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Senate Bill 273 (Substitute S-3 as passed by the Senate)
Sponsor: Senator Judy K. Emmons
Committee: Regulatory Reform

Date Completed: 7-29-14

RATIONALE

Michigan has a two-tiered licensing system for the practice of psychology. Those with a doctorate in psychology may call themselves "psychologists" and practice their profession independently, while those with a master's degree in psychology are licensed as limited license psychologists (LLPs) and may practice only under the supervision of a doctorate-level psychologist. Some people feel this system is confusing and misleading to patients, and that the current title for master's-level psychologists has a negative connotation. Some also believe that the supervisory requirement puts LLPs at a disadvantage compared to other similarly trained mental health professionals, such as master's-level social workers (MSWs) and licensed professional counselors (LPCs), who may practice without doctorate-level supervision. It has been suggested that Michigan revise its licensing system to designate master's-level psychologists as "psychological associates" and allow those with a certain amount of experience to practice independently of doctors of psychology.

CONTENT

The bill would amend Part 182 (Psychology) of the Public Health Code to do the following:

- **Require the Department of Licensing and Regulatory Affairs (LARA), in consultation with the Michigan Board of Psychology, to promulgate rules to establish and administer a licensure program for practice as a psychological associate.**
- **Establish educational and experience requirements for licensure as a psychological associate.**
- **Allow a licensed psychological associate with at least 6,000 hours of supervised experience to practice without supervision, after passing a required exam.**
- **Discontinue provisions for granting a limited license to practice psychology, but allow a person with a limited license to obtain a psychological associate license or renew the limited license.**
- **Authorize LARA, in consultation with the Board, to establish continuing education requirements for practice as a psychological associate.**
- **Extend restrictions on a psychologist's disclosure of confidential information to anyone licensed under Part 182.**

The bill also would amend Part 161 (General Provisions) of the Code to establish a \$60 annual license fee a psychological associate.

The bill would define "psychological associate" as an individual who is licensed or otherwise authorized to engage in practice as a psychological associate. "Practice as a psychological associate" would mean rendering services to individuals, groups, organizations, or the public that involve the application of principles, methods, and procedures of understanding, predicting, and influencing behavior for the purpose of diagnosis, prevention, amelioration, or treatment of mental or emotional disorders, disabilities, or behavioral adjustment problems by means of

psychotherapy, counseling, behavior modification, hypnosis, biofeedback techniques, or other verbal or behavioral means. The term would not include any of the following:

- The practice of medicine, such as prescribing drugs, performing surgery, or administering electro-convulsive therapy.
- Except as otherwise provided in Part 182, the administration, production, or distribution of written or verbal psychological testing, evaluations, or reports, or their documentation or distribution in a clinical record.
- The practice of applied behavior analysis unless the person is licensed or otherwise authorized to engage in that practice under another part of the Public Health Code or other State law.

(Except for the second and third exclusions, this definition is virtually the same as the current definition of "practice of psychology".)

Psychological Associate License

Under Part 182, a person may not engage in the practice of psychology unless he or she is licensed or otherwise authorized by Article 15 (Occupations) of the Public Health Code. In addition, under the bill, an individual could not engage in practice as a psychological associate unless he or she were licensed or otherwise authorized by Article 15.

Part 182 requires the Michigan Board of Psychology to promulgate rules requiring an individual who is granted a license under the part to meet certain criteria for education and experience. Under the bill, LARA would have to promulgate those rules in consultation with the Board. Also, within one year after the bill's effective date, the Department, in consultation with the Board, would have to promulgate rules to establish and administer a licensure program for practice as a psychological associate. Within six months after those rules were promulgated, the Board would have to grant a license to engage in practice as a psychological associate to an individual who met the requirements described below.

The Board would have to grant a psychological associate I license to a person who had a master's degree in psychology from a regionally accredited or other college, university, or institution approved by the Board, the preparation for which included education and training appropriate to practice as a psychological associate.

The Board would have to grant a psychological associate II license to a person who met the psychological associate I licensure requirement and had at least 6,000 hours of experience in practice as a psychological associate in an organized health care setting or other arrangement, as established by the Board. The Board could recognize only hours that were accumulated in not fewer than three years or more than six years under the supervision of a psychologist who had a license other than a limited license. If such a psychologist were not available, however, the Board could authorize an individual who had a psychological associate II license to provide the required supervision. The Board would have to grant a limited license to an individual who met the other psychological associate II requirements for the purpose of obtaining the required hours of experience.

Also, subject to standards included in the rules, to be granted a psychological associate II license, a person would be required to have passed the examination for the professional practice of psychology as developed by the Association of State and Provincial Psychology Boards.

The Board of Psychology would have to grant a psychological associate II license to an individual who had continually held a limited license under the Code since June 30, 2010, unless that person opted to renew his or her limited license (as described below).

A person granted a license to engage in practice as a psychological associate under Part 182 could not administer, produce, or distribute written or verbal psychological testing, evaluations, or reports, or document or distribute the psychological testing, evaluations, or reports in a

clinical record unless supervised and countersigned by a psychologist who had a license other than a limited license.

A person granted a psychological associate license could not advertise or make a representation to the public that would lead the public to believe that he or she was engaging in the practice of psychology. A person granted a psychological associate I license could engage in practice as a psychological associate only under the supervision of psychologist who had a license other than a limited license. A person granted psychological associate II license could engage in practice as a psychological associate without supervision.

Fees

Under the Code, various fees apply to a person licensed or seeking licensure to engage in the practice of psychology under Part 182, as shown in Table 1.

Table 1

Type of Fee	Amount
Application Processing	\$50
Full doctoral license, per year	\$90
Limited doctoral license, per year	\$30
Masters limited license, per year	\$60
Temporary limited license, per year	\$15
Limited license, per year	\$40
Temporary license	\$15
Examination review	\$20

Under the bill, the fee structure also would apply to a person licensed or seeking licensure to engage in practice as a psychological associate, and a psychological associate would have to pay a license fee of \$60 per year.

Limited License

Part 182 requires the Board to grant a limited license to engage in the practice of psychology to an individual who meets certain requirements. Under the bill, this would not apply on and after the date the Board began to grant licenses to engage in practice as a psychological associate.

At his or her option, a person who held a limited license to engage in the practice of psychology on the date the Board began to grant psychological associate licenses under the bill could renew the limited license as long as he or she continued to meet the requirements for that license and the other applicable requirements of Part 182. The Board would have to grant a psychological associate license to an applicant who held a limited license under the Code on the date that the Board began granting psychological associate licenses if the applicant met both the bill's requirements for licensure as a psychological associate and the other applicable requirements of Part 182.

Continuing Education

Part 182 allows the Board to establish continuing education requirements in subjects related to the practice of psychology that are designed to further educate licensees, and authorizes the Board to establish the minimum number of hours. The bill would permit LARA, in consultation with the Board, to establish those requirements, as well as minimum hours of continuing education in subjects related to practice as a psychological associate.

Confidential Information

Currently, a psychologist licensed or allowed to use that title under Part 182, or an individual under the psychologist's supervision, cannot be compelled to disclose confidential information acquired from an individual consulting the psychologist in his or her professional capacity if the

information is necessary to enable the psychologist to render services. Information may be disclosed under certain circumstances, with the consent of the individual consulting the psychologist, or that person's guardian if the individual consulting the psychologist is a minor. The bill would refer to a licensee under Part 182, rather than a psychologist, in these provisions.

Use of Titles

The use of certain titles is restricted to those people authorized under Part 182 to use them. Under the bill, the following titles also would be restricted those authorized under Part 182 to use them: "psychological associate", "licensed psychological associate", and "limited licensed psychological associate".

Third-Party Reimbursement

The bill specifies that the proposed amendments to Part 182 would not require new or additional third-party reimbursement or mandated worker's compensation benefits for services rendered by a person licensed as a psychological associate.

MCL 333.16343 et al.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The bill would address a longstanding contentious issue regarding the professional standing of master's-level psychologists. Under the State's current licensing structure, those mental health care providers are known as "limited license psychologists" and may practice only under the supervision of a "psychologist" (a person with a doctorate in psychology). This is true even for an LLP with 20 or 30 years of experience, who may have to be supervised by someone who has just completed his or her Ph.D. in psychology.

For several reasons, many people engaged in the practice of psychology, at both the doctorate and master's levels, have expressed concern with this licensing system. The term "limited license psychologist" often suggests to health care consumers that master's level psychologists are limited in their capabilities and credentials. The requirement that an LLP practice under the supervision of a doctor of psychology also is onerous and unwarranted. According to written testimony provided to the Senate Regulatory Reform Committee by officials from the Michigan Association of Professional Psychologists, Michigan has about 3,500 master's-level psychology providers, which is more than any other state in the country. The two-tiered system, however, hinders their ability to practice and provide care to patients, because most job opportunities for psychological providers are in the area of independent practice. Even the most experienced and qualified LLPs may not even apply for those jobs because of the supervisory requirement.

By changing the title of master's-level psychologists from "limited license psychologist" to "psychological associate" and allowing a master's-level psychologist who qualified for a psychological associate II license to practice independently, the bill would more accurately reflect the qualifications and capabilities of master's-level psychologists and allow them to provide care more readily to patients who need mental health services.

Response: The current use of the term "limited" for an LLP licensee means that the license is limited, not that the practitioner is limited. Moreover, the proposed term "psychological associate" could be misleading, as it would not necessarily convey what a master's-level psychologist does (compared with the title "Master of Social Work", for instance).

Supporting Argument

One of the problems with the current system is that different mental health care providers do not have equivalent authority. While LLPs may practice only under the supervision of a doctor of

psychology, MSWs and LPCs have similar educational backgrounds and may provide similar services without doctorate supervision. By allowing a psychological associate II generally to practice psychology without supervision, the bill would enable these mental health professionals to compete fairly with social workers and counselors. In addition, if LLPs were allowed to practice independently as psychological associates, Michigan residents could have more access to mental health services using both private health insurance and government-based mental health programs.

Response: While the bill could result in fairer competition among mental health care providers, it would not necessarily make master's-level psychology services available under health insurance programs. Indeed, the bill specifically provides that it would not require new or additional third-party reimbursement or mandated workers' compensation benefits for services provided by a psychological associate.

Opposing Argument

By designating master's-level psychologists as "psychological associates", the bill essentially would demote LLPs to paraprofessionals with no public recognition or credibility as established clinicians, and would allow the practice of psychology to be monopolized by doctorate-only professionals. The "associate" title would be different from every other mental health license in Michigan. If the license status of master's-level psychologists were altered as proposed, established avenues for employability and insurance billing in various health care settings would be disrupted or severed. Instead of providing more opportunities for master's-level psychologists, the bill would reduce the ability to provide mental health services to the public.

Response: This legislation is the result of long-term cooperative efforts between the Michigan Association of Professional Psychologists (limited license psychologists) and the Michigan Psychological Association (fully licensed psychologists). The bill would authorize master's-level psychologists who had at least 6,000 hours of experience and passed an exam to operate independently of doctors of psychology, which would give them greater opportunities to practice. As for the license terminology, no job title for master's-level psychologists will please everyone but the current title is, in itself, limiting. It is important to retain some form of the word "psychology" in any new title but have it distinctive from "psychologist" (which the American Psychological Association defines as a doctorate-level profession), and "psychological associate" seems to fit that standard.

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Josh Sefton

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.