

The Benefits of Paying Privately For Therapy

As is the case with many highly experienced and qualified therapists, I'm not affiliated with any insurance or managed care panels, which means that my clients pay privately for my services. This policy allows you to receive several important advantages.

1. **Experience** -- Insurance panels are generally comprised of less experienced providers who are in the process of developing their practices and their skill. Since most insurance plans do not pay highly experienced therapists any more than those just beginning their career, the simple reality of business is that you tend to get what you pay for.
2. **Privacy**-- Insurance companies have numerous people examining your files at various stages: people who authorize payment, track your progress, audit psychotherapy practices, input data, print bills, and so on. By not involving your insurance company your private personal information stays in my office. I'm the only person who has access to it except under specific circumstances which are outlined in my [Office Policies](#) and discussed in our first session.
3. **Control**-- Insurance companies will often authorize only a certain limited number of sessions and can arbitrarily stop paying for sessions for a variety of reasons. Insurance companies make money by getting you out of therapy as soon as possible. I want us to make that decision, not a corporation.
4. **Your Future**-- Your insurance provider requires you to receive a psychiatric diagnosis for your issue (e.g. major depressive disorder, generalized anxiety disorder, bi-polar disorder). If you wish to obtain private health or life insurance in the future, this information is open to review and can result in you and your family being denied coverage. Paying privately avoids this risk.

INSURANCE CAUTIONS:

Cautions About Paying for Psychological Therapy with Medical Insurance

Therapy is expensive, and you understandably don't want to pay out of pocket if you have insurance. However, you **should be aware of some very real problems before you make the decision to pay for therapy with medical insurance.**

(1) A MENTAL HEALTH DIAGNOSIS GOES ON YOUR RECORD

To get therapy paid for by your medical insurance of any kind, you will have to be diagnosed with a mental "disorder" of some kind. That will be in the computer database, available to insurance companies and, possibly, to future employers (and to the press if you run for president).

When you apply for insurance - medical, disability, or life insurance - your diagnosis will be a factor in determining your acceptance and your rate.

This is real. I have had clients turned down for insurance because of a diagnosis and others bumped to a higher risk premium. A diagnosis of a depressive disorder or an anxiety disorder could hurt you. Furthermore, if your M.D. prescribes any medication and puts that in his or her records and/or if you pay for it with insurance, then your insurance situation will definitely be affected. Your life insurance premiums, for example, will be higher if you have a record of having used Prozac. You should weigh these considerations before deciding to use your insurance to pay for psychotherapy or medication. Unfortunately, mental health and medical practitioners often don't consider this problem and put things in the record without consideration for the effect on you.

(2) YOU LOSE SOME PRIVACY

Some policies only want a diagnosis, dates, and charges. Other policies, however, approve of a small number of sessions at a time and want frequent documentation of why you're in therapy, what you're doing there, and how you're progressing. Your therapist has to justify each batch of sessions. This means your very personal information is "in the system." We have elaborate rules to protect that information, but you may have noticed that you are asked to sign a release of information before you can do a whole variety of things, like obtain a service and apply for insurance or even a job. You have to decide how much you trust "the system" to protect you.

(3) YOU MAY LOSE SOME CONTROL OVER YOUR THERAPY

When you pay for your own therapy, you decide how often and how long you need to go and when you're finished. When you use your insurance, an administrator may read your progress notes and decide when you stop. If you decide you want to continue and pay for it yourself, your therapist may not be able to legally continue, having signed a contract with the insurance company to see you only through the policy. Some therapists report that this has not been a problem in actual practice, while others report cases where it ended therapy prematurely.

(4) YOU CONFUSE THE RELATIONSHIP

When you pay for your own therapy, your therapist works only for you. There is no confusion: you are the client and the therapist is there to serve you.

When you pay with insurance, the picture is confused. You are still the client, and your therapist is not supposed to have any relationship that is a conflict of interest; but he is also contracted to the insurance company and gets paid by the insurance company for you and for other clients. There is a contractual and economic relationship with the company which can affect your therapist's decisions. If, for example, your therapist argues that you need long term therapy and has made similar arguments for other clients, he or she may be kicked off the insurance panel and not be able to charge for other clients. This is a problem with some companies and not with others.

(5) YOU MAY NOT GET THE THERAPIST YOU NEED

The best predictor of success in therapy, according to research over the last fifty years, is the fit between client and therapist. If you use insurance, you either select from a list of providers on your insurance panel "in network" or your primary care provider sends you to someone.

This works reasonably well for medical doctors, since it may not matter who prescribes your pill, so long as it is prescribed according to standard medical practice. When dealing with your soul and very personal information, however, there is no standard practice, and it matters a great deal who is the practitioner. It is quite possible to be sent to a good therapist who does his or her job and you get absolutely nowhere because it wasn't the right therapist for you. If this happens, you have invested time, money, and emotional pain in something that got you nothing.

BOTTOM LINE

IF YOU DON'T WANT TO USE YOUR INSURANCE:

If you can afford it, pay out of pocket and avoid the problems. On average, I see people twice a month ($\$150 \times 2 = \300 per month) for about 6 months. An average course of self pay therapy will run you \$1800 over 6 months.

Compare that to 6 months of co pays and the likelihood that it will raise your

rates significantly for Life, Disability, and Individual Health Insurance. It is like using your auto insurance to pay for a small dent in your car. Yes, you do have coverage for the small dent, but you know if you report it to your insurance company that your rates will go up. The same is often true when you use your mental health benefits of your medical insurance. Finally, there are some limits to confidentiality as described above.

If you simply cannot manage the fees, then at least try to negotiate something you can manage. Often, something in between what your insurance company would have paid and the full fee can be negotiated. Even at full fee, you might be able to afford one time a month rather than two or three times. And, with the type of therapy I do and with the homework given, this is entirely possible. At least discuss the option and see if you can work out an alternative. Once it is on your record, it is permanent.