

Senate Community Affairs References Committee

ANSWERS TO QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

INQUIRY INTO FUNDING AND ADMINISTRATION OF MENTAL HEALTH SERVICES

5 September 2011

Question no: 10

Topic: Inquiry into Funding and Administration of Mental Health Services Terms of Reference (e) (i): The two-tiered Medicare rebate system for psychologists.

**Hansard Page: 24**

**CHAIR:** We are over time now. I know Senator Moore wanted to put on notice some questions about the two tiers.

**Senator MOORE:** There is not much in your submission. I know, Ms Huxtable, you were very clear that this has been ongoingly discussed and there was insufficient evidence—I think those were your words—in that area. I would not mind getting something on notice just about the background to how it happened, because there are differing views about how this two-tier system was introduced, the debate around it and what mechanism there is in the future to look at it. I would just like more about that, because, as you well know, it has dominated the evidence and also the evidence to the committee at the last hearing. Thank you.

Written Question on Notice

The Committee asked:

The Department's submission says:

Since its inception in 2006, Better Access has provided different rebates for clinical and registered psychologists. This design was based on advice from the psychology profession.

The APS has said: the government originally proposed only one level of Medicare rebate, and that the APS originally recommended to the Government that Medicare rebates should be available for services provided by "clinical and mental health specialist psychologists"

It was never recommended that it apply only to clinical psychologists. The APS also have remarked that the current two-tiered system:

has been an extremely divisive issue within the psychology profession since the Better Access initiative was introduced.

Can you explain in more detail the basis for the claim that the design was based on advice from the profession, because that does not appear to be the message being received from the profession's representatives.

Answer:

This response is drawn from discussions with Departmental officers involved in advising the then Government about the design of Better Access in 2005-06, to assist the Government in making its decisions about the Medicare rebate system for psychologists. It is also drawn from readily available file information on the development of Better Access. It has not

involved analysis of archived documentation relating to the Better Access initiative as this would require an unreasonable diversion of resources to conduct an extensive file search and document review.

The design of the Better Access initiative mental health Medicare items was developed in consultation with relevant GP, psychiatrist, psychologist and other allied mental health professional organisations. For example, a meeting was held with the Australian Psychological Society (APS), the Australian Medical Association, the Royal Australian College of General Practice, the Australian Association of Social Workers, Occupational Therapy Australia and the Rural Doctors' Association.

The APS, in their statement to the Senate Inquiry regarding the advice they provided to the Government at the time, i.e. that rebates should be available for services provided by "clinical and mental health specialist psychologists", has essentially identified a distinction between types of psychologists.

In developing the Medicare items the range of skills and levels of qualifications of relevant allied health professionals and the level and distribution of this workforce across urban, regional and rural areas was considered. It was recognised, at the time, that access to those professionals with higher levels of qualifications, such as clinical psychologists, was not readily available in regional and rural areas, and that to limit the Better Access initiative to this group would limit access to such services for people in these regions.

The Government decided that Focused Psychological Strategies services provided by psychologists, social workers and occupational therapists would attract a lower rebate than the Psychological Therapy items for clinical psychologists as these allied mental health providers had not met heightened requirements with respect to qualifications, skills and experience in the assessment, diagnosis and treatment of mental disorders that clinical psychologists have met.

A psychologist can choose which pathway they wish to take in order to meet the eligibility requirements to provide Medicare rebatable Psychological Therapy services as a clinical psychologist. To provide Medicare rebateable Psychological Therapy services, which are set at the higher Medicare Schedule Fee psychologists must be either:

- (i) a member of the APS College of Clinical Psychologists (APS-CCP) or;
- (ii) assessed by the APS-CCP as meeting the requirements for membership of the College or;
- (iii) endorsed by the PsyBA to practise in clinical psychology.

It is important to note that the Government, through funding to the APS, facilitated a pathway for registered psychologists to be assessed for eligibility to claim the higher Better Access rebate for psychologists.

The Government determined (prior to the National Registration and Accreditation Scheme (NRAS)) that psychologists who wish to provide services that are at the higher Medicare Benefits Schedule (MBS) fee level (i.e. Psychological Therapy services) are required to have training and qualifications that are consistent with international benchmarks. The Government decided that the Australian Psychological Society (APS) credentialing standards for clinical psychologists most closely approximate those applied internationally.

The purpose of credentialing by the APS is to ensure that clinical psychologists eligible to claim a higher Medicare schedule fee have the appropriate education, skills and experience to provide Psychological Therapy services. A higher Medicare schedule fee does not introduce

specialist titles for psychologists but recognises the higher level of clinical knowledge, skills and experience required to deliver specific Psychological Therapy services under Medicare for people with an assessed mental disorder.

It is also important to note that there is no requirement that applicants become members of the APS or the APS College of Clinical Psychologists in order to have their credentials assessed by the APS should they wish to take this option to access the higher MBS schedule fee.

From 1 July 2010, the Psychology Board of Australia (PBA) is the national body responsible for the national registration of psychologists and for establishing the minimum standards for registration. Psychologists who do not wish to have their credentials assessed by the APS can apply to the Psychology Board of Australia for endorsement in the area of practice of clinical psychology and can then register with Medicare to provide Psychological Therapy services.

Any future decisions to change the Better Access initiative, including the rebate structure, are a matter for the Government.