When it comes to removing barriers that keep psychologists and doctoral psychology interns from participating fully in Medicaid, no single strategy works in every state, says Shirley Ann Higuchi, JD, associate executive director for legal and regulatory affairs for the American Psychological Association and APA Practice Organization.

So far, staff from the APA’s Practice and Education Directorates and the Practice Organization have helped 20 states tackle three advocacy goals: allowing independent practitioners to participate in Medicaid, reimbursing for services provided by supervised interns and expanding reimbursement for Health & Behavior codes for services provided to patients with medical diagnoses.

In each state, says Higuchi, the advocacy has looked a little different. In some states, the target is state psychology boards. In others, it’s state Medicaid agencies or even legislatures. And sometimes advocacy centers on working directly with Medicaid managed-care companies.

The roads to success

That tailored approach to Medicaid advocacy is paying off, says Caroline Bergner, JD, an attorney in APA’s Education and Practice Directorates.

In Nevada, for example, working with the licensing board proved successful. Earlier this year, the Nevada Psychological Association (NPA) celebrated the culmination of a decade-long fight to allow Medicaid reimbursement for services provided by interns.

Almost 10 years ago, NPA began working to change the state’s Medicaid manual so interns could be included in the list of “qualified mental health professionals” eligible for Medicaid reimbursement. After years of meetings with the licensing board, state Medicaid agency and Centers for Medicare and Medicaid Services, interns can now enroll as Medicaid providers once they register with the Nevada Board of Psychological Examiners.

In Texas, a combined legislative and regulatory approach worked in 2016. With help from APA, the Texas Psychological Association (TPA) successfully persuaded the state Medicaid program to allow reimbursement for services provided by interns and postdocs. APA supported legislation TPA helped draft giving psychologists the go-ahead to supervise interns plus the administrative rule change allowing interns and postdocs to bill Medicaid.

And in 2015, Oregon celebrated a legislative success removing barriers to integrated care for Medicaid beneficiaries. In the past, state regulators said mental health services couldn’t be provided in primary care settings, even though only 10 percent of patients followed through with referrals to mental health providers, says Robin Henderson, PsyD, of the Oregon Psychological Association. And payers often rejected Health & Behavior codes.

The new law Henderson shepherded through the legislature promotes integration by allowing psychologists and other behavioral health clinicians to provide care within primary care, defines interns and postdoctoral fellows as behavioral health clinicians so their services can be reimbursed, and allows providers to use physical, mental and Health & Behavior codes regardless of setting.

Working with insurers opens doors in D.C.

The work APA and the Practice Organization are doing in Washington, D.C., exemplifies their advocacy approach.

Determined to win Medicaid reimbursement for interns’ services, the APA advocacy team
started with a regulatory approach. They first approached the D.C. Department of Behavioral Health (DBH), which referred them to the D.C. Department of Health Care Finance (DHCF). DHCF then referred the team back to DBH.

The group also considered a legislative fix, generally a much slower solution. Lawyers in and out of APA recommended against approaching the D.C. city council, the local equivalent of a state legislature. Since the licensing board hadn’t raised the issue, Bergner and colleagues laid that option aside for the time. “We try to exhaust different remedies,” says Higuchi.


The partnership with AmeriHealth began with an invitation for Karen M. Dale, RN, the company’s market president, to speak to psychologists at a 2016 summit on alternative practice models and integrated care cosponsored by the Practice Organization and the District of Columbia Psychological Association. Instead of viewing psychological services as a cost to be reduced, AmeriHealth recognizes that such services improve patient outcomes and thus reduce costs, said Dale, who called for integrating behavioral health into primary care.

“We know that collaborative practices have improved outcomes,” Dale said in remarks at the summit, noting that depression, anxiety and other psychological conditions can “derail” patients with diabetes, heart disease and other chronic illnesses. That doesn’t just mean skyrocketing costs, she said. If patients are mothers with young children, for example, entire families are destabilized. “What we need is a robust enough network of providers willing to see these people,” said Dale, noting the special challenges faced by the 55,000 AmeriHealth members who live in the city’s impoverished neighborhoods, Wards 7 and 8.

APA is now helping AmeriHealth build that network. At AmeriHealth’s request, in June APA offered a training session on integrated care to psychologists and other mental health practitioners interested in collaborating with the company’s primary care offices.

This is the first time a payer rather than a state psychological association has asked for the training, says W. Douglas Tynan, PhD, who directs APA’s Office of Integrated Health Care and led the training. AmeriHealth, he says, understands “that to treat these patients more effectively, it’s not going to be medical/surgical, it’s going to be psychology where they make the most gains.”

Now APA and AmeriHealth are in the process of working out the next step. The hope is that interns from the Mid Atlantic Internship Consortium affiliated with the American School of Professional Psychology at Argosy University, Northern Virginia, will soon begin a rotation in AmeriHealth’s primary-care clinics, with postdocs to join in eventually.

The proposed pilot program would be a win for all involved, says Gayle Norbury, PhD, who directs the consortium. For AmeriHealth, the program would help ensure beneficiaries get the help they need to improve their health. Because AmeriHealth is open to the idea of using Medicaid to reimburse for services provided by interns, the program would help support the internship program while offering a valuable training opportunity to psychology interns. And APA would get an advocacy model to use in other states.

Higuchi agrees. “This could be a direct path to a lot of issues we’re concerned about, whether it’s integrated care, independent practice or reimbursement for interns, and building all those issues that demonstrate good practice into our relationship with AmeriHealth,” she says.

To learn more about psychologists’ experiences with Medicaid, listen to our podcast episode, “Progress Notes: Practicing Psychology in the Medicaid System.” In this episode, a clinical psychologist, a behavioral health care administrator and an attorney at APA talk about the intricacies of Medicaid and how the program can improve. Subscribe to the Progress Notes podcast on iTunes and SoundCloud, or listen on APAPracticeCentral.org.