Dear Mr Cooper

The Australian College of Mental Health Nurses (ACMHN) would like to provide feedback to the Australian Competition and Consumer Commission (ACCC) on the issues of lack of recognition of allied health care providers by health funds. This issue impacts on mental health nurses who have established private practices providing mental health services. In general, private health funds do not recognise mental health nurses as providers of these services. The ACMHN believes it is important that this is addressed as it creates a barrier to access to mental health services for consumers.

The ACMHN is the peak professional organisation representing mental health nurses in Australia. Mental health nurses provide mental health services across a variety of settings – acute psychiatric units in hospitals, specialist community mental health teams, general practices, and emergency departments. Mental Health Nurses as individuals and a profession are a key component of Australia’s mental health care system.

A primary objective of the ACMHN is to enhance the mental health of the community through the pursuit of efforts to improve service and care delivery to those affected by mental illness and disorder. The College also sets standards of practice for the profession and promotes best practice of mental health nursing.

**Mental health nursing in Australia**

Mental health nursing is recognised as a specialised field of nursing practice in Australia. It focuses on meeting the mental health care needs of people of all ages whose lives are affected by mental health problems. It is underpinned by a specific body of knowledge, evidence, and reflexive and reflective practice.

The role of a mental health nurse combines technical nursing skills with people skills, while the responsibilities of mental health nurses vary with individual expertise and experience, and the service setting in which practice takes place. The Australian College of Mental Health Nurses (ACMHN) has published *Standards of Practice for Mental*
Health Nurses: 2010¹, which set a benchmark for the performance of mental health nurses across a range of clinical environments and include professional knowledge, skills and attributes. These standards define a mental health nurse as a registered nurse who holds a recognised specialist qualification in mental health nursing.

The ACMHN has established a professional recognition program, the Credential for Practice Program (CPP), to identify specialist mental health nurses in Australia. The underlying purposes of credentialing are quality practice, public protection, and professional accountability. The ACMHN CPP is widely considered to be the most successful program for specialist nurse professional credentialing in Australia. The program was launched nationally in October 2004 and, since that time, over 1150 nurses have been recognised as specialist mental health nurses through ACMHN credentialing.

Credentialed Mental Health Nurses (CMHNs) are eligible to provide mental health services through several publicly funded primary health care programs including the Access to Allied Psychological Services program, the Mental Health Nurse Incentive Program and their clients can receive rebates for some item numbers through the Medicare Benefits Schedule. As a result of the availability of these publicly funded programs, CMHNs have increasingly established businesses offering consumers a range of mental health services. The ACMHN estimates that there are around 650 CMHNs working in primary health care settings in Australia and could potentially be recognised as providers by private health funds.

Credentialed Mental Health Nurses who have established practices offering mental health nursing services provide a range of treatment and nursing care to people affected by mental health issues. This encompasses services based on a range of evidence based individual, family and group psychological interventions and therapies; a range of psychosocial and environmental interventions and therapies; and a range of physical interventions and psychiatric treatments and therapies. The services provided by CMHN may be similar to those offered by psychologists, mental health social workers, mental health occupational therapists, and others trained in specific therapeutic interventions.

**Credentialed Mental Health Nurses and private health insurance**

The ACMHN has provided a response to each of the consultation questions. In preparing this submission, we sought feedback from members who have attempted to be recognised as providers by private health insurance funds. Some excerpts from this feedback are provided at Attachment 1.

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¹ Australian College of Mental Health Nurses (ACMHN) (2010). *Standards of Practice for Australian Mental Health Nurses*. Canberra: ACMHN
1. Examples where allied health care providers offer the same or similar services as other providers and are not recognised by health funds

CMHNs provide a range of mental health services to consumers, including counselling, hypnotherapy and psychological interventions. Private health funds offer rebates for psychology, and some also offer rebates for counselling and hypnotherapy. No private health funds recognise Credentialed Mental Health Nurses as providers of these services. CMHNs report that if they can be recognised by the private health fund as a counsellor, psychotherapist or hypnotherapist, but not as credentialed mental health nurses.

2. In each instance referred to, whether this lack of recognition is warranted. In particular, are there any regulatory, medical or other reasons for this lack of recognition?

This lack of recognition is not warranted. CMHNs are registered nurses and meet the standards set by the Nursing and Midwifery Board of Australia. Additionally they meet the requirements of the ACMHN’s Credential for Practice Program. CMHNs are recognised as eligible providers to deliver mental health and psychology services to clients under a range of publicly funded programs and MBS item numbers. Therefore there is no regulatory reason for the lack of recognition by private health insurers.

The failure of private health funds to recognise the mental health nursing profession as a provider is not based on any medical reasons. Credentialed mental health nurses are educated in bio-medical as well as psycho-social aspects of mental health. This enables them to monitor the patient’s mental condition, manage medication, monitor and manage physical health conditions, and undertake risk assessment and management. CMHNs are qualified to provide mental health services and do so in all parts of the health system, however their services are not recognised by the private health insurance industry.

3. Whether this lack of recognition places allied health care providers at a competitive disadvantage. If so, how are allied health care providers disadvantaged by the practices of health funds?

The primary health care sector is heavily influenced by the availability of public subsidies in the form of Medicare rebates and by private health insurance rebates. The health professionals that are eligible providers for Medicare rebates and or private health insurance rebates are at a distinct competitive advantage in the market. The recognition affects the prices that the health professional can charge, the recognition and reputation of that profession, the nature and volume of referrals particularly from General Practitioners and ultimately the number of consumers who are able to access that health profession’s services. As CMHNs are relatively new to providing mental health services...
in primary health care, despite a long history in mental health care delivery, as individual providers and a profession, they are placed at a competitive disadvantage due to their inability to provide services that attract a private health insurance rebate.

CMHNs are at a competitive disadvantage because they offer a similar service to psychologists. However CMHNs can’t charge competitive rates for their services compared with psychologists. Some CMHNs respond to this disadvantage by setting their fees so the cost to their clients is equivalent to the out of pocket cost of seeing a psychologist and receiving a private health insurance rebate. However, this practice reduces the viability of the CMHN’s business, which faces similar overheads to their competition. Other CMHNs do not price their services to match providers such as psychologists, instead relying on offering an alternative service, often to a niche geographic area or specific therapeutic approach. Both these responses to the competitive disadvantage faced by CMHNs limit the viability of their business model, and as a profession, reduce the number of CMHNs choosing to enter this market.

4. Whether this lack of recognition results in a reduction in the extent of health cover or an increase in the out-of-pocket medical expenses of consumers, if so, what is the detriment or loss suffered by consumers?

Consumers ultimately bear the consequence of this lack of recognition as they have fewer choices of provider. CMHNs have a unique combination of skills and experience which differ to those of other mental health professionals, particularly as nurses, unlike allied health professionals, have expertise in physical health care and medication management. Consumers with comorbid physical health conditions or with chronic mental health conditions would particularly benefit from access to CMHNs. Such consumers are also more likely to be vulnerable and disadvantaged and their need for access to mental health services greater. The lack of recognition by private health funds is reducing the choice of provider available to consumers, and this is not always the optimal option for consumer’s mental health care, which can ultimately have a social and economic cost to their community.

Conclusion

The ACMHN is pleased that the ACCC is looking into this aspect of the private health insurance. We strongly advocate that all Australians have the right to access high quality mental health care. Mental health is a significant health issue and is mental disorders have been identified as the leading cause of health years of life lost due to disability. There are a range of health professionals who have a role in treating people experiencing mental illness and the ACMHN recognising the important role of our fellow mental health professionals. However, we also believe that it is important that all qualified and
regulated mental health professionals are given equal access to the private insurance system.

The ACMHN would be happy to provide further information and background on any of the issues we have raised in our submission.

Yours sincerely

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Attachment 1 – Feedback from Credentialed Mental Health Nurses

In preparing this submission, the ACMHN sought feedback from members about their experiences and their responses to the consultation questions. Their feedback is quoted below:

This situation clearly places me at a competitive disadvantage. My overheads are exactly the same as a psychologist in private practice; rent, phone, administrative support, salary etc. however the fee I am forced to charge is significantly less in order that clients do not suffer out-of-pocket expenses beyond that of my professional competitors.

I have a small counselling/hypnotherapy practice and being a Member of both ASOCHA and AHA and on the PACFA Register I also have the Private Medicare Benefits for both Counselling and Hypnotherapy. Being a Member of AHA, I have other Private Health Funds that will rebate my clients only for Hypnotherapy sessions. I have just moved back to Victoria, so haven’t really got the practice going here as yet, but I will, it always takes time to get known in an area. I don’t know what people get back as they tend to wait till they have finished their sessions and take all their receipts in together to claim. As a Solution Oriented Counsellor and Hypnotherapist, I do not see people for many sessions.

I have a small private counselling practice and, as a member of the Australian Counselling Association, the health fund, Medibank approved ACA members for client rebates. However this has recently been disallowed for new fund members. Other health funds do not allow rebates for counselling and the Medibank refund is so small, I compensate by giving a reduced fee for all clients and which helps to counteract this. However, I do believe that ones’ public image is somewhat enhanced if Health Fund rebates are allowed.

I do feel very strongly about the discrimination as I have been fighting it for years, hence the diversity of my qualifications/registration. Because I wear various hats in my private practice, mental health nurse, family therapist and counsellor, clients are eligible to link into various funding options to see me (the only way I have been able to stay financially viable). I just work things out on a case by case basis finding the best option for each client I see.
I am a member of Psychotherapy and Counselling Federation of Australia and they have been trying to negotiate with private health insurance providers for the past few years for counsellors/psychotherapists to be included but this has been a huge struggle. Medibank Private have been the only one who have partially agreed and will only allow clients to use their “fund bonus” as rebate to see counsellors/psychotherapists. CBS (Commonwealth Bank fund) and Lysaght People Care did rebate clients for seeing me as a family therapist for more than 6 years, but about 2 years ago changed their policies and refused to pay.