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ABOUT FEES AND INSURANCE

I am a therapist because I enjoy working with people. However, it is also the way I make my living. Professional relationships work best when all parties have a shared understanding about financial issues.

For many years, most people have partly funded therapy with health insurance. It was a system that worked reasonably well, but that is changing. Because of changes in health insurance programs, using benefits for therapy might lead to new problems and highlight some longstanding ones. Before you make a decision, please consider both sides. Unfortunately, it has become a complicated question.

Benefit 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, so you can redirect those dollars elsewhere.

Complications of Using Health Insurance Benefits:

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, more personal information is often required. This information might be reviewed both by employees of the insurance company and by those of a separate managed care company. Many employees of these companies do not have the same training as mental health professionals.

Insurance and managed care companies put your information into their computers. Ownership can change rapidly, as smaller companies are bought by bigger ones. There is concern about what happens to client information as changes in ownership take place. Also, your information might be forwarded to the Medical Information Bureau, a collection of many insurance companies that pool their data. These data can be used in assessing your future insurability for life, health, and disability insurance.

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

2. Loss of control of treatment: Managed care companies use the information therapists must provide to decide if treatment is “medically necessary” initially, and if it should continue later. Managed care companies make money by reducing how much treatment occurs. It is of concern that economic goals might color their decisions. In other words, the criteria they use might be quite different from those you and I use. Reviewers have formulas they 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 afford the careful listening that research has shown to be the cornerstone of effective therapy.

The two people who can best make treatment decisions are the client and the therapist, in partnership. It used to work that way. Today, if you depend upon health insurance benefits, it might not.

Control over treatment is also lost because some kinds of services and problems are not covered. For example, marital counseling might not be covered. Managed care companies usually agree to cover treatment only to the extent that it focuses on symptoms. They usually do not 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 problems can occur.

3. The effects of 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 benefits will be available. Some 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 the evidence that therapy improves general health and reduces total medical bills.

The very existence of psychiatric diagnoses creates a false impression that most people go through life without serious problems and that only the ill need help. This is just not true. All of us, in our fast paced, highly stressful society, have difficulty from time to time. None of us today can be expected automatically to have all the coping skills we need. Therapy helps people develop skills they have not yet had a chance to develop. It can also be a place to explore positive options for leading a more balanced life, something that is not likely to be reimbursed in an illness-oriented system.

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, you and I can make an educated estimate, which is subject to change as we gain more information about your situation or as your treatment goals change. It might be useful to know, however, that most outpatient episodes last less than 25 visits.

It might also help to know that research shows many people gain financially by a successful course of outpatient therapy. These gains might 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, which is not a problem short-term, but long-term distress makes the body more vulnerable to a wide range of problems because its resources are depleted.
- B) Emotional distress can interfere with productivity on the job, making it difficult to do your best. Again, for the short term, this is usually not a problem, but long-term distress can create work problems, which can lead to decreases in income.
- C) Marital therapy that preserves a marriage lets people avoid high legal fees and other expenses of a divorce. For those who do decide to divorce, therapy can help reduce ongoing post-divorce bitterness.

It might be useful to think of therapy as an investment. Also, people do expect to pay many professional fees, such as lawyers and CPAs, out of pocket.