

Submission to Senate Community Affairs Reference Committee

Commonwealth Funding and Administration of Mental Health Services.

Re: The two-tiered Medicare rebate for psychologists.

1. I would like to submit my views regarding the compelling grounds for maintaining the two-tiered Medicare rebate system as discarding it will have a considerable impact on the workforce relying on the two tiered system as well as having negative consequences in regards to service provision.

This is in contrast with the current recommendation of the Senate Community Affairs Reference Committee in relation to the two-tiered Medicare rebate for psychologists which indicates: *"The Senate Community Affairs Committee has concluded that there are no grounds for the two-tiered Medicare rebate system for psychologists and recommends the single lower rate for all psychologists including clinical psychologists....."*

2. I am a senior clinical psychologist and an employee in a large paediatric psychology clinic in western Sydney. In the practice there are currently 13 psychologists, 6 specialist / clinical psychologists and 7 generalist / non-clinical psychologists. Our practice see children aged 0-17 and for a range of complex psychopathologies.

3. As a clinical psychologist and an employee in a private paediatric practice, the current two-tiered system allows the practice to recruit and retain psychologists of my skill level and experience as the practice is able to offer a salary package comparable to those established by state and federal awards for clinical psychologists (e.g., The Crown Employees Public Sector Salaried Award, The Health and Community Employees Psychologists' (State) Award –NSW). Both the state and federal awards clearly recognise a work value distinction¹ between the training and experience of clinical psychologists compared to non-clinical psychologists. Retaining the two-tiered system will continue to allow clients seeking treatment to receive more specialised services without having to be financially worse off. For many families in the western suburbs where my clinic is located, this could be the difference between being able to access specialised treatment and not receiving treatment.

4. State and Federal awards, the Psychology Board of Australia (PBA), and the Australian Psychological Society (APS) each recognise that a clinical psychologist must complete a minimum of 6 years full-time university training and a minimum of 1000 hours of supervised clinical internships in order to be eligible for the specialist qualification of *clinical psychologist*. This is in contrast to the 4 year investment in university training required for a registered psychologist. All state and federal bodies set higher pay scales in recognition of the work value distinction for clinical psychologists. In monetary value, the 2 extra years of Master's level postgraduate study costs an individual more than \$25,000 and 2 years loss of earnings as it is not possible to complete full-time study, which includes doing 1000 hours of unpaid clinical internship, and work full-time. The two-tiered system allows some of these costs and sacrifices to be recouped and encourages other individuals to skill themselves as much as possible to ensure the best possible treatment services are available to those who need it.

5. In order for a clinical psychologist like myself to be employed in private practice, an employer must be able to offer a pay structure which is comparable to the State and Federal Awards which are already well established in all government agencies (Human Services, Corrective Services, Health, etc.). Currently, this is

¹ The Work Value Case for Clinical Psychology was established in Western Australia by the full Bench Hearing of the Industrial Relations Commission (2001).

made possible because the two-tier Medicare system recognises the established work value distinction for clinical psychology and enables a higher rebate and therefore higher practice income to be generated by clinical psychologists compared to non-clinical peers. This is appropriate given the significantly greater investment clinical psychologists have to make in post-graduate training and supervised clinical training compared to non-clinical psychologists.

6. If the two-tiered rebate system was to change to one lower tier for all psychologists, it would not be possible for me as an employee to justify remaining in private practice as my employer would be unable to compete with the State and Federal Awards in my private practice. In essence the well established work value distinction for clinical psychology would be disregarded and would not compensate for the sacrifices made to improve my skill set and develop expertise in the diagnosis and treatment of psychological disorders. The result would be a future in which private practice will be unable to recruit and keep staff with post-graduate clinical training and expertise (clinical psychologists) without financially disadvantaging the clients seeking treatment. This also means that the workforce involved in private practice would be reduced to a much lesser trained and lesser experienced base of clinicians. This not only compromises employers' ability to compete with State and Federal Awards, it also reduces the clinical quality and expertise of private practices' employee base over time. I do not believe this is in the best interests of the public.

7. Finally, if the government were to cease recognising the work value distinction for clinical psychologists, by removing the higher Medicare rebate, it would be introducing a policy which is counter to the larger health reform agendas in Australia. The recent creation of the Psychology Board of Australia (under AHPRA) has continued the work value distinction of clinical psychology with a specialist "clinical endorsement" only available to those practitioners with a 6 year clinical masters degree and 1000 hours of supervised experience. The wider health agenda has consistently talked about an increasing role for psychologists with post-graduate clinical training in terms of possible prescribing rights and advanced mental health roles (which are desperately needed in this sector). My major concern is that we may inadvertently undermine the wider health agenda which is in this nation's best interest, by introducing a budget rationalisation measure (removing the clinical Medicare rebate tier) which will have unintended consequences for the wider mental health workforce balance we are all working so hard to achieve.

Yours respectfully,

DAMIEN EMILIANO TUFFANO

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Damien E. Tuffano MAPS B.Psych., M.Psychol(Clin.).
Adjunct Fellow: School of Psychology, The University of Western Sydney.
Senior Clinical Child Psychologist: John Blythe Child Psychology.

Blacktown 2148 NSW Australia

www.childpsychology.net.au