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**Review of *The Impact of Managed Care on the Practice of Psychotherapy: Innovation, Implementation and Controversy*.**

**Richard M. Alperin and David G. Phillips. Reviewed by Steven Segal, University of California, Berkeley.**

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economic and health care system factors influence the extent of need for long term care and specific home health services" leads to an inefficient and ineffective system. Too many policies in the United States are currently predicated on the assumption that the aging population is a homogenous group with little apparent regard for the diversity of ethnicity, race, class or gender. This often leads to one-size-fits-all policies, allowing for marginal flexibility and few programmatic options conducive to diverse attitudes, perceptions and approaches to care. This is an increasingly serious problem given the rapid rise in the proportion of diverse populations among the elderly.

The authors argue that it will take much more than mere recognition of this diversity in order to enhance formal and informal care systems. The key is to facilitate intense interaction between program designers and community in order to generate ongoing public discourse and public involvement in planning and implementing programs that are sensitive to ethnic, race, class and gender issues, as well as the critical need for multi-discipline approaches to long-term care. The text is clear, concise and cogent. It informs with objectivity and insight, giving the reader ample material for reflection and consideration without being pedantic. While the focus is on long-term care, it would be useful in a college aging studies policy class as an example of how policies are often developed within a cultural, ethnic and gender vacuum. In addition, it includes thoughtful and accurate discussions on social security, private pensions, Medicare and Medicaid, the role of the family, the provisions of the Older Americans Act, and the well-known On Lok community-based, multi-disciplinary system of care in San Francisco.

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Richard M. Alperin and David G. Phillips, *The Impact of Managed Care on the Practice of Psychotherapy: Innovation, Implementation and Controversy*. New York: Brunner/Mazel, 1997. \$31.95 hardcover.

Alperin and Phillips offer an overview of managed care in a tripartite conceptual framework. They first consider innovations

managed care brings to psychotherapy practice, including technological advances, options for reorganization of service delivery, case management, and the increasing use of psychoactive medications. Second, they look at implementing managed care in a psychotherapeutic practice, focusing on treatment approach/managed care fit, the difficulties encountered and the changes required. Finally, they consider controversies including issues of compromised confidentiality, incentives to provide minimal care, and inappropriate restrictions on treatment duration. The final chapter, an analysis and critique of managed care policy, proposes a new model to address the needs of patients who's problems go beyond the treatment limitations of brief psychotherapy.

Alperin and Phillips' overview introduction offers a historical view of the development of managed care principals in health maintenance organizations from altruistic socialized medicine to corporate medicine. They cover the major principals of utilization review and prepayment of care, as well mentioning the issue of moral hazard involved in the provision of over treatment, a major concern of managed care advocates. Perhaps, in attempting to be user-friendly, they avoid terms such as capitation, case rates, and prospective payment systems, which are at the heart of managed care and would be useful for a psychotherapist to at least have in their vocabulary.

Looking first at the innovation section, two papers by Kelley Phillips provide a nice overview of the parameters associated with updating clinical practice with new knowledge and the skills. The reader is introduced to cost benefit analysis, behavioral health care carve-outs, and fourth party clinical management organizations and their role in utilization review. Incorporation of new technologies based upon increased access to information through use of computers, standardized assessment protocols, and the application of critical pathways-algorythms are discussed. We are then treated to Sidney Grossberg's paper on the mechanics of building a successful group practice in a managed care environment. Finally, we consider the role of case management in managed care which is nicely illustrated by the Birne-Stone, Cypress and Winderbaum paper. This section provides a good introduction and overview of each of the topics addressed, and its citations offer leads to other primary sources. Its appended

glossary of terms is also helpful, but might have been expanded and used as an appendix to the whole book.

In the next section, implementation, Kenneth Frank discusses Focused Integrated Psychotherapy, a new approach incorporating cognitive behavioral principals within a psychodynamic framework of short-term psychotherapy. Though he notes that this is not a substitute for long term treatment, he views it as an efficient way of providing therapy to an appropriately selected subgroup of patients. His approach offers the analytically minded therapist a direction and framework for organizing their practice in the time limited, brief and focus-demanding environment of managed care coverage. Wright and Rosenberg then consider and illustrate how brief group therapeutic interventions are well suited to the needs of patients in managed care. In papers by Altman, Balen and Jarratt, contributions of family systems therapy and hypnotherapy in a managed care environment are discussed. The latter two papers emphasize the compatibility of these interventions with managed care goals, and both seek a wider use of their techniques in the managed care arena.

The final section looks at controversial issues in managed care. David Phillips considers legal and ethical issues deriving from changes in practice attributable to managed care or more specifically utilization review. He defines the legal concept of "standard of care" and discusses the attribution of negligence to professionals in the delivery of care. Having given the reader a basis for understanding their responsibilities under the law, he discusses how limitations on care resulting from utilization review are leading to new responsibilities for practitioners, most notably, "economic advocacy" and "economic disclosure" responsibilities. He further considers the changes in the development of provisions for informed consent and inpatient care which are occurring in the managed care context.

Both Alperin and Edward then present papers strongly illustrating the negative impact utilization review and treatment time limitation have on the therapeutic relationship in psychoanalytically oriented psychotherapy. Their points are well illustrated through case example. These authors show the challenge that managed care poses to the conduct of long-term psychoanalytically oriented psychotherapy.

Finally, William Herron, in his chapter on restructuring managed mental health care, poses a challenge to some of its basic assumptions, namely economic savings associated with limitations on the duration of psychotherapy and the definition of medical necessity for outpatient psychotherapy as limited to "necessity" vs. "improvement" and "potentiality." Herron argues that the costs of outpatient psychotherapy are not so great as to justify the limitations based upon its usage. He points to dosage effects of psychotherapy which would indicate justification for longer periods of approval. He further indicates that the average cost for allowing people to select their own therapist and to continue without any limitations (though he does accept copayments and caps on benefits) would be minimal. He challenges the policy makers to an experiment on the grounds that in the long run, allowing for "improvement" as a goal in psychotherapy as opposed to the satisfaction of simple medical necessity—would be more cost-effective. Harrin's chapter is challenging and reflects the need for change, reorganization and experimentation in the managed care field. His chapter and the book as a whole open conceptual areas for psychotherapists and give them some insight into the options and changes that will come about as the adoption of managed care principals proceed.

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