The Auditor State of Hawai'i

## **OVERVIEW**

## Sunset Evaluation: Mental Health Counselors

Report No. 08-06, March 2008

## **Summary**

We evaluated the regulation of mental health counselors under Chapter 453D, Hawai'i Revised Statutes (HRS), which is scheduled for repeal on December 31, 2008. Mental health counselors are trained to treat emotional and behavioral disorders, to prevent problems, and to promote mental health in individuals, families and groups. Counseling may be done either on a one-to-one basis or in a group setting. Counselors work in a wide array of settings including independent practice. Counselors use a variety of therapeutic techniques to address problems such as depression, substance abuse, suicidal impulses, stress, and grief. The counseling profession is growing rapidly and is relatively youthful. The percentage of counselors under the age of 35 grew from 11.5 percent in 1995 to 16.3 percent in 2002. Currently, about 100,000 people are working as mental health counselors. The U.S. Bureau of Labor Statistics expects the employment numbers to grow by 30 percent between 2006 and 2016, or much faster than the average of all occupations.

In three prior sunrise reports on counselors, we concluded that based on the criteria for regulation, the proposal to regulate mental health counselors was not warranted. However, in 2004, the Legislature established a licensing program for mental health counselors without further analysis by our office. The Legislature noted that the mental health delivery system needed substantial improvement and believed that licensing would make economic sense. Hawai'i had a shortage of licensed mental health professionals; licensing would increase their availability, reduce costs, and achieve parity with other professionals licensed in related fields. Progress towards achieving these goals would have an overall benefit to the consumers—an outcome intended by Section 26H-5, HRS.

Licensing began on July 1, 2005. The Department of Commerce and Consumer Affairs (DCCA) reports a total of 177 licensed mental health counselors—119 on Oahu, 47 on the neighbor islands, and 11 on the mainland. The Professional and Vocational Licensing Division (PVL) of DCCA has reported no problems in implementing the law. The National Board for Certified Counselors was contracted to administer the examination. Generally, it takes PVL 10 to 12 business days to process licenses upon the receipt of licensing fees.

Except for California, all other states and the District of Columbia have some form of licensure for counselors. Licensing of mental health counselors has stimulated growth in training programs and enrollment. For example, as of 2007, a total of 510 graduate counseling programs have been accredited by the Council for Accreditation in Counseling and Related Programs—an independent agency recognized by the Council for Higher Education Accreditation. In the last two

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years alone, the number of programs increased by 15 percent with 66 programs being added and accredited. In Hawai'i, a rising number of students are enrolled in graduate programs in community counseling at the University of Hawai'i at Mānoa and at Hilo and Chaminade University.

Federal and state regulations are qualifying more and more licensed specialty categories of mental health professionals for reimbursement. As reimbursements increase for less costly services, costs are likely to be reduced. At the same time, Hawai'i consumers benefit by having expanded and more accessible mental health services.

As we found in prior reports, there is little evidence that the practice of mental health counseling could harm the public. Since the law was implemented, only two complaints have been filed with the Regulated Industries Complaints Office at the DCCA. Even though licensing is not warranted based on criteria in Section 26H-2, HRS, we found that from the broader perspective of Section 26H-5, HRS, licensure appears to be achieving several public interest objectives sought by the Legislature. Once licensing is made permanent, more and more programs will recognize mental health counselors as qualified providers. Federal programs will also qualify them for direct reimbursement. This will expand the types of services available to clients, improve their access, and reduce their costs. Therefore, we conclude that the licensing program under Chapter 453D, HRS, should be reenacted.

## Recommendations and Response

We recommend that Section 26H-4(b), HRS, be amended to remove the repeal date of December 31, 2008 for the licensing of mental health counselors, and that Chapter 431M, HRS, on Mental Illness, Alcohol and Drug Treatment Insurance Benefits, be amended to add licensed mental health counselors to the list of practitioners. Draft legislation is provided in Appendix B.

The Department of Commerce and Consumer Affairs opted not to provide a response.