



Consumer Participation Program Annual Report

July 1, 2012 through June 30, 2013

February 28, 2014

CONSUMER PARTICIPATION PROGRAM ANNUAL REPORT

The Department of Managed Health Care (DMHC) is the country's first government agency solely dedicated to regulating health plans and assisting consumers to resolve disputes with health plans. The DMHC oversees 65 full-service health plans, including all California HMOs and some PPOs, as well as 52 specialized plans such as dental and vision. Overall, the DMHC regulates approximately 90 percent of the commercial health care marketplace in California.

Health and Safety Code section 1348.9 requires the DMHC to annually report awards issued under the DMHC's Consumer Participation Program (CPP) to the appropriate policy and fiscal committees of the Legislature before March 1. This report covers the reporting period from July 1, 2012, to June 30, 2013.

Background

The CPP allows the DMHC Director to award reasonable advocacy and witness fees to any person or organization that has a record of advocacy on behalf of health care consumers if they make a substantial contribution to a DMHC administrative or legislative proceeding resulting in the adoption of a regulation, or in an order or decision of the Director that has the potential to impact a significant number of consumers. Pursuant to Title 28 of the California Code of Regulations, section 1010, a person or organization interested in receiving awards through the CPP must complete the following three applications: Request for Finding of Eligibility to Participate and Seek Compensation; Petition to Participate in a Proceeding; and Application for an Award of Advocacy and Witness Fees. These applications are available on the Department's public website at: http://www.dmhc.ca.gov/aboutthedmhc/gen/gen_cpp.aspx.

A person or organization who intends to seek an award must submit to the DMHC Director a Request for Finding of Eligibility to Participate and Seek Compensation, giving notice that it represents the interests of consumers and of its intent to claim compensation. The request must be verified, and may be submitted at any time independent of the pendency of a proceeding in which the person or organization seeks to participate.

Periodically, the DMHC Director may identify regulatory proceedings in which he or she believes consumer participation would be helpful and anticipates that fees may be awarded. A person or organization desiring to participate in a proceeding and seeking an award shall submit electronically to the DMHC Director a Petition to Participate in a Proceeding.

Following the issuance of a final regulation, order or decision by the Director in the proceeding, a person or organization who has been found to be eligible for an award of compensation may submit an Application for an Award of Advocacy and Witness Fees. A person or organization that makes a substantial contribution may be eligible for full compensation.

Current Update

Since the CPP became effective on July 1, 2003, the Department has approved 19 Requests for Finding (or Renewal) of Eligibility to Participate and Seek Compensation, 39 Petitions to Participate in a Proceeding, and 19 Awards of Advocacy and Witness Fees.

During the reporting period from July 1, 2012, to June 30, 2013, the Department approved one (1) Petition to Participate in a Proceeding. On September 16, 2013, the Department approved one (1) Award of Advocacy and Witness Fees. Both were granted to Autism Health Insurance Project, Inc.

Autism Health Insurance Project, Inc., applied for and was awarded \$6,900.00 for its substantial contribution regarding the Pervasive Developmental Disorder and Autism Coverage regulation (28 CCR § 1300.74.73). This regulation clarified and made specific the uniform and timely application of the laws related to health plan coverage of medically necessary services for the diagnosis and treatment of Pervasive Development Disorder and Autism, and implemented, interpreted and made specific certain provisions of SB 946 (Steinberg, Chapter 650, Statutes of 2011), Health & Safety Code section 1374.73, and existing law under the Knox-Keene Health Care Service Plan Act of 1975, as amended.

Department Efforts to Improve the Consumer Participation Program

The DMHC recently conducted a review of the CPP and determined that adjustments should be made to the existing regulation to streamline the process for persons and organizations to participate in the program. For example, the DMHC plans to simplify the application process by eliminating the requirement that applicants submit a “Request for Finding of Eligibility to Participate and Seek Compensation”, and including eligibility requirements in the “Petition to Participate in a Proceeding” application instead. This would remove a step in the application process and make it easier for individuals and organizations to apply for and participate in the CPP.