


Two-tier rebates ‘psychologically damaging’

EXCLUSIVE

By **MAX MADDISON**, JOURNALIST

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Psychologists say a “two-tier” Medicare rebate system is threatening a raft of specialties with extinction, amid a worsening mental health crisis.

The current system provides clinical psychologists with a higher level of Medicare funding than other registered psychologists, despite their representing only 30 per cent of the industry.

Clients of registered psychologists are rebated \$88 for a 50-minute session while clients of clinical psychologists are rebated \$129 for the same kind of service.

In November, a federal parliamentary inquiry recommended the two-tier system be reviewed.

The difference in rebate has led to dwindling numbers of graduates, placing greater pressures on a mental health infrastructure already creaking under an explosion of demand for services during the pandemic

Mark Baxter, owner of the Wollongong-based The Psychology Spot, said soaring demand meant his practice was knocking back 40 to 50 referrals a month at the end of last year.

For parents seeking a child psychologist, his books have been closed for a “long time ... It’s a - really dire situation.”

Implemented in 2006, the two-tier system has led to high demand for clinical psychology at universities, which has consequently resulted in declining numbers of courses for other specialities.

Australian Association of Psychologists executive director Tegan Carrison said despite requiring the same level of education and training for other specialties, clinical psychologists were rebated or paid 40 per cent more than their peers.

“This discriminatory system under Medicare divides psychologists into two different rebate categories: those with clinical endorsement and those without.

“Australians can only access the higher rebate when seeing clinical psychologists,” she said.

“This means 70 per cent of psychologists in Australia are placed on a lower Medicare rebate, despite research showing that all psychologists get excellent treatment outcomes.”

Ms Carrison pointed to the vast difference between the 4300 registrar supervisors in clinical psychology, compared with the 304 in educational development.

“And with there now being only 5 per cent of Australian psychologists with education and developmental endorsement, we are facing a critical skill set shortage in years to come,” she said.

Australian Clinical Psychology Association president Caroline Hunt said Medicare rebate rates were largely reflective of extra educational requirements for clinical psychologists, combined with a focus on management of complex mental disorders.

“We’re really talking about four to five years of additional training ... which leads to a high level of expertise in the areas of complex mental health issues,” she said.

Professor Hunt acknowledged that other specialties with extra postgraduate study demands – such as forensic psychology – could be recognised with a higher rebate.

Overall, there was an argument to increase the Medicare rebate for psychologists in general, she said.

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Max Maddison is a federal politics reporter based in the Canberra press gallery. He began working as a journalist for The Australian in 2019, which has included time covering NSW politics at Macquarie Street. H... [Read more](#)