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**Some “Food for Thought”:
An alternative way of getting an additional
Psychologist in Northam and a Potential Win-Win
for Northam residents, people living nearby and
their Mental Health**



Background

From time to time I get enquiries about again providing my Psychologist services to Northam.

The trouble is, when I’ve tried offering services there in the past, both before and after the recent changes to Medicare, allowing clients (broadly speaking) outside the metropolitan area, to get Medicare sessions over the internet, I have never had enough clients to make it financially viable. I have actually lost money on my previous efforts.

I’m trying to run a financially viable business, I’m not a charity, I get no government subsidy for supplying my services (e.g. “Royalty for Regions” funds or anything else).

So, a few things to be aware of when thinking about Medicare psychologist services;

1. The Medicare rebates (at \$84.80, for a “Generalist” psychologist like me) for a 50-minute consultation are about a third of the recommended fee of \$251 recommended by the Australian Psychological Society, to maintain a financially viable business;
2. That level of Medicare rebates is not enough to cover normal business overheads in a city-based office, (let alone the time and extra costs of travelling to the country) therefore it is normal practice to expect to pay some sort of a “Gap” fee;
3. For a Psychologist it is not just a case of paying rent and yourself a reasonable wage, there are also compulsory fees like professional registration (to AHPRA), Professional Indemnity Insurance, Monthly professional supervision, apart from any advertising and other administrative costs;



4. It should be remembered that a psychologist consultation is for 50minutes, not the 10 minutes or so, for a "normal" GP visit. Therefore, it is unrealistic to compare a (Bulk Bill) 10-minute GP visit with a 50-minute one for a Psychologist.

What can be done to get a "visiting"¹ Psychologist service to return to Northam?

Having been told of a few more recent enquiries about providing services in Northam, and being aware of the "Mental Health Crisis" in the Bush, I got to thinking "What other ways would work?"

I was also aware of the number of times I'd travelled to Northam and had no clients. (After the recent Telehealth changes and my various visits, I gave up, having had no Telehealth clients.)



I then thought, perhaps there is some local business, group or organisation that may be willing as a "Community Service" to subsidise my costs and make it financially viable, or at least make it a "break-even" situation, to come up to Northam on a regular basis. Say, to do initial Telehealth consultations, e.g. on the first Friday of each month. With the "follow-up" consultations done over the internet (at the usual applicable rates).

What I'd propose.

My costing would be fairly transparent, taking into account fairly easily identified costs, based on;

1. Travel time of about 80minutes each way (\$200 each way – this is roughly equal to my weekday hourly rate – currently \$160);
2. Room rental costs and petrol (another \$200 which would also help cover more general costs);



The "sponsor" would pay me \$600 (in advance) for each visit, to cover the costs described above. Then I would refund them the difference between what I got paid by clients and the \$600 in overheads.

Normally I can see up to five clients a day so a few examples of costs/payments e.g.

- Five clients @ \$160 (full fee) = \$800 to me – so a full \$600 refund to the sponsor;
- Five clients @ \$84.80 (bulk bill rate) = \$424 to me – so the sponsor will be refunded \$176;
- Two clients @ \$160 = \$320 + 3 @ \$84.80 = \$254.40 total to me \$574.40 = Sponsor is refunded) \$25.60.

¹ I know there are already a few psychologists that provide services in Northam but understand that people there might like to have a greater choice and or see someone they are not likely to "bump into" in the street.

What's in it for the Sponsor and what's in it for me?

1. For the sponsor - Knowledge that they are assisting in the provision of a service to their local community;
2. Also, for the sponsor – Acknowledgement of their support on the www.Colinlongworth.com.au/Northam website and any other advertising;
3. The sponsor may decide they are only prepared to sponsor e.g. people living in particular postcodes (i.e. not neighbouring locations);

Conditions and or expectations I would have;

4. "No-Shows" for whatever reason would be paid like the full fee normally received from the client (concession, bulk bill or full fee as appropriate) whereby the sponsor "makes up" my otherwise "lost" income;
5. The usual "clear business days' notice" requirement to cancel or reschedule would be applicable;
6. The sponsor would only be given the total numbers of clients, e.g. "3 full fee and 2 Bulk-bill", no details of who the actual clients are (i.e. usual confidentiality expectations would apply);
7. Referrals from local General practices, as arranged by clients;
8. Usual concession rate principles would apply (i.e. a concession/pension card);
9. Clients would have a GP Mental Health Care Plan, before seeing me;
10. Full Payment would be made on the day by the client, via Cash or EFTPOS and supplied with a Medicare receipt to claim back the rebate from Medicare in their own time;
11. Initially I would expect to have Northam visits on a monthly basis, but if there is enough demand, I would extend it to fortnightly visits;
12. Overall, I'd say what I get out of it, is a "Guaranteed" income for my services.



Summary.

At this stage, there is no firm plans or further steps taken by me, it is simply an idea.

This is a "Letter to the Editor" of the *Australian Psychological Society's InPsych* Magazine for Psychologists, about my recent attempts to provide Telehealth services via Northam, "**A drought of a different kind**" which goes into a bit of detail about my experience (It's the second letter)

<https://www.psychology.org.au/for-members/publications/inpsych/2018/april/Letter-to-the-Editor>

Feel free to contact me to explore this idea further, via email at

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