

California Association of Psychology Providers CAPP Beginnings and History 1982-1987

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CAPP began in September of 1982 as the Strike Force on AB799 and AB3480 which empowered a "CZAR" to negotiate rates, terms and conditions of contracts for services to Medi-Cal beneficiaries and gave new powers to private insurance companies to enter into contracts for "alternative rates of payment." The Strike Force was founded jointly by the California State Psychological Association and its Division (I) of Clinical and Professional Psychology in September, 1982. The first chair was Steven Frankel, Ph.D. Founding members were James Anderson, Jay Dess, Stanford Green, Ruth Hochberg, Marc Kluender, Rogers Wright and Maurice Zemlick. In early 1983, the name was changed to Strike Force on Health Services Delivery. The Chair was Stuart Wilson, Ph.D.. The Directors were Jay Dess, Russ Gold, Stanford Green, Ruth Hochberg, Marc Kluender, Rogers Wright and Maurice Zemlick.

The Strike Force initially was funded by its two founding sponsors contributing \$2500 each. Subsequent contributions were received from such organizations as: Los Angeles Society of Clinical Psychologists (\$1000), North Carolina Academy for the Advancement of Psychology (\$500), Washington State Psychological Association (\$500), Virginia Academy of Clinical Psychologists (\$200), New Jersey Psychological Association (\$150), \$100 each from the Psychological Associations of Connecticut, Kansas, Ohio and Texas.

In March, 1983, the need for legal separation from CSP A and Division I became obvious. In May of 1983, the Strike Force became CAPP with Stuart Wilson as the founding President. The first Directors were: John Kincaid, Vice-President; Jay Dess, Treasurer; Barbara Biggs; Marlin Griffith; Don Hiroto; Marc Kluender; Roben 5010dow; Rogers Wright and Maurice Zemlick.

The Strike Force had been meeting with local psychological associations since the fall of 1982. On May 6, 1983, CAPP representatives met with Los Angeles psychologists at UCLA's NPI. The meeting was co-sponsored by the Los Angeles County Psychological Association and the Los Angeles Society of Clinical Psychologists. Funding had reached \$70,000; Michele Licht, JD had been hired as General Counsel; Marg~ry Hamburg, formerly the Administrator of Division I was hired as Executive Director-in December.

Initially, CAPP was involved with issues like California's request for waivers of federal regulations relating to freedom of choice for Medi-Cal patients. CAPP Legal Counsel, Michele Licht, wrote formal objections to the consolidation of fee-for-service into Short-Doyle. CAPP was involved with hearings on the regulations drafted by the Department of Insurance in 1983 regarding EPOs. CAPP filed a significant amicus brief in the Hedlund case.

CAPP'S most important challenge began to take shape in early 1983 because California's hospital regulations were not consonant with statute (Health and Safety Code Section 1316.5), and discriminated against psychologists in favor of psychiatrists in diagnosis and treatment planning. CP Ahad petitioned the Department of Health Services, and failing this, planned to file suit in Superior Court to have the two critical regulations declared illegal and invalid and to compel promulgation of new regulations assuring psychologists the right to practice within the scope of licensure, and to hold membership on the medical staff. The suit was filed on June 19, 1984 in Los Angeles.

The Attorney General answered the complaint on August 16, 1984. Counsel Licht asked for a trial date. CAPP's office was moved to Ms. Hamburg's home, and the Directors hunkered down and endured the most miserable days of their lives. The timing seemed monstrous. But as an omen that CAPP would continue the work, the AP A Defense Fund donated \$3,000 for the suit in the spring of 1985, and an additional \$3,000 challenge grant. Sadly for CAPP, Ms. Hamburg left in March of 1985

On July 30, 1985, CAPP won its suit! The court granted a motion for summary judgement, finding the contested regulations inconsistent with the Psychology Licensing Law and Section 1316.5 of the Health and Safety Code. New regulations were promulgated on October 22, 1985 by the Department of Health Services. One hundred and thirty psychologists in CAPP, with additional funds from eleven other psychological associations (including CPA and Division I) and hundreds of individual donors, had won parity for all psychologists in hospital settings in California.

The joy was short lived. In March of 1986 the California hospital Association in conjunction with the California Medical Association and the California Psychiatric Association launched an offensive challenging the court's findings. Beleaguered CAPP found itself in court five times in six weeks. The opposition asked for a stay of enforcement of the new regulations. The trial court denied the stay. The opposition became Appellants and filed in the Court of Appeal on April 14, 1986. The stay of enforcement was again denied a month later. The Appellants filed for a stay and review in the California Supreme Court on May 9, 1986. The stay again was denied but the review was granted and transferred to the Court of Appeal.

With the bewildering complexity of the legal process and regress, CAPP had every reason to believe the case would go to the Supreme Court. Since 1983 it was clear that the issue was not hospital procedures but psychology's scope of practice. CAPP had tracked the issue from the beginning and developed the expertise to see it through. Lack of money hampered the challenge, but in the spring of 1986, the profession rallied to support CAPP. Once again, the AP A Defense Fund contributed \$6,000 and a \$6,000 challenge grant. The CAPP Bulletin pleas raised \$4,000 from psychologists across the state.

Indeed it is ironic that Title 22 hospital regulations came to occupy a central focus in CAPP, an organization in 1984 the Directors of which were not hospital-based psychologists. The issue was embraced because it involved the independent practice of psychodiagnosis and psychotherapy within scope of licensure, regardless of site of practice. Erosion of scope of practice in California undoubtedly would echo throughout the country, hence the need for concerted action against regulations discriminating against psychologists' professional functions.

