

**GUIDELINES IN RELATION TO MEDICAL BENEFITS  
FOR PSYCHIATRIC TREATMENT AND TRAINING**

*In October 1982, General Council resolved:*

*'General Council directs the Honorary Federal Secretary to reaffirm to the membership the need to distinguish psychiatric treatment from training in psychotherapeutic techniques, the latter not being eligible for medical benefits:*

*Psychotherapy or psychoanalysis is only eligible to attract Medical Benefits when undertaken solely as treatment for psychological disorders. Trainees are not eligible for Medical Benefits for psychotherapy or psychoanalysis where this is a requirement of training. Any form of psychiatric treatment which has attracted Medical Benefits may not be accredited as training.'*

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**EXPLANATORY MEMORANDUM**

1. These statements are in accord with the various rulings of the Commonwealth Department of Health and enforceable by that authority. [see Appendix 1]
2. The College understands that trainees will be in a state of satisfactory psychological function, in particular, free of psychological disorders necessitating treatment, when such trainees are accepted for training in psychotherapeutic techniques conducted by Members or Fellows.
3. Any treatment undertaken prior to entering training, for which Medical Benefits have been claimed, may not be accredited as training.
4. Where participation, as an analyst and/or as a recipient of psychotherapy, is a requirement of training then trainees will automatically debar themselves from receiving medical rebates for this experience.
5. It is accepted that trainees may become psychologically impaired during training, so as to warrant necessary treatment. Should this occur, two courses are open:
  - a) The training psychotherapy or psychoanalysis is formally suspended. The trainee may then enter therapeutic psychotherapy, psychoanalysis or any other form of psychiatric treatment, with the same (or another) psychiatrist who has become a treating rather than training therapist. Such treatment would be rebateable until the patient is considered fit to resume training. This period of treatment would never be accredited as training by the training body.
  - b) The trainee continues in the training psychotherapy or psychoanalysis which remains non-rebateable. Any necessary psychiatric treatment performed by the same (or another) therapist is also not rebateable. Accreditation issues do not arise.

**APPENDIX 1**EXTRACTS FROM MEDICAL BENEFITS CIRCULAR NO 238 (APRIL 1981)

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[Medical] benefits are not payable for services which are:

- '(i) part of a formal or informal training program;
- (ii) undertaken to improve a person's professional skills, eg mental health, medical and paramedical personnel who are required or encouraged by their employer to undergo a course of psychotherapy; or
- (iii) attendances for treatment concurrent with, though not a part of, a training program

... proformas, designed to establish patient or trainee status, [will] be introduced for use by medical benefit organisations.'

During 1991 the College sought clarification from the Health Insurance Commission of its current interpretation of the above policy on the payment of benefits for psychotherapy in relation to training. In the November 1991 issue of News and Notes (p38) the College Honorary Secretary, Dr Epstein, reported that the Commission had advised the College as follows:

- '(i) Training which involves the participation of a trainee in psychotherapy cannot be claimed for a Medicare benefit.
- (ii) If the trainee has a medical condition for which there is a reasonable medical necessity for psychotherapy then Medicare benefits could be claimed. In such a case, however, it would be expected that the Supervisor from whom the trainee is receiving instruction would not be the therapist.
- (iii) The Commission reserves the right in this case, as in any other case, to reassure itself that the service being offered is of reasonable medical necessity.'