



# Alaska Psychological Association

Advancing psychology as a science, a profession, and a means of promoting health and welfare

February 25, 2016

Senator Pete Kelly, Co-Chair  
Senator Anna MacKinnon, Co-Chair  
Senate Finance Committee  
Alaska State Capitol Building  
Juneau, AK 99801-1120

## **RE: Proposed Medicaid Reform Legislation- Expanding 7 AAC 110.550**

Dear Senate Finance Co-Chairs and Members of the Committee:

The Alaska Psychological Association (AKPA) was formed, as a member based entity to advance psychology as science, profession and as a means for promoting human welfare in Alaska. Licensed psychologists are highly trained, independent professionals who, if permitted to practice to the full extent of their licenses, can contribute meaningfully to improve patient mental health outcomes. There is a shortage of mental health professionals and the anticipated expansion of the Medicaid population will increase demand for mental health services. Thus Medicaid programs should recognize and cover on a consistent basis psychotherapy, testing and evaluation services performed by psychologists within their state's scope of practice. This will promote patient choice of provider, and allow Medicaid patients to access the range of psychological services available to patients in the private sector.

Therefore, as the State of Alaska and the Alaska Legislature undertakes Medicaid Reform, we would like to take this opportunity to advocate for a specific statute change. The statute, 7 AAC 110.550, outlines the psychologist services and includes only a limited array of services related to neuropsychological assessment. By expanding billable services for licensed psychologists to provide regardless of their practice setting, our profession can better serve our community. **Our association recommends adding the following services to 7 AAC 110.550:**

- (1) mental health assessment;
- (2) integrated mental health assessment;
- (3) psychological testing and evaluation services;
- (4) psychotherapy (individual, group, and family);
- (5) multi-family group psychotherapy;
- (6) health and behavior assessment and intervention services.

Below you will find the existing statute: 7 AAC 110.550.

### *7 AAC 110.550. Psychologist services*

- (a) To be eligible for payment under 7 AAC 105 - 7 AAC 160 for providing psychologist services, a provider must be an independently practicing psychologist who (1) is enrolled as a psychologist in accordance with 7 AAC 105.210; (2) has an active license to practice psychology issued by the jurisdiction in which the psychologist provides services; if services are provided in this state, the psychologist must hold an active license under AS 08.86.130 or 08.86.135; and (3) maintains records in accordance with (e) of this section. (b) Covered psychologist services are limited to medically necessary psychological testing to determine the status of the*

*patient's mental, intellectual, and emotional functioning. Testing services must include administration of psychodiagnostic tests, the interpretation of the results of the tests, and a written report. Testing services must be provided directly by the psychologist. Payment is limited to the following services: (1) psychological testing; (2) assessment of aphasia; (3) developmental testing, limited or extended; (4) neurobehavioral status examination, including assessment of thinking, reasoning, and judgment; (5) neuropsychological testing. (c) Psychologist services may be provided to a recipient who has received a referral from the recipient's treating physician, a physician assistant, an advanced nurse practitioner, a community mental health clinic, a tribal health program, or an appropriate school official, if the referral documents the purpose for the testing, including the need to determine acuity of need, severity of symptoms, or level of impairment. (d) Psychologist services may be provided in the psychologist's office, an outpatient clinic, an outpatient hospital, a general acute care hospital, a tribal health program, an inpatient psychiatric hospital, a residential psychiatric treatment center, or other setting appropriate for patient care. (e) To be paid by the department for services provided under this section, a psychologist must maintain a specific record for all services provided, that (1) identifies the source and reason for the referral; (2) identifies the questions and issues that the testing addressed; (3) identifies the psychological tests and techniques used; and (4) includes the interpretation of all completed and attempted tests with observations, conclusions, and recommendations.*

We strongly believe that eliminating unnecessary restrictions on the practice of licensed psychologists by allowing them to provide and be reimbursed for their full scope of services is vital to the success of health reform in Alaska. In part, Medicaid expansion will depend on the ability to manage complex patients cost effectively, who account for most of the expenditures made. Psychologist services that enhance patient compliance with complicated drug regimens, or assist patients in adopting more healthy behaviors associated with a diagnosed physical health condition or its exacerbation, will be critical to reducing costly hospital admissions and readmissions, as well as emergency room visits, for chronically ill patients. Independently practicing licensed psychologists are underutilized in Alaska's current healthcare system.

Our association hopes that you strongly consider this revision. Please consider us as a resource.



Michael Sobocinski, PhD  
President, Alaska Psychological Association

cc: Members of Senate Finance Committee  
Valerie Davidson, Commissioner, DHSS  
Randall Burns, Division of Behavior Health, DHSS  
Jeff Jessee, Mental Health Trust