

Alternative Practice Models for Psychologists: An Overview

This special issue of *Good Practice* focuses on alternative practice models for psychologists in the context of the ongoing implementation of health care reform. The content highlights opportunities to grow your practice or to develop or join larger practice organizations designed to promote efficient, high-quality integrated care.

A range of options

Psychologists can consider a range of options available for adapting to the changing health care marketplace, from strategies for increasing your referral network to cutting-edge corporate structures. Relevant factors in planning for any changes to your practice likely include stage of career, interest in learning new skills, desired level of autonomy, interest in collaborating with other professionals, technological capabilities and inclination towards change. External conditions, such as local needs and market opportunities, also are germane.

After assessing both internal and external factors, you may conclude that your practice requires no changes. Or you may decide to implement some enhancements to your current business model or to develop or become an employee of an alternative practice model. The articles that follow will help you to evaluate your options and prepare for change, as well as provide you with information on alternative practice models including referral systems, co-location, independent practice associations, management services organizations (MSOs), patient-centered medical homes (PCMHs) and accountable care organizations (ACOs).

Opportunities and challenges

Clearly psychologists have a major role to play in the future of health care. Many already work at the forefront of health care reform – for example, by developing or participating in new payment and delivery systems. However, other psychologists may want to initiate activities such as updating their business plans, learning new skills, enhancing their technological capabilities or increasing their level of collaboration with other professionals.



Developing new skills

To be successful in the evolving U.S. health care system, some psychologists may benefit from developing new skills. For example, in some emerging models of care it will be useful to be able to provide brief interventions for mental and behavioral health problems, behavior change interventions for managing chronic disease and telehealth services. In addition, utilizing evidence-based treatments, measuring quality and outcomes and providing integrated care are becoming increasingly important.

There are many excellent continuing education programs and other resources available for psychologists who want to develop or enhance relevant skills. For example, the APA Education Directorate webpage on “Education and Training for Psychologists in Primary Care” has relevant information for students and practicing psychologists who are interested in working in primary care settings (www.apa.org/ed/graduate/primary-care-psychology.aspx).

The recently published article “Competencies for Psychology Practice in Primary Care” (McDaniel et al., 2014) reports on the outcome of a presidential initiative of 2012 APA President Suzanne Bennett Johnson, PhD. The article describes six broad core competency domains: Science; Systems; Professionalism; Relationships; Application; and Education. Within each competency, essential knowledge, skills and attitudes as well as behavioral anchors are provided.

Rozensky (2014) provides detailed recommendations for building psychology's primary care workforce and facilitating the success of professional psychology in the "ACA-driven" (Affordable Care Act) health care environment. His recommendations focus on interprofessionalism, financial and administrative accountability and autonomy, national and local advocacy, and education and training.

Reform includes behavioral health

The evolution of the U.S. health care system since the passage of the Patient Protection and Affordable Care Act ("ACA") in 2010 has already affected many psychologists and their clients. All of the major aspects of health care are currently being reexamined, including how delivery systems are structured, the types of payment models that are being implemented and even the types of services covered by public and private insurance.

Several important implications of the ACA for practicing psychologists, as described in more detail in previous APA Practice Organization publications, (www.apapracticecentral.org/advocacy/reform/patient-protection.aspx), include:

- **Mandatory mental health coverage at parity.** Mental health and substance use disorder services are a part of the essential benefits package that all qualified health plans provide through state Health Benefits Exchanges. These benefits need to be at parity with medical/surgical benefits. All state benchmark and benchmark-equivalent Medicaid coverage must also comply with the essential benefits package required for plans in the state Health Benefits Exchanges.
- **Opportunities in primary and integrated care.** Funding is being provided for several types of new initiatives designed to promote integrated care, including interprofessional community health teams that support primary care providers and consortia of health providers that deliver comprehensive care for low-income populations.
- **Opportunities in innovative payment and service delivery models.** A new Center for Medicare and Medicaid Innovation (innovation.cms.gov) is testing innovative payment and service delivery models to reduce program costs while preserving or enhancing quality of care. These models include ACOs and PCMHs.

Support for integrated care

Among the many recent changes to the health care landscape, a particularly positive change for professional

psychology is that behavioral health is now generally recognized as a critical component of overall health. Treatment for mental health and substance use disorders as well as interventions to address the behavioral aspects of many of the most prevalent physical disorders are all essential to achieving the "triple aim" goals for improving health system performance. The triple aim approach, which was originally developed by the Institute for Healthcare Improvement (bit.ly/IHITripleAim), seeks to improve the patient experience of care, improve the health of populations and reduce per capita cost. This approach has been adopted by the Centers for Medicare and Medicaid (bit.ly/Xq98R3) and is consistent with the goals of the ACA.

There is a growing body of evidence that integration of physical and behavioral health care promotes better overall health and can reduce per capita costs.

There is a growing body of evidence that integration of physical and behavioral health care promotes better overall health and can reduce per capita costs. Chronic illness accounts for more than 75 percent of the nation's health spending, and behavioral factors are leading causes of such illness (bit.ly/ChronicDiseaseCDC). In addition, patients with comorbid medical and mental health conditions incur higher health care costs. For example, a recent study found that the monthly total health expenditures for persons with

MIND
BODY

Alternative Practice Models for Psychologists: An Overview *continued from page 3*

chronic medical conditions and co-morbid depression were on average more than \$500 higher than for persons with chronic medical conditions who were not depressed (Melek & Norris, 2008). Most of this difference was attributable to higher medical (not mental health) expenditures. The authors of this study concluded that the costs of implementing effective integrated health programs may be easily offset by the ultimate savings from reduced total health care costs. A recent publication from the American Hospital Association (2012) reviewed the evidence and reached a similar conclusion: Better integration of behavioral health care services into the broader health care continuum can have a positive impact on quality, costs and outcomes.

The growing appreciation of the importance of behavioral health creates new opportunities for psychologists to develop and/or participate in innovative practice models that promote coordinated care. Psychologists can participate in integrated care in a variety of ways: conducting thorough psychological assessments, treating complex patients, applying behavioral principles to modify health-related risk factors, promoting patient responsibility and resilience, addressing interpersonal barriers to behavior change and understanding environmental determinants of behavior. In addition, psychologists can supervise other therapists and case managers, develop and administer integrated care programs and design and evaluate interventions.

Coordination of behavioral and physical health

Innovative care delivery and payment models typically require larger, interdisciplinary groups of professionals to work together in order meet the triple aim goals of improved health, improved care and lower costs. Large interprofessional groups and systems are well positioned to take the steps needed to achieve these goals because they have the capacity to provide coordinated or integrated care, adopt health information technology and collect data to demonstrate quality and value. In addition, larger groups and systems have the financial capital to build infrastructure and to handle the potential risks and rewards of participating in payment models such as bundled payments (for episodes of care), capitated payments and shared savings programs.

Coordination of behavioral and physical health services can be accomplished in a variety of ways ranging from

States are playing a key role in the implementation of health care reform and the development of new service delivery and payment models.

basic referral arrangements between physicians and psychologists to employment within the same integrated health organizations (See “Considering Options for Alternative Practice Models” on page 8).

State implementation of health reform

States are playing a key role in the implementation of health care reform and the development of new service delivery and payment models. For example, Washington recently released an extensive and detailed report on the “Washington State Health Care Innovation Plan” (bit.ly/WAplan). This transformational plan is an ambitious effort to improve health, improve care and lower costs. One of its major goals is to fully integrate mental health, chemical dependency and physical health care. Its strategies include: moving away from fee-for-service reimbursement to outcomes-based payments; enhancing prevention and early-disease mitigation efforts; and improving services for chronic illness (including physical and behavioral comorbidities) through better integration of care.

Massachusetts is another state at the forefront of reform. Its Patient-Centered Medical Home Initiative has set the goal for all primary care practices in the state to become PCMHs by 2015 (bit.ly/PCMH1). The “core competencies” for PCMHs under this initiative include: patient/family-centeredness; multidisciplinary team-based care; population-based tracking and analysis with patient-specific reminders; care coordination across settings, including referral and transition management with other providers including behavioral health; evidence-based care delivery; quality improvement strategies; and enhanced access (bit.ly/MACoreCompetencies).

Along with the APA Practice Organization, state psychological associations are a source of information for members about health care reform and related issues and considerations for practicing psychologists. 