

The Pros & Cons Of Using Insurance For Therapy

In the world of HMO's, PPO's, high premiums and co-pays, it is understandable to want to use your medical insurance as much as you can. Insurance companies are becoming more receptive to the positive benefits of therapy. There are benefits and risks of using insurance to cover therapy sessions and you should be educated on what it means to use your insurance benefits for psychotherapy.

Benefits: Some insurance will pay for a portion of your sessions, leaving you to usually pay a co-payment and/or your deductible.

Risks: In order to use medical insurance, the insurance company has to feel that the service is medically necessary. In order for your therapy to be covered, there needs to be a diagnosis. This is given to the insurance company & they decide if the benefits will cover this diagnosis. The treatment plan must also reflect how the diagnosis is being treated, which may or may not agree with the issues that initially brought you into therapy.

Using insurance also means that your level of confidentiality is compromised. When a therapist submits a bill to the insurance company, many people have access to all the information provided on that bill: the processor, case managers, peer reviewers and customer services representatives, just to name a few. In the short-run, this may not affect you; however, if you ever decide to apply for life insurance or other similar types of policies, all medical records are requested. This includes all mental health records. If you are summoned in a court proceeding, such as a divorce, custody hearing or as a witness, your medical records can also be subpoenaed.

If the number of authorized sessions is used up, the therapist may need to contact the insurance and discuss your case with a case reviewer to determine if your case warrants additional sessions. The only information they have to base their decision is what your therapist provides. The insurance company will make that determination regardless of what your therapist or you feels is appropriate. Insurance may recommend a psychiatric evaluation for medications if they believe therapy alone is not reducing the symptoms.

What Does This Mean For You?

Consider the pros and cons of using insurance for therapy sessions, including the cost factor, the paper trail and the confidentiality factor. Determine the purpose of your therapy and how much you want to maintain your confidentiality, treatment and number of sessions strictly between you and your therapist, or if the issues are better maintained through your insurance. Only you can make this decision.