

**REPORT OF THE
SPECIAL ADVISORY COMMISSION ON MANDATED
HEALTH INSURANCE BENEFITS**

Reimbursement for Marriage and Family Therapists

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



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COMMONWEALTH OF VIRGINIA



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December 28, 2000

To: The Honorable James S. Gilmore, III
Governor of Virginia
and
The General Assembly of Virginia

The report contained herein has been prepared pursuant to §§ 9-298 and 9-299 of the Code of Virginia.

This report documents a study conducted by the Special Advisory Commission on Mandated Health Insurance Benefits (Advisory Commission) to assess the social and financial impact and the medical efficacy of House Bill 1284, regarding a proposed mandate of reimbursement for services performed by marriage and family therapists.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "S. Martin".

Stephen H. Martin
Chairman
Special Advisory Commission on
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INTRODUCTION

The Senate Committee on Commerce and Labor referred House Bill 1284 to the Special Advisory Commission on Mandated Health Insurance Benefits (Advisory Commission). House Bill 1284 is patroned by Delegate James M. Shuler.

The Advisory Commission held a public hearing on August 3, 2000 in Richmond to receive comments on House Bill 1284. In addition to the bill's chief patron, two Licensed Marriage and Family Therapists (LMFTs) and one person representing the Virginia Association for Marriage and Family Therapy (VAMFT) spoke in favor of the proposed bill. One of the representatives that spoke in favor is a current pastor of a Richmond area Baptist Church. Another was the current president of the Virginia Association for Marriage and Family Therapists.

A representative of the Virginia Association of Health Plans (VAHP) spoke, but was neither for nor against House Bill 1284. The representative stated that VAHP was neutral but had some concerns. The Virginia Academy of Clinical Psychologists provided written comments opposing House Bill 1284. The VAMFT provided written comments in favor of House Bill 1284. Twenty other letters were received, including eleven from LMFTs, supporting House Bill 1284. The Advisory Commission concluded its review of House Bill 1284 on August 30, 2000.

SUMMARY OF PROPOSED LEGISLATION

House Bill 1284 was introduced by Delegate James M. Shuler in the 2000 Session of the General Assembly. House Bill 1284 amends and reenacts §§38.2-3408 and 38.2-4221 of the Code of Virginia. Section 38.2-3408 requires that if an accident and sickness insurance policy provides reimbursement for any service that may be legally performed by a person licensed in this Commonwealth as a chiropractor, optometrist, optician, professional counselor, psychologist, clinical social worker, podiatrist, physical therapist, chiropodist, clinical nurse specialist who renders mental health services, audiologist, speech pathologist, certified nurse midwife, or licensed acupuncturist, reimbursement under the policy shall not be denied because the service is rendered by the licensed practitioner. House Bill 1284 would add *marriage and family therapist* to the before-mentioned list of practitioners.

Also, §38.2-4221 would be amended to read "A nonstock corporation shall not fail or refuse, either directly or indirectly, to allow or to pay a subscriber for all or any part of the health services rendered by any doctor of podiatry, doctor of chiropody, optometrist, optician, chiropractor, professional counselor, psychologist, physical therapist, clinical social worker, clinical nurse specialist who renders mental health services, audiologist, speech pathologist, certified

nurse midwife, *marriage and family therapist*, or licensed acupuncturist licensed to practice in Virginia, if the services rendered (i) are services provided for by the subscription contract and (ii) are services which the doctor of podiatry, doctor of chiropody, optometrist, optician, chiropractor, professional counselor, psychologist, physical therapist, clinical social worker, clinical nurse specialist who renders mental health services, audiologist, speech pathologist, certified nurse midwife, *marriage and family therapist*, or licensed acupuncturist is licensed to render in this Commonwealth.

The proposed legislation would not add another service to the list of mandated benefits. The service of marriage and family counseling is not being mandated. However, the direct reimbursement of services provided by marriage and family therapists is being mandated. Essentially, House Bill 1284 would require insurers who cover services that can be rendered by marriage and family therapists, to reimburse when patients have sought help from LMFTs.

MARRIAGE AND FAMILY THERAPISTS

The Virginia Code §54.1-3500, defines a “marriage and family therapist” as “a person trained in the assessment and treatment of cognitive, affective, or behavioral mental and emotional disorders within the context of marriage family systems through the application of therapeutic and family systems theories and techniques.” The Virginia Code §54.1-3500 defines “marriage and family therapy” as “the assessment and treatment of cognitive, affective, or behavioral mental and emotional disorders within the context of marriage family systems through the application of therapeutic and family systems theories and techniques and delivery of services to individuals, couples, and families, singularly or in groups, for the purpose of treating such disorders.”

The American Association for Marriage and Family Therapists (AAMFT) defines Marriage and Family Therapists as “mental health professionals trained in psychotherapy and family systems, and licensed to diagnose and treat mental and emotional disorders within the context of the family systems.” MFTs are trained and experienced with an average of 13 years of clinical practice in the field of marriage and family therapy. MFTs “evaluate and treat mental and emotional disorders, other health and behavioral problems, and address a wide array of relationship issues within the context of the family system.” (AAMFT)

The emphasis of MFTs in treatment or counseling sessions relies on the role of individuals within a relationship network, such as the family and marriage, rather than the traditional counseling focusing on the individual. MFTs focus on the set of relationships in which the individual is involved. The types of problems sought to be relieved by MFTs are: “depression, marital problems, anxiety, individual psychological problems, and child-parent problems.” (AAMFT) Research by the AAMFT states that “marriage and family therapy is more effective than standard and/or individual treatment for many mental health

problems such as: adult schizophrenia, adult alcoholism and drug use, children's conduct disorders, adolescent drug abuse, anorexia in young adult women, childhood autism, chronic physical illness in adults and children, and marital distress and conflict." (AAMFT)

BACKGROUND ON MARRIAGE AND FAMILY THERAPISTS

Marriage and Family Therapists (MFTs) have existed for 50 years. They evolved as a need developed for a "more effective and comprehensive way to treat disorders such as schizophrenia, anorexia, and alcoholism." (AAMFT) They have been licensed in the Commonwealth of Virginia since 1995. MFTs are recognized nationally by several groups, including the U.S. Public Health Service and the National Institutes of Mental Health. MFTs are recognized as a core mental health profession by the U.S. Public Health Service's Health Resources Services Administration. MFTs are also recognized as one of five core mental health disciplines, along with psychiatry, psychiatric nursing, psychology, and social work, by the National Institutes of Mental Health.

QUALIFICATIONS FOR MARRIAGE AND FAMILY THERAPISTS

The qualifications for a marriage and family therapist can be varied. The AAMFT suggests that there are three options available for those who pursue a career as a MFT. MFTs usually have a graduate degree, either a Master's (2-3 years), a Doctoral degree (3-5 years), or complete a post-graduate clinical training program (3-4 years). The Master's and Doctoral degree in marriage and family therapy is normally accompanied by at least 2 years of clinical experience.

In the Commonwealth of Virginia, the Department of Health Professions, Board of Counseling sets the requirements for Marriage and Family Therapists. The first requirement that must be met is the education and experience requirements that are found in Virginia Administrative Code 18 VAC 115-50-50, 18 VAC 115-50-55, and 18 VAC 115-50-60. Virginia Administrative Code 18 VAC 115-50-50 explains that the application for licensure must include a "graduate degree from a program that prepares individuals to practice marriage and family therapy or a discipline related to the practice of marriage and family therapy as defined in § 54.1-3500 of the Code of Virginia from a college or university which is accredited by a regional accrediting agency...."

Virginia Administrative Code 18 VAC 115-50-55 lists the required core subject areas and the amount of hours in each core subject area that must be studied for the course work to be accepted, which includes an internship of 600 hours. And, Virginia Administrative Code 18 VAC 115-50-60 lists the requirements of a Residency to include 2 years of supervised post-graduate experience and at least 4,000 hours of supervised work experience. Finally, after the education and experience requirements are met, the applicant must sit and

pass an examination, which focuses on the core subject areas described in 18 VAC 115-50-55. These requirements are contained in Appendix B.

CURRENT INDUSTRY PRACTICES

The State Corporation Commission's Bureau of Insurance surveyed sixty of the top writers of accident and sickness insurance in Virginia in March 2000, regarding the bills to be reviewed by the Advisory Commission this year. Fifty-one companies responded by the deadline. Twenty-four companies indicated that they have little to no applicable health insurance business in force in Virginia. Of the remaining 27 companies, three companies reported that they provided the coverage required by House Bill 1284 under their standard benefit package. Another three companies indicated that they provide the coverage for group contracts, but not individual contracts, under their standard benefit package. Twenty-one companies said they did not provide the coverage.

SOCIAL IMPACT

House Bill 1284 would add LMFTs as practitioners that can be reimbursed for marriage and family therapy counseling services. They would be added to a list of others who are licensed for counseling and therapy in Virginia, in Virginia Code §38.2-3408. The Virginia Department of Health Professions reports that there are 913 LMFTs in Virginia.

The passage of House Bill 1284 could lead to many possible social implications. One possible social implication of enacting House Bill 1284 would be the availability of practitioners to families or individuals seeking marriage and family counseling. Mental health patients would have the option of choosing from a psychiatrist, psychologist, clinical social worker, clinical nurse specialist (who renders mental health services), or with coverage required by House Bill 1284, a marriage and family therapist. Therefore, House Bill 1284 would increase freedom in choosing a specialist to treat or counsel patients with psychological or emotional difficulties.

Another social implication is the specialty services that the marriage and family therapists can provide. MFTs are trained specifically to handle problems of a group nature that would arise from marriage and family situations. The Virginia Association for Marriage and Family Therapy (VAMFT) report that MFTs are "trained to work with people with major mental health disorders and people struggling through traumatic situations by working with them within the context of their relationships, such as their marriage or their family. MFTs have specialized training that enables them to work to help people with their mental health problems and help them strengthen their marital and family bonds." (VAMFT)

FINANCIAL IMPACT

Respondents to the Bureau of Insurance survey provided cost figures of between \$.11 and \$.99 per month per standard individual policy, and between \$.10 and \$1.49 per month per standard group certificate, to provide the coverage required by House Bill 1284. Insurers providing coverage on an optional basis provided cost figures from \$.11 to \$1.98 per month per standard individual policy, and between \$.11 to \$2.98 per month per standard group certificate.

The staff survey also asked the respondents to report the average charge of a marriage and family counseling/therapy session. Three companies provided figures of \$75, \$125, and \$125 as the average cost of a therapy/ counseling session. Finally, the survey asked insurers if the maximum on marriage and family counseling was set by a number of visits per year, and, if so, what was that maximum. The six companies who indicated they offered some type of marriage and family counseling all reported that the maximum of coverage was in fact set by a certain number of visits. Those maximum numbers of visits were 20, 20, 30, 40, 50, and 50.

The VAMFT provided input about the potential financial impact that House Bill 1284 would have on the insurance industry. It pointed out that House Bill 1284 does not mandate new benefits, but asks for an addition of a provider. It also noted that LMFTs are licensed at masters' degree level, and that their reimbursement would be proportional to others at that level, such as Licensed Clinical Social Workers and Licensed Professional Counselors.

VAMFT estimates reimbursement at about 75% of the rate for Licensed Clinical Psychologists and Psychiatrists, since psychologists and psychiatrists have a doctoral degree. Therefore, fees paid for services by MFTs would not be as high as when a psychologist or psychiatrist was used for counseling. Finally, VAMFT argues that with the addition of another type of provider for reimbursement, the price of the product, counseling, would fall. VAMFT believes that the increased competition will cause the overall prices of the services to be lower.

MEDICAL EFFICACY

House Bill 1284 would not require another service under mandated benefits, such as coverage for certain illnesses. But, House Bill 1284 would add LMFTs to the list of providers required to be directly reimbursed in similar medical fields. No new or additional benefits would be added, but reimbursement is being sought for counseling or therapy provided by marriage and family therapists.

The service that is provided by marriage and family therapists is counseling based on the family. The unit being studied is the individual and his or her relationship with his or her married partner and/or family. Marriage and Family therapists seek to treat various clinical problems that include: depression, marital problems, anxiety, individual psychological problems, and child-parent problems, as reported by the AAMFT. The AAMFT also states that "marriage and family therapy is more effective than standard and/or individual treatment for many mental health problems such as: adult schizophrenia, adult alcoholism and drug use, children's conduct disorders, adolescent drug abuse, anorexia in young adult women, childhood autism, chronic physical illness in adults and children, and marital distress and conflict."

Statements made by the AAMFT indicate that marriage and family therapists may more appropriately help some individuals in psychological need. Information provided to the Advisory Commission from the VAMFT indicates that MFTs specialize in solving marriage and family member's psychological problems. MFTs may be able to better solve the medical problems of those seeking counseling, since they specialize in this field. Proponents believe that, by enacting House Bill 1284, a whole field of specialists would be available for reimbursement in treating citizens with marriage and family problems.

SIMILAR LEGISLATION IN OTHER STATES

Staff surveyed other insurance departments and reviewed information available from the National Association of Insurance Commissioners and the National Insurance Law Service to determine if requirements are imposed in other states that are similar to House Bill 1284. Only one state, Nevada, requires an offer of coverage for reimbursement of treatments by a marriage and family counselor. The statute states that "if any contract for hospital or medical service provides coverage for treatment of an illness which is within the authorized scope of the practice of a licensed marriage and family therapist, the insured is entitled to reimbursement for treatment by a marriage and family therapist who is licensed pursuant to chapter 641A of NRS." (Nevada Chapter 695B)

REVIEW CRITERIA

SOCIAL IMPACT

- a. *The extent to which the treatment or service is generally utilized by a significant portion of the population.*

Proponents suggest that if enacted, House Bill 1284 would allow a large portion of the population to see LMFTs, rather than other types of counselors. The importance, they suggest, in seeing a marriage and family counselor, lies in the fact that LMFTs can treat the individual by relying on the role of individuals within a relationship network, such as family or marriage, rather than the

traditional counseling focusing on the individual. MFTs focus on the set of relationships in which the individual is involved.

- b. *The extent to which insurance coverage for the treatment or service is already available.*

The State Corporation Commission's Bureau of Insurance surveyed sixty of the top writers of accident and sickness insurance in Virginia in March 2000, regarding the bills to be reviewed by the Advisory Commission this year. Fifty-one companies responded by the deadline. Twenty-four companies indicated that they have little to none applicable health insurance business in force in Virginia. Of the remaining 27 companies, three companies reported that they provided the coverage required by House Bill 1284 under their standard benefit package. Another three companies indicated that they provide the coverage for group contracts, but not individual contracts, under their standard benefit package. Twenty-one companies said they did not provide the coverage.

- c. If coverage is not generally available, the extent to which the lack of coverage results in persons being unable to obtain necessary health care treatments.

If coverage is not available through LMFTs, then coverage may be sought elsewhere. Counseling may still be obtained through the consultation of a licensed psychologist, psychiatrist, or any other number of licensed counselors who are mandated providers. Proponents argue that these other counselors will not benefit the patient as much as a licensed MFT, for those who need counseling in connection with their family or marriage. LMFTs are specially trained in the areas of marriage and family.

- d. *If the coverage is not generally available, the extent to which the lack of coverage results in unreasonable financial hardship on those persons needing treatment.*

Opponents could suggest that financial hardship would not result from the unavailability of coverage for licensed MFTs. They would point to the fact that there are others such as psychologists and licensed counselors who are mandated providers who can serve the needs of patients. These providers already receive reimbursement from insurers when patients seek them for counseling needs. Therefore, people would not have to pay out-of-pocket for a licensed MFT, when other therapists are available for service and reimbursement.

- e. *The level of public demand for the treatment or service.*

The specific numbers of people seeking, wanting to seek, or needing a LMFT was not determined. Proponents, however, suggested that several of the people who seek other counselors truly need a licensed marriage and family therapist because their problems arise out of familial and marital situations.

- f. *The level of public demand and the level of demand from providers for individual and group insurance coverage of the treatment or service.*

Providers strongly support mandating marriage and family therapists as providers. In written and verbal comments, several proponents explained that LMFTs have specialized training that allows them to work and help people with their mental problems while at the same time strengthening their marital and family bonds.

- g. *The level of interest of collective bargaining organizations in negotiating privately for inclusion of this coverage in group contracts.*

No information was received from collective bargaining organizations addressing potential interest in negotiating privately for inclusion of this coverage in group contracts.

- h. *Any relevant findings of the state health planning agency or the appropriate health system agency relating to the social impact of the mandated benefit.*

No information or relevant findings of the state health planning agency or the appropriate health system agency relating to the social impact of this mandated benefit was presented during this review.

FINANCIAL IMPACT

- a. *The extent to which the proposed insurance coverage would increase or decrease the cost of treatment or service over the next five years.*

One proponent who is a pastor noted that many times, he refers people to professional counselors, as couples, and many times they are separated and sent to two different specialists. This is common in cases of divorce, or loss of a child. He argued that families would not have to be separated if they were sent to counselors who are trained for this type of therapy, such as LMFTs. He said this would save insurers money because only one counselor is being sought for help, and the MFT is the type of counselor who can best help with these specific issues.

Another proponent, a LMFT and president of the VAMFT, explained that many times, a patient goes to his or her general physician initially for problems such as headache, exhaustion, or for just not feeling well, and is later referred to some type of professional counselor. These medical symptoms can be a result of marriage and family problems and should sometimes be routed to a LMFT. This costs more in the long run for insurers paying for several visits and the insureds paying for several co-payments. The proponent suggested duplicate costs could be eliminated if people with marriage and family problems were referred directly to LMFTs initially. Money could be saved and the correct counselor could solve their mental health problems. She said these beliefs were supported by the study produced by the federal Office of Personnel and Management, which produced a study that said that health care costs would decrease when symptomatic complaints are addressed initially.

b. The extent to which the proposed insurance coverage might increase the appropriate or inappropriate use of the treatment or service.

A VAMFT representative suggested that people operate better as part of a family or community setting. She said from working with foster children, she learned that children heal better in a family environment where they can learn social skills. She also said the same is true with nursing homes because of the community/family atmosphere. Therefore, the appropriate use of the treatment would help individuals who need counseling in a family or marriage situation.

c. The extent to which the mandated treatment or service might serve as an alternative for more expensive or less expensive treatment or service.

Proponents suggest that by using a MFT, costs would be reduced. They suggest that instead of a patient seeking help from a psychologist or psychiatrist, the patient could seek help from a MFT. Licensed MFTs currently are reimbursed at about 75% of the rate that psychologists and psychiatrists are reimbursed.

d. The extent to which the insurance coverage may affect the number and types of providers of the mandated treatment or service over the next five years.

The enactment of House Bill 1284 into law could be expected to increase the number of LMFTs available for reimbursement. House Bill 1284 would add a new provider to the list of mandated providers eligible for direct reimbursement. The Virginia Department of Health Professions reports that there are 913 LMFTs in the Commonwealth of Virginia.

- e. The extent to which insurance coverage might be expected to increase or decrease the administrative expenses of insurance companies and the premium and administrative expenses of policyholders.

Respondents to the Bureau of Insurance survey provided cost figures of between \$.11 and \$.99 per month per standard individual policy, and between \$.10 and \$1.49 per month per standard group certificate, to provide the coverage required by House Bill 1284. Insurers providing coverage on an optional basis provided cost figures from \$.11 to \$1.98 per month per standard individual policy, and between \$.11 to \$2.98 per month per standard group certificate.

- f. *The impact of coverage on the total cost of health care.*

Proponents suggest that House Bill 1284 is a cost-effective measure because LMFTs would be reimbursed at the masters' degree level, whereas Licensed Clinical Psychiatrists and Psychologists are reimbursed at a doctorate degree level. They also point out that currently, other professionals, such as Licensed Clinical Social Workers and Licensed Professional Counselors, are reimbursed at the master's degree level. Those reimbursed at the master's degree level for similar services are reimbursed at about 75% of reimbursement for psychiatrists and psychologists.

Proponents also point to the changes in the marketplace that would make House Bill 1284 a cost-effective measure. They argue that the new competition in the marketplace would reduce the unit-cost of service without affecting the quality of service provided, while at the same time, it would give every Virginian the increased choice to choose a LMFT.

The VAHP was neutral on House Bill 1284, but voiced some concerns. It said the next step would be mandating coverage for LMFTs. This, VAHP argued, would increase the cost of health insurance premiums, causing many to be without basic health insurance.

MEDICAL EFFICACY

- a. *The contribution of the benefit to the quality of patient care and the health status of the population, including the results of any research demonstrating the medical efficacy of the treatment or service compared to alternatives or not providing the treatment or service.*

The service that is provided by marriage and family therapists is counseling based on the family. The unit being studied is the individual and his or her relationship with his or her married partner and/or family. Marriage and Family therapists seek to treat various clinical problems that include: depression, marital problems, anxiety, individual psychological problems, and child-parent

problems. Proponents support the statement that “marriage and family therapy is more effective than standard and/or individual treatment for many mental health problems such as: adult schizophrenia, adult alcoholism and drug use, children’s conduct disorders, adolescent drug abuse, anorexia in young adult women, childhood autism, chronic physical illness in adults and children, and marital distress and conflict.”

Proponents suggest that these assumptions indicate that marriage and family therapists may more appropriately help some of those in psychological need. Information provided to the Advisory Commission indicates that MFTs specialize in solving marriage and family member’s psychological problems. They may be able to better solve the problems of those seeking counseling, since they specialize in this field. Proponents believe that by enacting House Bill 1284, a whole field of specialists will be available for reimbursement in treating citizens with marriage and family problems.

b. If the legislation seeks to mandate coverage of an additional class of practitioners:

1) The results of any professionally acceptable research demonstrating the medical results achieved by the additional class of practitioners relative to those already covered.

Proponents have argued that LMFTs specialize in helping those with relationship issues, such as those involved in marriages and those who have families. The VAMFT argues that LMFTs are “trained to work with people with major mental health disorders and people struggling through traumatic situations by working with them within the context of their relationships, such as their marriage or their family. MFTs have specialized training that enables them to work to help people with their mental health problems and help them strengthen their marital and family bonds.”

2) The methods of the appropriate professional organization that assure clinical proficiency.

The Virginia Department of Health Profession’s Board of Counseling sets the regulations for LMFTs. These regulations include setting and collecting licensure fees in coordination with the profession of marriage and family therapy. The Board of Counseling also sets the requirements that need to be met, including educational requirements and licensure examination, for licensure.

This board also sets and enforces a set of “Standards of Practices,” that oversees “the protection of the public’s health, safety and welfare and the best interest of the public shall be the primary guide in determining the appropriate

professional conduct of all marriage and family therapists licensed by the board,” among other things. And finally, the board can impose disciplinary actions.

EFFECTS OF BALANCING THE SOCIAL, FINANCIAL AND MEDICAL EFFICACY CONSIDERATIONS

- a. *The extent to which the benefit addresses a medical or a broader social need and whether it is consistent with the role of health insurance.*

Proponents argue that House Bill 1284 will address a broad social and medical need, and, at the same time, is a cost-effective measure. The proponents suggest that by mandating marriage and family therapists as providers eligible for reimbursement, people will have more choice in providers for counseling needs. They also argue that LMFTs are more suitable in many cases. Proponents argue that LMFTs specialize because they view psychopathy and dysfunction from the perspective of the family system, rather than from the view of intrapsychic problems or conflicts.

Proponents also explain that the discipline of a licensed MFT is characterized by the understanding that an individual experiencing the symptoms of a mental or nervous disorder is part of a larger system and, regardless of the eventual intervention modality, that larger system is essential both in evaluating the etiology of the symptom and in the treatment. Overall, this means that therapy from a licensed MFT involves counseling that is based on the family system, and strengthening that family system is the goal. This addresses the broader social and medical need by helping families both socially and medically, through counseling.

- b. *The extent to which the need for coverage outweighs the costs of mandating the benefit for all policyholders.*

Respondents to the Bureau of Insurance survey provided cost figures of between \$.11 and \$.99 per month per standard individual policy and between \$.10 and \$1.49 per month per standard group certificate, to provide the coverage required by House Bill 1284. Insurers providing coverage on an optional basis provided cost figures from \$.11 to \$1.98 per month per standard individual policy, and between \$.11 to \$2.98 per month per standard group certificate.

Proponents suggest that House Bill 1284 is a cost-effective measure because LMFTs would be reimbursed at the masters' degree level, whereas Licensed Clinical Psychiatrists and Psychologists are reimbursed at a Doctorate degree level. They also point out that currently, other professionals such as Licensed Clinical Social Workers and Licensed Professional Counselors are reimbursed at the masters' degree level. Those reimbursed at the masters'

degree level for similar services are reimbursed at about 75% of reimbursement for psychiatrists and psychologists.

Proponents also point out to the changes in the marketplace that would make House Bill 1284 a cost-effective measure. They argue that the new competition in the marketplace would reduce the unit-cost of service without affecting the quality of service provided, while at the same time, would give every Virginian the increased choice to choose a LMFT.

The VAHP was neutral on House Bill 1284, but voiced some concerns. It said that the next step would be mandating coverage for LMFTs. This, VAHP argued, would increase the cost of health insurance premiums, causing many to be without basic health insurance.

c. The extent to which the need for coverage may be solved by mandating the availability of the coverage as an option for policyholders.

In the case of group coverage, the decision whether to select the optional coverage or not would lie with the master contract holder and not the individual insureds.

RECOMMENDATION

The Advisory Commission voted unanimously (8-0) on August 30, 2000 to favorably recommend House Bill 1284.

CONCLUSION

House Bill 1284 will add marriage and family therapists to the list of providers who already receive direct reimbursement for covered services. The Advisory Commission believes it would be beneficial from a quality of care perspective, and probably more cost effective, to add LMFTs who have been trained directly in the areas to help marital and family problems.

