# Psychotherapy in the US faces crisis as medicalisation and commercialisation rise



The field of psychotherapy in the United States is currently facing a profound transformation, shaped by economic, institutional, and cultural forces that many experts argue have led to its medicalization, deskilling, and commodification. This evolution is closely tied to the 1980 publication of the third edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM-III), which marked a pivotal shift by providing a dominant biomedical framework for understanding and diagnosing mental health conditions. Once a relatively obscure professional manual, the DSM has since become ubiquitous, heavily influencing how psychological suffering is conceptualised, treated, and reimbursed in the healthcare system.

This biomedical lens, where mental health struggles are framed primarily as "fixed disorders," has been widely adopted not only by mental health professionals but also by the general public. Yet, as noted by Dr Allen Frances, former chairman of the DSM-IV committee, the very concept of defining mental disorders is fraught with uncertainty and subjectivity. Despite this, insurance companies mandate the use of DSM diagnoses for billing purposes, enforcing a standardised, symptom-focused approach to psychotherapy often branded as "evidence-based." These therapies, frequently time-limited and designed for cost-effectiveness, mirror medical interventions by targeting measurable symptom reduction aligned with DSM categories.

The rise of evidence-based therapies, while intended to standardise care, has paradoxically diminished the autonomy and clinical expertise of psychotherapists. Instead of engaging in nuanced, individualized treatment, many practitioners have been reduced to technicians who apply prescribed protocols. Nancy McWilliams, a renowned psychoanalyst, highlighted in an interview with Mad In America that psychotherapy, unlike research, is deeply subjective and must consider individual suffering beyond rigid diagnostic categories. She also pointed out that evidence-based research often involves participants who are more cooperative and less severely ill, calling into question its relevance for those with complex or severe mental health conditions.

This development has exacerbated longstanding criticisms within the profession, including the tendency to focus on the "worried well"—patients who are young, attractive, verbal, intelligent, and successful (YAVIS)—while neglecting those with serious mental illnesses. Many therapists, influenced by biomedical narratives, now direct individuals with more severe symptoms toward psychiatric care, further institutionalising the divide. Micha Frazer-Carroll's perspective, as discussed in Mad In America, echoes this by arguing that mainstream mental health awareness campaigns normalise mental illness for the "worried well" while marginalising those defined as "mad" or seriously ill, perpetuating a system that often results in incarceration and state control rather than care.

The mental health workforce itself is evolving amid these pressures. As the demand for therapists increases, training programmes have shortened and specialised professional development has declined. Many clinicians entering the field hold degrees in social work or mental health counselling and may lack the rigorous, long-term clinical training traditionally associated with psychotherapy. Economic forces drive this trend: insurance companies favour providers who can be reimbursed at lower rates, often social workers and counsellors, while therapists in private practice face financial challenges such as costly liability insurance, office rents, and health insurance, frequently receiving low hourly rates despite long hours.

Furthermore, the rise of "online weekend side-gig therapists" employed by profit-focused corporations like BetterHelp exemplifies how market dynamics favour accessibility and volume over clinical depth. These practitioners often handle less complex cases due to limited preparation and training, while experienced therapists sometimes refuse to treat individuals with severe conditions, citing liability or perceived hopelessness. Psychologist Marsha Linehan has noted that therapists receive no additional compensation for working with highly distressed or complex patients, discouraging engagement with those who might require more intensive care.

The increasing commercialisation extends to education and professional development, where continuing education units (CEUs) offered by profit-driven entities prioritize marketability over substantive training. The result is a fragmented landscape where therapists may claim expertise in modalities such as Cognitive Behavioural Therapy (CBT), Dialectical Behaviour Therapy (DBT), or relational therapy without formal training, sometimes applying techniques superficially. This proliferation of credentials and approaches, alongside unconventional offerings including energy healing and even tarot readings advertised under the umbrella of psychotherapy, has blurred the definition of what psychotherapy entails and confused consumers seeking effective care.

Such a fragmented and highly commodified system, heavily influenced by insurance mandates and corporate interests, encourages therapists to market themselves using therapeutic buzzwords and identity politics, fostering competition rather than collaboration within the profession. This dynamic creates what has been described as a “cycle of gaslighting,” where both therapists and patients are disoriented by oversimplified labels and unrealistic expectations, allowing an industry prioritising profitability and neoliberal ideology to dominate.

In summary, the psychotherapy profession in the United States is navigating a complex crisis characterised by the medicalisation of mental health, rising economic pressures, erosion of clinical standards, and an expanding market of providers with varying degrees of training and competence. These issues highlight a growing distance between the rhetoric of mental health awareness and the realities faced by therapists and patients alike. A more comprehensive, systemic critique of these trends may be required to address the present challenges and restore psychotherapy’s integrity as a professional discipline focused on meaningful care. The Mad In America publication is reporting on these dynamics, offering a critical analysis of how current economic and institutional forces shape the mental health field.

Source: [Noah Wire Services](https://www.noahwire.com)

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