

About Fees and Insurance

We are therapists because we enjoy helping people. However, it is also the way we make our living. Professional relationships work best when client and professional have a shared understanding about financial issues.

For the past twenty years, most people have partly funded therapy with health insurance. It was a system that worked reasonably well, but that is now changing. Because of this, using benefits for therapy may lead to new problems and highlight some long standing ones. Before you make a decision, please consider both sides. Unfortunately, it has become a complicated question.

Benefits of Using Health Insurance:

The primary benefit is clear. You paid premiums for health insurance, either directly or indirectly through your employer. It was an investment. One return on that investment is reimbursement for part of your therapy bill.

Complications of Using Health Insurance Benefits:

Problems come in three areas: loss of confidentiality, loss of control of treatment, and the effects of having a psychiatric diagnosis.

(1) Increasing Loss of Confidentiality: In the past, therapists only needed to provide insurance companies with a diagnostic code, identifying information, and dates of service. Now insurers usually want a thorough description of your problems, history, symptoms, family life, work life and so on.

This information may be reviewed by employees of both the insurance company **and** a separate managed care company. Many employees of these companies do not have the same training in confidentiality as professionals. Unfortunately, there have been increasing reports of disturbing breaches of privacy, and we have no control over confidentiality procedures *once the information leaves our office*.

Insurance and managed care companies put your information into their computers. Managed care company ownership has been changing rapidly. Smaller companies are bought by bigger ones, which are swallowed by even bigger ones. We are concerned about what will happen to client information as changes in ownership take place.

Decreases in privacy may lead to decreases in your openness. The more that is true, the less effective our work together is.

(2) Loss of Control of Treatment: Managed care companies use the information we must provide to decide if treatment is *medically necessary* in the first place, and, later, if it should continue. Many who make these decisions have limited training in psychotherapy.

Managed care companies make money by reducing how much treatment occurs. Therapists worry that economic goals may color their decisions. In other words, the criteria they use may be quite different from those you and your therapist use.

Reviewers have formulas they must follow in making decisions. Some formulas are economic. Others are based on “average” cases. However, formulas and averages cannot account for human individuality. Therapy done by formulas cannot provide the careful listening that years of scientific research have shown to be the cornerstone of effective therapy. Therapists who belong to some managed care panels are pressured to follow formulas or lose membership on those panels.

The two people who can best make treatment decisions are the client and therapist, in partnership. It used to work that way. Today, if you depend upon health insurance benefits, it may not. Control over treatment is also lost because some kinds of services and problems are not covered. For example, marital counseling is usually not covered even though its effectiveness is well known; and therapy for long term personality problems is almost never covered by managed care.

Managed care companies usually agree to cover treatment only to the extent that it focuses on symptoms. They usually refuse to cover treatment aimed at the underlying problems that cause symptoms. Managed care is a system that works best in dealing with crises. However, if people do not come to terms with the underlying issues, new crises are likely.

(3) The Effects of Having a Psychiatric Diagnosis: Health insurance benefits can only be used for the *treatment of illness*. This means that your therapist must make a psychiatric diagnosis about you before the benefits will be available.

We are increasingly seeing diagnoses come back to haunt people. Many people have found that using health insurance benefits for therapy has actually cost them money because, after making a claim, their premiums went up. This is despite overwhelming scientific evidence that therapy improves general health and reduces total medical bills. Life and disability insurance applications have been held up. Employers are sometimes notified about all medical care visits, including therapy, by the insurance company.

The very existence of psychiatric diagnoses creates a false impression that most people sail through life without serious problems and only the ill need help. That is just not true. All of us, in our fast paced, highly stressful society, have hard times. None of us today can be expected to automatically have all the coping skills we need. Therapy helps people develop skills they have not yet had a chance to develop.

The system of psychiatric diagnoses is only one way of looking at human problems. Its biggest advantage is that it helps get health insurance benefits, an advantage that is waning. Psychiatric diagnoses do not usually describe issues in ways that help people actually solve problems. In fact, diagnoses often get in the way. Other ways of looking at human problems are more helpful.

Choosing not to use health insurance benefits means you do not have to have a psychiatric diagnosis. That means as people make decisions about you in the future, such a diagnosis will not be an issue.

WHAT COSTS CAN I EXPECT?

It is impossible to know, at the beginning, how many sessions or what kind of sessions will be most helpful. After a careful assessment of your situation and your goals, we may make an educated estimate. Such estimates are subject to change as we gain more information about your situation or as your treatment goals change. It may be useful to know, however, that 90% of outpatient episodes last less than 25 visits. Yours may last longer or even be considerably shorter, and we will be in a better position to judge that after several sessions. However, this at least gives you a starting point.

It may also help to know that many research studies show that many people gain financially by a successful course of outpatient therapy. These gains may come in a variety of ways:

- (A) There is a strong connection between mental and physical well being. Emotional distress uses up our physical resources. For the short term, that is not a problem. Long term distress makes the body more vulnerable to a wide range of problems because its resources are depleted.
- (B) For similar reasons, people who already suffer physical illnesses may heal more quickly, and for fewer dollars, when needed therapy is included in their treatment.
- (C) Emotional distress often interferes with productivity on the job. People cannot do their best when they are anxious or upset. Again, for the short term, this is usually not a problem. Long term distress often creates work problems and decreases in income. Studies show that people's earnings often go up after effective therapy.
- (D) Marital therapy that preserves a marriage lets people avoid high legal fees and other expense of divorce. Therapy that helps those people who do divorce also lowers the high legal fees associated with ongoing post-divorce bitterness.
- (E) Therapy with children and adolescents often leads to higher self-esteem and better academic performance. Both are associated with higher adult income.

It may be useful to think of therapy as an investment rather than a cost. Also, people do expect to pay most professional fees, such as lawyers, dentists, and CPAs out of pocket. Because of the growing problems with third party reimbursement, we anticipate that most therapy in the future will also be paid out of pocket.

If you do choose to use your health insurance, we will be glad to provide reasonable assistance. Alternatively, you may wish to consider paying "out of pocket." We know that this can create financial challenges for people. Therefore, we are willing to discuss with you various ways that may make this workable for you.