

**Written Submission for the Pre-Budget Consultations
in Advance of the 2021 Budget**

August 2020

By: Canadian Counselling and Psychotherapy Association (CCPA)

Recommendations

Recommendation 1: The Canadian Counselling and Psychotherapy Association (CCPA) recommends that the Federal Government permanently include counsellors/psychotherapists/ counselling therapists as an eligible expense in the Public Service Health Care Plan, extending the Government's temporary measure.

Recommendation 2: CCPA recommends that counselling and psychotherapy services be exempted from HST/GST, thus providing Canadians with improved access to one of the most cost-effective mental health care options available.

Recommendation 3: CCPA recommends that the federal government re-instate Canadian Certified Counsellors (CCCs) to the list of approved service providers for the Non-Insured Health Benefits Program for First Nations and Inuit in provinces currently working toward regulating the counselling/psychotherapy profession.

Body of Submission

About CCPA:

The Canadian Counselling and Psychotherapy Association (CCPA) is a national bilingual association representing the collective voice of approximately 8,000 professional counsellors and psychotherapists.¹ CCPA promotes the profession and its contribution to the mental health and well-being of Canadians.

CCPA acknowledges that federal investments have been made in areas related to mental illness and mental health, but that there are further concrete actions that can be taken to better the lives and productivity of Canadians.

By age 40, about 50% of the Canadian population will have or have had a mental illness.ⁱ Counselling is the most prevalent but least met need of the four mental health care needs identified in the 2012 Canadian Community Health Survey.ⁱⁱ Counsellors and psychotherapists are in a position to assist in reversing this negative trend.

Resolving certain barriers, particularly around mental health, will assist the federal government in its desire to keep Canada competitive. Statistics on the annual productivity impact of mental illness in the workplace are increasing each year from 6.4 billion dollars in 2011 to an estimated 16 billion by 2041.ⁱⁱⁱ CCPA believes that the key to any successful business is its workers, and by ensuring that employees are healthy, businesses can maximize their productivity and competitiveness.

As a result, CCPA recommends that the following items be added to the 2021 federal budget:

Recommendation 1: CCPA recommends that the Federal Government permanently include counsellors/psychotherapists/counselling therapists as an eligible expense in the Public Service Health Care Plan, extending the Government's temporary measure.

On April 24th, 2020 the [Treasury Board Secretariat](#) announced temporary changes to accept mental health practitioners in the Public Service Health Care Plan (PSHCP) stating that:

Social workers in all areas across the country and psychotherapists/counsellors working directly with plan participants are temporarily accepted as mental health practitioners under the PSHCP.

This change was in response to the COVID-19 pandemic and designed to help PSHCP members and eligible dependents access health care benefits while at the same time minimizing social interaction with health care professionals. We strongly urge the government to extend this measure permanently to address the long-term needs of plan members.

On any given week, over 500,000 Canadians are missing work due to mental health problems, which contributes to \$6 billion in lost productivity due to absenteeism and presenteeism.^{iv} From a federal public service perspective, we know that before the pandemic 50% of all approved claims under the Public Service Health Care Plan (PSHCP) fell under the category of mental health.^v

¹ *Counsellors* refers to Registered Counselling Therapists (RCT) in Nova Scotia, Licensed Counselling Therapists (LCT) in New Brunswick, and Canadian Certified Counsellors (CCC) in unregulated provinces/territories: British Columbia, Alberta, Saskatchewan, Manitoba, Prince Edward Island, Newfoundland and Labrador, and the territories. *Psychotherapists* refers to Registered Psychotherapists in Ontario and psychotherapy permit holders in Quebec.

Understandably, COVID-19 has widespread impacts on mental health. A recent Abacus Data survey found that 75% of those Canadians polled felt anxious, 37% felt lonely, and 32% said they were having a hard time falling asleep because of COVID-19.^{vi} A June 2020 survey commissioned by the Centre for Addiction and Mental Health (CAMH) reports that nearly 20% of Canadians have felt anxiety and 18.4% have experienced anxiety.^{vii} It is difficult to predict when Canadians' anxiety and mental health struggles associated with the pandemic will subside, and it is possible there will be long-lasting impacts.

Currently the PSHCP permanently covers up to \$2,000 annually for a psychologist. Government workers are reimbursed for 80% of the claims.^{viii} The cost for a one-hour session with a counsellor or psychotherapist typically ranges from \$70 - \$150, making it one of the most cost-effective mental health services available.

Plan members who will begin to use covered counsellor/psychotherapist services due to this temporary measure will establish a therapeutic relationship with their mental health practitioner. Research shows that the client's working relationship with their therapist is the second highest factor contributing to the effectiveness of therapy, exceeded only by client factors such as their readiness to change.^{ix} Ending coverage for this service will present plan members with an undue and unfair challenge, forcing them to either stop receiving treatment or transition to a new practitioner, having to enter the often long waiting system and eventually begin their treatment with someone new.

It is critical to utilize the most appropriately trained mental health professionals, either as individual practitioners or as members of multi-disciplinary teams. The role of counsellors and psychotherapists is complementary to the work of other service providers. Including this resource in the continuum of care helps address the shortage, growing demand, and increasing cost of mental health services.

Furthermore, as a result of the added pressures that many public servants have experienced over the longevity of payment issues due to the Phoenix system, increasing the accessibility and affordability of appropriate mental health services across Canada is vital to the success of our country.

Allowing members of the public service to permanently bill costs related to counselling and psychotherapy would increase the range of treatment options and allow for appropriate access to healthcare that all Canadians deserve, regardless of their province or territory of residence.

This recommendation could be implemented through the Treasury Board Secretariat and the Unions under the PSHCP Medical Practitioners Benefit.

Recommendation 2: CCPA recommends that counselling and psychotherapy services be exempted from HST/GST, thus providing Canadians with better access to one of the most cost-effective mental health care options available.

Some, but not all mental health services are exempt from the HST/GST. The variation depends on whether the provider of the service is exempt, not the nature of the service itself. At present, physicians, psychiatrists, registered nurses, registered psychiatric nurses, psychologists, occupational therapists and social workers are either covered under public funds or third-party health care plans, both of which are exempt from HST. The clients of counsellors and psychotherapists are disadvantaged by the addition of HST/GST to the service delivery costs.

GST/HST across the provinces and territories varies from 5% to 15%, which is a significant additional cost that hurts accessibility for those Canadians seeking care by qualified providers, such as counsellors and psychotherapists.

By reducing the out-of-pocket costs paid by Canadians for counselling, we reduce one of the many barriers to accessing mental health services. The tax that is being applied to these mental health services when they are delivered by counsellors and psychotherapists may cause Canadians to reduce the frequency with which they seek these services. The effect will be that those needing mental health services, who cannot afford increased costs due to the additional burden of the HST/GST, will either languish without treatment, remain on lengthy waiting lists as their mental health potentially deteriorates, seek help from within the publicly funded healthcare system which is under tremendous cost pressure, or will not seek help at all.

In the interest of universal accessibility and fairness, the services of counsellors and psychotherapists should also be tax exempt.

Department of Finance officials told CCPA staff that five provinces must regulate a profession by the Ministry of Health before it may qualify for exemption. Alberta was the fifth province to regulate the psychotherapy profession in Canada in 2018. It is expected that the new College in Alberta will be proclaimed in late 2020 or early 2021. The government should now move forward and provide the HST/GST exemption to psychotherapy services by adding it within the list of HST/GST-exempt health care services under Part II section 7 of the Excise Tax Act. Alternatively, we propose amending the regulations pursuant to this Act within Prescribed Health Care Services section 10 of Part II of Schedule V to include psychotherapy services.

This recommendation would seamlessly complement the government commitment made in Budget 2019 to expand the list of GST/HST-exempt health care services to specifically include a multidisciplinary health care service and individuals experiencing infertility.

Recommendation 3: CCPA recommends that the federal government re-instate Canadian Certified Counsellors (CCCs) to the list of approved service providers for the Non-Insured Health Benefits Program for First Nations and Inuit in provinces currently working toward regulating the counselling/psychotherapy profession.

In 2015, Canadian Certified Counsellors (CCCs) were removed from the list of approved providers for Health Canada's Non-Insured Health Benefits (NIHB) Program and the Indian Residential Schools Resolution Health Support (IRS RHS) Program in all provinces and territories where the profession of counselling/psychotherapy is not regulated. Health Canada decided at the time that only in exceptional circumstances, specifically rural and remote areas, would CCCs be accepted and on a limited basis. This decision has significantly reduced appropriate, universal access to mental health counselling services for Indigenous peoples and communities across the country, and disadvantages those requiring care in unregulated provinces and territories.

A submission by CCPA to the Assembly of First Nations (AFN)-First Nations Inuit Health Branch (FNIHB) NIHB Joint Review Steering Committee in September of 2015 led to a recommendation from said committee to "immediately reinstate as eligible providers" CCCs in provinces and territories that have not regulated the profession. However, this call to action was never implemented.

Other federal departments currently recognize CCCs in unregulated provinces as approved mental health service providers, including the Treasury Board for federal public servants, and Veterans Affairs Canada for retired members of the military and RCMP. Also important to note, the First Nations Health Authority (FNHA) in BC who, since 2013 has held responsibility in BC for First Nations programs and services formerly delivered by Health Canada, includes CCCs as eligible providers.

In the interest of better and more equitable access to mental health services for First Nations and Inuit, it is recommended that Indigenous Services Canada implement the call to action from the AFN-FNIHB Joint Review Steering Committee and immediately reinstate CCCs under the NIHB program in Newfoundland and Labrador, Prince Edward Island, Saskatchewan, Manitoba, Alberta, and the territories.

References:

ⁱ Public Service Health Care Plan (2015) Medical Practitioners Benefit <http://www.pshcp.ca/coverage/maximum-eligible-expenses.aspx>.

ⁱⁱ Statistics Canada (2013). Canadian Community Health Survey: Mental Health, 2012 <https://www150.statcan.gc.ca/n1/daily-quotidien/130918/dq130918a-eng.htm>.

ⁱⁱⁱ Mental Health Commission of Canada. (2012). Making the case for investing in mental health in Canada. Ottawa, ON.

^{iv} Carolyn S. Dewa, Nancy Chau, Stanley Dermer. *Examining the Comparative Incidence and Costs of Physical and Mental Health-Related Disabilities in an Employed Population. Journal of Occupational and Environmental Medicine*, 2010; 52 (7): 758 DOI: 10.1097/JOM.0b013e3181e8cfb5.

^v Mike Lapointe (2019) Approved Public Service Mental Health Claims pass 50 per cent threshold for first time.' The Hill Times. <https://www.hilltimes.com/>.

^{vi} Abacus Data (2020). "COVID-19 and Canadians' State of Mind: Worried, lonely, and expecting disruption for at least 2 to 3 month"

^{vii} CAMH (2020). COVID-19 National Survey Dashboard <https://www.camh.ca/en/health-info/mental-health-and-covid-19/covid-19-national-survey>.

^{viii} National Joint Council (2016). Disability Insurance Plan Board of Management - Annual Report – 2016, National Joint Council. January 1 to December 31, 2016 "Distribution of Causes of Disability for Approval Year 2016."

^{ix} Hubble, Mark & Duncan, Barry & Miller, Scott. (1999). *The heart and soul of change: What works in therapy*. 10.1037/11132-000.