



PRPA Ontario 2020 Pre-Budget Submission

Submitted by: Partnership of Registered Psychotherapist Associations

January 24th, 2020

Recommendation

PRPA recommends that all regulated psychotherapy services in the province be HST exempt, giving Ontarians better access to one of the most cost-effective mental health services available.

Who We Are

The Partnership of Registered Psychotherapist Associations (PRPA) represents the interests of the Registered Psychotherapist Associations in Ontario, uniting advocacy efforts to ensure the voices and needs of hardworking and valuable Registered Psychotherapists are heard.

Leading up to and following proclamation of the College of Registered Psychotherapists of Ontario (CRPO) on April 1, 2015, there has been a need for collaboration in advocating for the profession. Our stakeholders include the public at large, employees, employers, the insurance industry, healthcare institutions, our regulatory college (CRPO), and all levels of government. These key players need to be aware of and understand the role of Registered Psychotherapists in providing access to quality care for the increasing number of people seeking it.

Advocating together allows us to educate our stakeholders more effectively on the competencies of Registered Psychotherapists and the role they do and can play in the healthcare sector. PRPA also provides stakeholders with a focal point to reach the RP community.

Why is Change Necessary?

By age 40, about 50% of the population will have or have had a mental illness.¹ In any given week, at least 500,000 employed Canadians are unable to work due to mental health problems.² This includes:

- Approximately 355,000 disability cases due to mental and/or behavioural disorders³
- Approximately 175,000 full-time workers absent from work due to mental illness⁴

The cost of a disability leave for a mental illness is *about double the cost of a leave due to a physical illness*. A small proportion of all health care patients account for a disproportionately large share of health care costs. Patients with high mental health costs incur *over 30% more costs* than other high-cost patients. Therapy wait lists can be long, particularly for children and youth. In Ontario, the average wait time is between six months to one year. A growing body of international evidence has proven that promotion, prevention, and early intervention initiatives show positive returns on investment. Children and youth alone make up \$220 million in additional hospital costs with over 72,000 emergency visits and 14,000 more hospitalizations.⁵

¹ 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”

² Dewa, Chau, and Dermer (2010). Examining the comparative incidence and costs of physical and mental health-related disabilities in an employed population. *Journal of Occupational and Environmental Medicine*, 52: 758-62. Number of disability cases calculated using Statistics Canada employment data, retrieved from <http://www40.statcan.ca/l01/cst01/labor21a-eng.htm>.

³ Ibid.

⁴ Institute of Health Economics (2007). *Mental health economics statistics in your pocket*. Edmonton: IHE. Number of absent workers calculated using Statistics Canada work absence rates, retrieved from <http://www.statcan.gc.ca/pub/71-211-x/71-211-x2011000-eng.pdf>.

⁵ Children’s Mental Health Ontario (2019). *Annual Report Card: The Burden on Kids Mental Illness on Families and the Economy*.

We cannot afford this mental health crisis. We must make the investment in our future immediately.

PRPA believes resolving certain barriers, particularly around mental health, will assist the provincial government in its desire to keep Ontario competitive. We support the provincial government in its efforts to ensure Ontario's competitiveness in the economy, and believe that the key to any successful business is a diligent workforce comprised of dedicated Ontarians. We want to ensure that employees are happy and healthy, giving their all in both their private and professional lives without being encumbered by mental illness. Both individuals and businesses will enjoy the benefits of productivity and success when these challenges are addressed on an individual level.

PRPA wishes to propose the following for the 2020 provincial budget:

Recommendation

Make all regulated psychotherapy services HST-exempt, giving Ontarians better access to one of the most cost-effective mental health services available.

HST is a significant additional cost that hurts accessibility for Ontarians seeking care by qualified regulated providers such as the 7000 Registered Psychotherapists (Registered Psychotherapists) located across the province. Most Ontarians do not receive adequate, if any, funding for mental health therapy and either suffer in silence or use expensive and overburdened hospital emergency services. Since 2006, the increase in emergency department visits by children and youth suffering from mental illness has increased by 83%.⁶ A 2013 case study in Ottawa has found that a targeted investment to build a community program for mental health support yields a 76% reduction in hospital inpatient stays for these youth.⁷ This is real, tangible evidence that access and availability to support is precisely what this province needs to release the strain of frequent hospital visits on our healthcare system. Removing this cost barrier and providing access to the approximately 7,000 community-based Registered Psychotherapists is precisely what this province needs to relieve the strain of hospital visits on our healthcare system.

The clients of psychotherapists are disadvantaged by the addition of HST to the service delivery costs. Of the six colleges permitted to treat mental illness, *Registered Psychotherapists are the only ones whose services are not HST-exempt*. It is PRPA's position that the work of professional and regulated Registered Psychotherapists is a necessary service to the public. In the interest of universal accessibility and fairness, the services of psychotherapists should also be tax exempt.

By reducing the out-of-pocket costs paid by Ontarians for psychotherapy services, we reduce one of the many barriers to accessing mental health services. The tax that is being applied to

⁶ Children's Mental Health Ontario (2019). *Hospitalizations Expected to Double in 2019 for Children and Youth with Mental Health and Substance Use Issues*.

⁷ Ibid.

these mental health services when they are delivered by Registered Psychotherapists may cause Ontarians 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, 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 the help at all. We cannot afford this increased strain on our healthcare system, nor should we let our neighbors suffer in silence.

Federal Department of Finance officials have informed the PRPA that five provinces must regulate a profession before it may qualify for GST/PST exemption. In 2018, Alberta was the fifth province to regulate the psychotherapy profession in Canada. It is our recommendation that the Ontario Government move forward and provide the HST exemption to all its regulated psychotherapy services by adding it to the list of HST-exempt health care services.

Conclusion

The PRPA asks that the concerns demonstrated by the statistics are heard and our recommendation be addressed. Help us to remove HST as an existing barrier to accessing mental health care and help mitigate the impact of mental illness for Ontarians around the province. We applaud the Ontario Government's commitment to investing in mental health support, and put forward these recommendations to further advance this goal. The ongoing fight to maintain positive mental health affects both the personal and professional life of constituents, and they don't have to weather it alone. The PRPA and its member associations are ready and willing to work alongside the Ontario Government to ensure that everyone who seeks help is met with support and care, and that barriers to treatment are removed.