Thank you for the opportunity to make a submission to the Senate Committee considering Medicare rebates for services provided by psychologists. We are a team of senior clinical psychology academics drawn from six leading Australian universities who were awarded an Australian Learning and Teaching Council grant to investigate current methods of training clinical psychologists in Australia, and to develop and implement innovations in training that enhance attainment of competence in providing evidence based psychological therapy. Based on our extensive experience in training clinical psychologists, working as clinical psychology practitioners, and our recent analysis of the research evidence in the areas of clinical efficacy and training approaches we make the following points:

1. There are major cost savings resulting from access to evidence based psychological therapy.

There are substantial savings for the health system, and for the economic prosperity of the country, in making evidence-based psychological interventions readily available. People suffering from depression, anxiety disorders and other common mental health problems are high users of the health care system, and those who receive psychological services significantly reduce their use of medical services (e.g. Gabbard, Lazar, Hornberger, & Spiegel, 1997), There is a difference of 27% in use of medical services after therapy among people with depression and anxiety relative to those who do not receive psychological services (Chiles, Lambert, & Hatch, 1999). The UK Department of Health (2011) reported in its evaluation of the Increasing Access to Psychological Therapies (IAPT) program that enhanced access to evidence based psychological therapy resulted in substantial numbers of people receiving disability and unemployment benefits gaining paid employment, as well as reducing subsequent health care service utilization. On the basis of the effectiveness of the initial phase of IAPT it is being rolled out nationally, and extended to include psychological care of people with chronic heath conditions, and with medically unexplained symptoms.

2. The number of sessions of psychology service currently funded by Medicare is appropriate and should not be reduced.

International data in the United States (Lambert & Ogles, 2004) and the United Kingdom (Clark, Layard, Smithies, Richards, Suckling & Wright, 2009) find that

between 6 and 12 sessions of outpatient psychology treatment for the common psychological disorders targeted by the Medicare rebates result in recovery in about 50% of patients and improvement in another 20 to 25% of patients. Extending the number of therapy sessions up to 18 selectively for patients not initially responding after 12 sessions increases the recovery rate to about 65% of patients. Harnett, O'Donovan, & Lambert (2010) evaluated response to treatment in Australian outpatients and found similar patterns of response to outpatient psychology treatment.

3. There should be a higher rebate for Clinical Psychologist services.

Meta-analysis of research on the effect of specialist training shows a "consistent treatment effect size is associated with training level from a number of measures of client improvement" (Stein & Lambert, 1995, p. 192). Burlingame, Fuhriman, Paul and Ogles (1989) found that those with more training could achieve better results in a shorter time. O'Donovan, Bain & Dyck (2005) found post-graduate trained clinical psychologists had measurably better clinical competence than psychologists who had not completed postgraduate clinical psychology training. Thus there seems evidence from rigorous research that those with specialist training provide more effective and efficient psychological therapy. On that basis it seems wise to provide a higher rebate for those with such specialist training, as this provides a clear incentive for people to seek and complete such training.

It also is noteworthy that internationally a post graduate degree in clinical psychology is seen as the appropriate training to provide psychological therapy to those with mental health problems. If psychologists without post-graduate training, or those who have training other than clinical psychology, are offered the same rebate as those with specialist clinical training, that significantly compromises the value attached to clinical psychology training in the Australian system. Australian universities teach international students who seek training to international standards, which is a post-graduate professional degree in clinical psychology. If Australia is seen as adopting second rate standards in its health care system that undermines our credibility as an international provider of clinical psychology training.

- In conclusion, we would recommend that:
 - a) the Senate maintains the number of sessions currently available (i.e. normally maximum of 12 but with the possibility of extension to 18 when required);
 - b) the current rebate system of a higher rebate for post graduate trained clinical psychologists be retained.

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