policies can claim the benefit for counselling under the <i>health management services provision</i> of their policy if they have a letter from a GP identifying what the condition is and the treatment recommended (i.e. counselling).</p>
Westfund	<p>Ex-gratia payments are available for counselling and psychotherapy services for long-standing members (of at least three years)</p>
Navy Health (restricted fund for Navy personnel and their families)	<p>Coverage available for hypnotherapy provided by PACFA Registrants.</p>

**Medibank Private – Issues for consumers**

Consumers with Medibank Private policies have reported to PACFA that they have difficulty getting their claims paid. Staff are frequently not aware of the coverage available for counselling and they advise consumers that they only cover psychologists, which is incorrect.

Consumers do not necessarily understand how their package bonuses work. If the consumer is claiming a rebate for another service (e.g. dentistry), the consumer has the option to use the package bonus to get a bigger rebate on that other service. This means the package bonus is no longer available to use for counselling services. This may explain why some consumers have problems getting their rebates paid for counselling services. They have not been informed that they have to save their package bonuses if they want to use them for counselling services.

PACFA provides information for consumers on its website about how to claim Medibank Private rebates for counselling, and how to make a complaint should they encounter problems with their

claims (see Appendix 1). However, this information has not reduced the ongoing reports we receive from consumers about problems with their claims for counselling being paid.

### ***Westfund – Issues for consumers***

PACFA discovered in 2014 that Westfund provides some coverage for counselling and psychotherapy. A consumer requested a rebate for counselling from Westfund and was informed that as a long-standing customer she could request an ex-gratia payment. This information is not publicised and the consumer found out about this payment only by asking for a rebate. PACFA has since been advised by another consumer who is a Westfund member that they were refused a rebate for counselling services. The consumer was not offered an ex-gratia payment. The lack of transparency around payments for counselling, and the inconsistency in application of the payments, means consumers are unclear about their entitlements. .

### ***Australian Unity – Issues for consumers***

Rebates for counselling and psychotherapy can only be accessed under the *health management services provision*, which requires the consumer to have a GP referral letter in order to have a claim paid for counselling or psychotherapy. Consumers are very likely to be unfamiliar with this product feature, as it is not publicised on the Australian Unity website.

One registered practitioner reported to PACFA that the requirement for a GP letter creates an inappropriate barrier to service access for consumers, which is not required for other rebatable health services covered by Australian Unity.

### ***Navy Health – Issues for consumers***

Rebates for hypnotherapy are available if this service is provided by PACFA Registrant or other appropriately registered practitioner. Only a small number of PACFA Registrants are trained as hypnotherapists so these products do not provide significant psychotherapeutic cover for consumers. Furthermore, as Navy Health is a restricted fund for Navy personnel and members of their families, members of the general public would not be able to purchase a Navy Health policy in order to access rebates for hypnotherapy.

## **2. Do you think consumers are experiencing difficulty understanding their policies, products and services? For example, understanding the extent and impact of inclusions and exclusions. If so, what steps are being taken or could be taken to improve consumer understanding?**

Yes, as detailed above. Consumers are not aware that the coverage for “psychology” or “clinical psychology” is limited to practitioners with particular qualifications and does not extend to counsellors and psychotherapists. Consumers are not aware of the differences between the different professions that all practice counselling and psychotherapy.

The following report was received from an experienced psychotherapist practising in WA who is registered with PACFA:

*There are times when clients don't ask and just assume that they will receive private health fund rebates. In these instances therapists have reported that it not uncommon that a client either does not return after a first session, or declines*

*further sessions when the client either realises, or is made aware, that they do not receive a rebate. In this case it would be fair to say that both the therapist and the consumer are disadvantaged – the therapist in that they lose business, and the client, who has already commenced to work with the therapist, and is in the position to make a decision not on an “appropriate care” basis but on a financial basis.*

*Often the loss of business is at the point of call when the client makes the initial phone enquiry with regard to counselling or psychotherapy services and private health fund rebates for these services. Often it is at this point that the consumer decides not to book an appointment with a counsellor or psychotherapist because they do not get private health fund rebates.*

It is clear that consumers often don't know whether they are entitled to rebates for counselling and psychotherapy, and that information on entitlements is crucial to them making informed decisions. Our therapist report continues:

*It would be fair and reasonable to say that only about 20%, if that, of telephone enquiries end up booking an appointment and many of those are direct results of referrals by friends of people who are either currently, or have previously, worked with the counsellor or psychotherapist. There are also instances where a person books an appointment only to call back later cancelling that appointment advising that they have booked with someone else who is able to offer private health fund rebates.*

*Counsellors and psychotherapists are further disadvantaged compared with psychologists and other professionals who are able to advertise “Private Health Fund Rebates Available” in their advertisements in the Yellow Pages. Through my discussions with other therapists, I am aware that the experiences I have described are shared by many of my colleagues.*

**2. Is there sufficient transparency and/or consistency regarding the features of private health insurance policies to enable consumers to make informed decisions and choices about their health care and be able to compare policies?**

In general, private health insurance coverage for mental health-related services is limited. Where customers have been hospitalised, more services may be available as part of the hospital benefits. However, there is very little attention given to preventative services such as counselling and psychotherapy which help support wellness, prevent deterioration in mental health and reduce the incidence of hospitalisation (Cuijpers, van Straten, Smit, Mihalopoulos & Beekman, 2008; Stevenson, Meares & D'Angelo, 2005; Seligman, 1995).

Given the high prevalence of mental health problems in the community, the failure by Private Health Funds to give greater emphasis to mental health and wellbeing, and in particular to preventative treatments such as counselling and psychotherapy, is an inconsistency that is difficult to understand.

With such limited coverage for mental health-related services, and such limited information provided about preventative mental health services, consumers find it difficult to choose a policy that will meet their need for services to support their mental health and wellbeing.

Many Private Health Fund websites do not have a search function that consumers can use to search for terms such as “counselling” and “psychotherapy”. Even if a search function is available, searching by these terms do not usually return useful information to help consumers make informed choices when comparing policies. Most website do not even clearly state if coverage is provided for counselling and psychotherapy..

It is only when consumers read the details of Private Health Funds’ Extras policies that they will find out if there is any coverage for “psychology” or “clinical psychology”. If consumers are not aware of the definition of these terms (which most consumers are not), they will not understand that the coverage is limited to practitioners from certain occupations. It is quite understandable that consumers incorrectly assume rebates are available for seeing a counsellor or psychotherapist.

Table two sets out the findings of PACFA’s research on the websites of Private Health Funds. The table illustrates the limited rebates available for counselling and psychotherapy when provided by counsellors and psychotherapists, and the lack of accessible information on rebates available for these services.

**Table 2: Coverage for counselling and psychotherapy and accessibility to information about rebates for counselling and psychotherapy services**

<b>Fund name</b>	<b>Rebates for services provided by counsellors and psychotherapists?</b>	<b>Information on counselling and psychotherapy provided at website?</b>	<b>Accessible information on counselling and psychotherapy rebates?</b>
ACA Health Benefits Fund	No	No	No
AHM	No	No	No
Australian Unity Health	Yes, but only if requested as the preferred treatment by consumer’s GP	No	Information about rebates offered for counselling is not accessible for consumers
BUPA	No	Yes, counselling and psychotherapy are explained but it is not easy to find this information at their website	If the consumer manages to find the information about counselling and psychotherapy, it explains that no rebates are offered for these services
Central West Health Cover	No	No	No
CBHS	CBHS offer rebates for psychotherapy which PACFA previously believed applied to psychotherapists, however the CBHS website shows	Yes	Information about rebates offered for psychotherapy is not accessible for consumers as policies refers to “Clinical

	coverage for “Clinical Psychology” only. CBHS advise that psychotherapy rebates are only available when the service is provided by a psychologist.		Psychology” only.
CUA Health Fund	No	No	No
Defence Health	No	No	No
Doctors' Health Fund	No	No	No
Grand United Corporate Health	No	No	No
GMF Health	No	No	No
GMHBA	No	Searching for “Counselling” brings up external links, but there is no information on counselling or psychotherapy on the GMHBA website.	No
HBF	No	No	No
Health Care Insurance Limited	No	No	No
HCF	No	No	No. The Membership Guide states “mental health conditions” are not covered.
Health Insurance Fund	No	No	No
Health Partners	No	No	No
Peoplecare	No	No	No
Latrobe Health Services	No	No	No
Mildura District Hospital Fund	No	No	No
Medibank Private	Yes rebates available for counselling but only in products with “package bonuses”. Consumers do not understand these products and frequently report problems getting rebates paid.	No	Information about rebates available for counselling is not accessible for consumers. Staff not knowledgeable about the rebates making it difficult to make claims.
National Health Benefits Australia - now Onemedifund	No	No	No
Navy Health	Yes, but for hypnotherapy only	No	A search for Psychotherapy takes you to a link for hypnotherapy, which states hypnotherapy



			rebates available when provided by PACFA Registrants
NIB Health Funds	No	Yes, as well as links to counselling related articles	No. There are references to some forms of therapy being covered but only under “psychology”.
Phoenix Health Fund	No for counselling and psychotherapy but yes for hypnotherapy	No	No
Police Health	No	No	No
Queensland Country Health	No	No	No
Railway & Transport Employees Friendly Society Health Fund	No	No, but a search provides links to counselling-related articles	No
Reserve Bank Health Society	No	No	No
St Lukes Health	No	No	No
Teachers' Health Fund	No	No	
Transport Health	No	No	No
Westfund	Yes, but coverage only available to long-standing members who must apply for an ex-gratia payment	No	Information on the ex-gratia payments for counselling is not accessible for consumers

Comparison websites do not assist consumers by providing information on rebates for counselling and psychotherapy. In comparing policies, the information provided on these sites is quite limited.

**Table 3: Searching for counselling and psychotherapy on comparison sites**

Comparison site name	Address	Mental health options when searching
I-select	<a href="http://online.iselect.com.au/">http://online.iselect.com.au/</a>	Clinical psychology
Compare the Market	<a href="http://www.comparethemarket.com.au/health-insurance/">http://www.comparethemarket.com.au/health-insurance/</a>	Psychology
Canstar	<a href="http://www.canstar.com.au/health-insurance/">http://www.canstar.com.au/health-insurance/</a>	None
Choosi	<a href="https://www.choosi.com.au/health-insurance">https://www.choosi.com.au/health-insurance</a>	Clinical Psychology
Help me choose	<a href="http://www.helpmechoose.com.au/compare-private-health-insurance/">http://www.helpmechoose.com.au/compare-private-health-insurance/</a>	None
You compare	<a href="http://youcompare.com.au/healthinsurance">http://youcompare.com.au/healthinsurance</a>	Psychology
Government website	<a href="http://www.privatehealth.gov.au/compare">www.privatehealth.gov.au/compare</a>	None

**3. Are you aware of situations where as a result of advice or information provided, consumers have:**

- **Experienced difficulty choosing the right cover for their circumstances?**
- **Been misled about the benefits and inclusions of their policy e.g. the preferred providers included, which procedures are covered or the expected cost?**

Yes. For details of consumers' difficulties choosing the right cover, see our response to question one above.

Some consumers with Medibank Private policies claim that they have been misled about coverage for counselling and psychotherapy when they encounter difficulties making claims. For details, see our response to question one above.

**4. Do you have any suggestions for how information could be simplified or made more accessible to assist consumers to better understand the terms and conditions of policies?**

PACFA makes the following recommendations to address the current lack of transparency regarding rebates for counselling and psychotherapy, and to improve consumers' access to information about coverage for counselling and psychotherapy by and across Private Health Funds.

- i) Improve Private Health Funds' coverage for mental health and wellbeing services:
  - Under the Extras or Ancillary benefits offered by Private Health Funds, the Funds should offer a new category for mental health and wellbeing to make information about, and coverage for, mental health services more transparent and accessible.
  - In this category, Private Health Funds should offer rebates for a range of preventative mental health services such as counselling, psychotherapy, couples counselling, family therapy, group therapy and hypnotherapy.
  - The rebates should be available to consumers who receive these services from any suitably qualified and registered practitioner, not only psychologists.
- ii) Improve information about coverage for counselling and psychotherapy on Private Health Fund websites and in printed brochures:
  - Extras or Ancillary policies should list the services covered i.e. counselling and psychotherapy. Referring to Psychology or Clinical Psychology is misleading as consumers are not aware that their counsellor or psychotherapist is not covered, even though they provide similar services to a psychologist.
  - Private Health Fund websites should give consumers search options to select particular services they want covered when searching for Extras or Ancillary cover online, e.g. counselling and psychotherapy.
  - The websites should provide a webpage on which they list the services they do and do not cover. They should give consumers the option to give immediate feedback on what they want included in their policy if the cover they are seeking is not offered. This would assist Private Health Funds to be more responsive to consumers' needs.
- iii) Comparison websites should provide consumers with the option to select a particular service they want covered when searching for comparisons of Extras or Ancillary cover.

## **Other issues: Anti-competitive practices in the private health insurance industry**

PACFA made a submission to the ACCC in 2012 about the anti-competitive practices observed in the private health insurance industry (PACFA. 2012).

As Private Health Funds have not changed their anti-competitive practices since this matter was last considered, we urge the ACCC to highlight our concerns about the anti-competitive practices of Private Health Funds in their 2014 Report to the Senate.

The information below is extracted from the PACFA's 2012 submission to the ACCC.

### ***Background***

The most effective and safe counselling and psychotherapy services are provided by health professionals who have undergone a comprehensive training in counselling and psychotherapy. All PACFA Registrants have undergone this comprehensive training and, in order to maintain their registration, are required to comply with high ethical standards and to complete professional development and supervision requirements annually.

Many other health professional such as psychologists, social workers, occupational therapists and psychiatrists have also undertaken a comprehensive training in counselling and/or psychotherapy. This takes place after their foundation professional training (in psychology, social work, occupational therapy or psychiatry) in order to be better equip them to provide counselling and psychotherapy services. This counselling and psychotherapy training is identical to the training undertaken by counsellors and psychotherapist who are registered with PACFA.

Sometimes health professionals provide counselling and psychotherapy services without undergoing specific and comprehensive training in counselling or psychotherapy, relying instead on their initial professional training for example in psychology, social work, occupational therapy or psychiatry, combined with short courses or professional development in counselling. Some of these practitioners may not have had sufficient training to meet the diverse needs of clients who seek counselling and psychotherapy, and indeed some would not be sufficiently trained in counselling and psychotherapy to provide safe and effective therapy services.

The counselling and psychotherapy workforce is distributed more widely across Australia than the psychology workforce, with 26.2% - 30.7% located in regional, rural and remote areas (Pelling, 2005; Pelling, Brear, & Lau, 2006; Schofield & Roedel, 2012). In comparison, 21.5% of psychologists provide services in regional, rural and remote parts of Australia (Vines, 2011), compared to 28.3% (mean) for counsellors and psychotherapists. This wider distribution across Australia demonstrates the importance of including counselling and psychotherapy in Private Health Fund rebates, to ensure broader access for consumers to the services they need in their local area.

### ***Comparison with psychologists***

Most Private Health Funds provide some level of cover for psychologists but not for counsellors and psychotherapists. Some funds limit rebates to *clinical* psychologists. The majority of psychology consultations for which rebates are paid are consultations for counselling/psychotherapy provided by

psychologists. It is PACFA's submission that counsellors and psychotherapists are equally competent and qualified to provide these services.

PACFA submits that the lack of recognition of counsellors and psychotherapists by Private Health Funds is not warranted on any basis. There is certainly no clinical basis for restricting private health insurance rebates for psychological services exclusively to psychologists or clinical psychologists as effectiveness evidence shows that counsellors and psychotherapists achieve positive treatment outcomes with clients in the same way that psychologists do.

Counselling and psychotherapy have always been interdisciplinary activities in that no one professional group or academic discipline 'owns' them. In the Australian context, this is an important issue since it has often been assumed by governments and other institutions that counselling and psychotherapy are the exclusive province of the discipline of psychology and consequently of the psychology profession. However, an examination of the literature for counselling and psychotherapy, along with an examination of who actually provides services to clients, shows this assumption to be untenable.

For example, the outcome data for the Better Access initiative indicates that similar outcomes were achieved regardless of whether treatment was provided by psychologists or by other professionals offering the therapy service. The level of psychological distress decreased from high or very high at the start of treatment to much more moderate at the end of treatment (Pirkis et al., 2011), regardless of the type of therapist delivering the service.

### ***Consumer choice***

When it comes to choosing a therapist, choosing the right type of treatment, or deciding on the length of treatment required, a client's choice will vary greatly depending on their presenting issues, age, temperament, cultural background and geographic location. All of these factors may lead a client to choose a counsellor or psychotherapist instead of a psychologist.

This may be particularly important where Medicare-funded services are not appropriate or accessible. For example, in the Better Access scheme a limited number of counselling sessions can be accessed and the interventions must be *Focussed Psychological Strategies*, which are not adequate to meet the wide range of needs of consumers. Researchers have found limitations in the effectiveness of some of these strategies, in particular Cognitive Behavioural Therapy (CBT), Interpersonal Therapy (IPT) and Narrative Therapy. Other interventions with a strong evidence base are not accessible, for example some interventions that are known to be effective for substance misuse, the third most common mental disorder after depression and anxiety.

Many psychologists who can offer private health insurance rebates principally provide CBT. This may further limit consumer choice to this form of therapy, which is not always effective or appropriate for the consumer. For example, for some age groups, CBT does not have demonstrated efficacy. A Cochrane review of psychological therapies for Generalised Anxiety Disorder found that older people were more likely to drop out of CBT than other age groups (Hunot et al., 2007). Information on CBT available to consumers from a good quality consumer website, Patient.co.uk, which makes reference to this and other research, includes a statement on the limitations of CBT:

*CBT does not suit everyone and it is not helpful for all conditions. You need to be committed and persistent in tackling and improving your health problem with the help of the therapist. It can be hard work. The homework may be difficult and challenging. You may be taken 'out of your comfort zone' when tackling situations which cause anxiety or distress. However, many people have greatly benefited from a course of CBT. (EMIS, 2011).*

It is also interesting to note that research has found that counsellors are rated by clients as having higher acceptability than either psychologists or psychiatrists (Jorm et. al., 1997; Sharpley 1986) and are seen as more approachable and empathic (Sharpley, 1986). Counsellors are considered by the public to be the most helpful of all the professional groups (Jorm et. al., 1997) and general practitioners also rated counsellors fairly highly for help with depression (Rodgers & Pilgrim, 1997).

### ***Alleged regulatory reasons for non-recognition***

PACFA has been advised by HCF that counsellors and psychotherapists will not be considered for recognition by them because we are not regulated by the Australian Health Practitioner Regulation Agency (AHPRA).

Counselling and psychotherapy, like other health professions outside the AHPRA framework, is a self-regulated profession. PACFA and our partner, the ACA, both run registers of appropriately qualified counsellors and psychotherapists, all of whom are now listed on the Australian Register of Counsellors and Psychotherapists, [www.arcapregister.com.au](http://www.arcapregister.com.au).

The profession's self-regulatory mechanisms are robust: we set standards for the training of counsellors and psychotherapists; we have annual requirements for supervision and professional development; we set ethical standards for practitioners; and we have complaints and disciplinary processes.

The government has not sought to regulate our profession through AHPRA because counsellors and psychotherapists are not considered to pose sufficient risk to the public to warrant regulation by government. For the same reason, counselling and psychotherapy as a profession has not sought regulation by government.

It is important to note that any Private Health Funds which claim that they will not recognise counsellors and psychotherapists because we are not regulated by AHPRA are contradicting the provisions of the *Private Health Insurance (Accreditation) Rules 2008*. Under these regulations, Private Health Funds clearly have the capacity to recognise health care providers that are not registered by government.

#### ***10. Treatments provided by other health care providers***

*If the treatment is provided by a health care provider who is not referred to in sub-rule 7 (1) or rule 8 or 9, the standard for that treatment is that the health care provider providing the treatment must be a member of a professional organisation which covers health care providers who provide the type of treatment (the profession) and which:*

- (a) is a national entity which has membership requirements for the profession; and*
- (b) Provides assessment of the health provider in terms of the appropriate level of training and education required to practice in that profession; and*

- (c) Administers a continuing professional development scheme in which the health care provider is required, as a condition of membership, to participate; and*
- (d) maintains a code of conduct which the health care provider must uphold in order to continue to be a member; and*
- (e) maintains a formal disciplinary procedure, which includes a process to suspend or expel members, and an appropriate complaints resolution procedure.*

Counsellors and psychotherapists who are registered with PACFA and are listed on ARCAP meet all of these requirements and should therefore be considered appropriate practitioners to be recognised by Private Health Funds.

### ***Medical diagnosis of mental disorders***

There is only one circumstance in which a Private Health Fund would be justified in limiting rebates to psychologists and this is where the psychologist provides a service that a counsellor or psychotherapist would not be able to provide. For example, if the psychologist is undertaking a psychological assessment, this is a specialist psychological service that would not be undertaken by a counsellor or psychotherapist. Counsellors and psychotherapists do undertake counselling and psychotherapy assessments but these are not the same as the formal assessments undertaken by psychologists which are aimed at diagnosing of a mental disorder. Psychological assessments should therefore be appropriately offered by psychologists only.

### ***Health benefits of counselling and psychotherapy***

Counselling and psychotherapy have implications for health in a number of ways. The contribution they make is both remedial and preventative.

#### ***Mental health***

There is widespread evidence for the contribution of counselling and psychotherapy - of various orientations - to the treatment of mental illness. A pertinent example is counselling services for high prevalence disorders such as depression and anxiety. Where aspects of personality functioning are a factor in mental health, psychotherapy has a particular role to play. There is strong evidence for the contribution of counselling and psychotherapy to the prevention and treatment of mental illness, including depression, anxiety and trauma (Cuijpers, van Straten, Smit, Mihalopoulos & Beekman, 2008).

Once mental illness develops and becomes severe, specialised clinical services, hospitalisation and a higher level of case management are required. There is evidence from an Australian clinical trial with a 5 year follow up ( $n = 150$ ) that regular participation in psychotherapy for people with personality disorders reduced the rate of hospitalisation, incidents of self-harm and violence, reduced drug use and improved work history (Stevenson, Meares & D'Angelo, 2005).

Non-clinical services can and should be provided by counsellors and psychotherapists rather than psychologists. Counselling and psychotherapy, as adjuncts to psychiatric and psychological services, can be successful in symptom reduction and increasing the social functioning of clients. There is a shorter and more effective journey towards wellness for those who are able to access counselling and psychotherapy.

### *Relationship difficulties*

The nexus between fulfilling and rewarding personal relationships and both physical and mental health is well documented by research. For example, adult males who experience breakdown of a marriage or committed de facto relationship and have not been able to come to terms with this loss (30% are in this category 2 years after the relationship breakdown) are at significantly greater risk of being diagnosed with depression. Counselling and psychotherapy are the indicated treatment for relationship difficulties.

### *Physical health and disease*

It is recognised that the response of patients to interventions aimed at ameliorating or healing various physical conditions will be influenced by emotional and psychological factors. Examples include treatments for cancer, chronic conditions involving a degree of impaired functioning, and immune disorders including HIV/AIDS. Counselling and psychotherapy have a growing role as an adjunct to medical interventions in these situations.

Offering private health insurance rebates for counselling and psychotherapy would support a more holistic and evidence-based approach to treatment of physical ailments, resulting in a decrease in the length of time for treatment and achieving better health outcomes for members.

### ***Reduction in the extent of health cover for consumers***

Currently, the fact that most consumers cannot access private health rebates for counselling and psychotherapy means they may be missing out of the important health benefits that counselling and psychotherapy offer, as outlined above.

Also, private health insurance rebates for psychology are usually available only through premium health insurance products. This limits access to rebates for psychological treatments to those with the means to purchase these premium products. With the cost of psychologist consultations being relatively high, this further reduces the extent of cover for these services for consumers.

The recommended schedule fee for a psychologist consultation published by the Australian Psychological Society is \$235 for a 50 minute session (APS, 2012), making the rebate quite high from the Private Health Funds' perspective. Even if the psychologist charges a lower than schedule fee, for example \$150, a rebate of \$45 would be payable for a 30% rebate, \$75 for a 50% rebate, or \$105 for a 70% rebate. With such high schedule fees, customers may use the whole of their available cover in a few sessions with a psychologist, or may not access the service at all if the gap between fees and rebates is prohibitively high.

In light of this, it seems likely that uptake of private health insurance rebates for psychology services is at present low. This is in stark contrast to actual needs for counselling and psychotherapy in the community and the potential consequences for health and mental health when these services cannot be accessed.

Counsellors and psychotherapists vary greatly in the professional fees they charge but fees generally range from \$70 to \$130 per session, with \$100 per session being fairly standard. The affordability of counselling and psychotherapy compared with psychology means there is the potential to improve the extent of cover for psychological services if private health insurance rebates are made available for services provided by counsellors and psychotherapists.

Extending cover may also improve geographic access to services as counsellors and psychotherapists are widely distributed and accessible throughout Australia in urban, regional, rural and remote areas. Access will also be improved for clients from culturally and linguistically diverse backgrounds and for Indigenous clients, who often find it difficult to access culturally sensitive treatment services. Counsellors and psychotherapists come from diverse backgrounds, live in all parts of Australia and have experience providing a wide range of evidence-based treatments for a diverse client population.

### ***Counsellors and psychotherapists already at a competitive disadvantage***

Counsellors and psychotherapists are already significantly disadvantaged compared with psychologists by virtue of not being recognised by Medicare and not being able to offer their clients Medicare rebates. In addition, counsellors and psychotherapists are not GST exempt so those who reach the GST registration threshold also have to charge GST on their services. The lack of access to private health insurance rebates is the final factor reducing service access for consumers.

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Psychotherapy & Counselling  
Federation of Australia

## INFORMATION SHEET

### Medibank Private rebates for counselling

Medibank Private members with appropriate policies may be eligible for rebates for counselling services provided by PACFA-registered counsellors and psychotherapists.

#### What counselling and psychotherapy services are covered?

PACFA's Agreement with Medibank Private covers "counselling". This is a generic term and covers any type of counselling or psychotherapy provided by the Provider.

It is important that your invoice or receipt says "counselling" and includes the Item Number for counselling.

#### Does my policy allow me to access rebate for counselling?

Only Medibank Private members with specific policies are eligible for counselling rebates. To make a claim, members must have a policy with the package bonus feature. The following Medibank Private products include package bonuses that can be used for counselling:

- PremierPlus, AdvantagePlus, Smartplus, HealthyPlus or their VIP corporate equivalents. These policies are no longer available for purchase but approximately 1.6 million existing policy holders still have these policies.
- Family Essentials
- Family Comprehensive

Members may need to check that they have not already used their package bonus for other services. You can do this by asking Medibank Private for a printout of your claim **history**.

#### Can I switch to a new Medibank Private policy to get counselling rebates?

Yes. The following products launched in 2013 include package bonuses which can be used to claim rebates for counselling:

- Family Essentials
- Family Comprehensive

Switching is easy. You should contact Medibank Private by phone or at a retail centre to switch.

## **How do I make a claim?**

If you are eligible to make a claim for counselling, you can submit your claim in two ways:

1. Make your claim in person at any Medibank Private retail outlet. When making a claim in person, you should say "I want to use my package bonus".
2. Send in your claim via post to:

Medibank Private  
Medical and Extras Claims  
GPO Box 2984  
Melbourne, VIC 3001

**\*IMPORTANT:** Use the Medical & Extras Claim Form. In question 2 put a cross in the box "I'm claiming a bonus".

Online claims for package bonuses are not available.

## **What should I do if I have a problem claiming?**

- Ask to speak to the Manager at the retail outlet where you are trying to make a claim. Say you want to use your package bonus to claim for counselling and that your invoice includes the Item Number for counselling.
- Send your claim in via post. Make sure you use the correct claim form, as detailed above.
- Make a complaint by contacting the Medibank Private Call Centre on 134 190.