

AB 2892 (L. Rivas): Consumer Participation Program

The “Consumer Participation Program” at the Department of Managed Health Care (DMHC) was enacted in 2003 after the passage of [AB 1092 \(Sher\) in 2002](#). It allows for the DMHC director to award reasonable advocacy and witness fees to any person or organization that represents the interests of consumers, and has made a substantial contribution on behalf of consumers to the adoption of any regulation, or to an order or decision made by the director, if the order or decision has the potential to impact a significant number of enrollees. Often, these awarded organizations have a demonstrated track record of serving vulnerable, low-income consumers, immigrants, and communities of color that benefit from representation in the process.

A 5-year sunset was included in original bill from 2002 since the program was considered to be new and experimental. But for the past 15 years, its successes have been documented annually in reports to the legislature. Consequentially, the sunset has been extended multiple times through the budget process. The program is currently targeted to sunset in 2024, but AB 2892 would extend the Consumer Participation Program indefinitely.

How does the Consumer Participation program work?

The Consumer Participation Program is funded through fees imposed on health plans that are licensed by the state of California. It is not funded through the state General Fund. The authorizing statute specifies that awards may not exceed \$350,000 each fiscal year, and the Director of the DMHC has the discretion to award these fees to eligible parties.

To maintain an appropriate level of oversight and accountability, regulations were adopted to implement the Consumer Participation Program which include specifications for eligibility of participation, rates of compensation, and the procedures for seeking compensation. Further, implementing regulations required that an applicant for an award demonstrate a record of advocacy on behalf of health care consumers in administrative or legislative proceedings in order to determine that the applicant is truly representing the interests of consumer. Finally, to ensure transparency, DMHC publishes a report to the legislature and makes information publically available on their website related to opportunities and awards connected to the Consumer Participation Program.

AB 2892 (L. Rivas) would permanently establish the [Consumer Participation Program](#) within the Department of Managed Health Care given the proven track record of its success.¹

¹ <https://www.dmhc.ca.gov/AbouttheDMHC/OpportunitiestoParticipate.aspx>