Understanding Your COST OF CARE AMOUNT

A Guide for People Getting Long-Term Services & Supports

Trust
Alaska Mental Health Trust Authority

THE SHORT ANSWER

WHAT IS COST OF CARE AMOUNT (COCA)?

- *Your monthly payment toward your services*
- *Like paying your share of the bill*

WHY THIS MATTERS TO YOU

When you understand COCA from the start, you can:

- *Avoid surprise bills*
- *Know exactly what to expect each month*
- *Plan your budget*
- *Keep your services running smoothly*

IMPORTANT DEADLINES

***30 DAYS** from the date of the notice to request a Fair Hearing if you disagree*

***10 DAYS** to report from when your household knows about income or living situation changes*

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What This Guide Is About

If Medicaid helps you pay for long-term services and supports in Alaska, you might need to pay some money each month toward your care. This payment is called your "Cost of Care Amount" or "COCA."

We know money matters can be confusing. This guide explains COCA so you know what to expect.

When you get Medicaid long-term services and supports, federal law says that you must pay a part of your income toward your care if your income is above a certain amount. This payment is your **Cost of Care Amount (COCA)**.

Think of COCA as your monthly share of the cost for services that help you live as independently as possible.

HERE'S HOW IT WORKS:

- Alaska pays your service provider for your care.
- If you have a COCA, Alaska pays the provider less because you pay part of the cost of your services directly.
- You must pay your COCA to your service provider each month. Your provider will not receive full payment for your services if you don't.

Main Process Steps

1. YOU GET SERVICES

When you get Medicaid long-term services and supports, federal law requires income-based cost sharing.

2. ALASKA CALCULATES YOUR COCA

The Division of Public Assistance (DPA) figures out your COCA using these steps:

- Add up all your monthly income (Social Security, pensions, job income, other money)
- Subtract your allowed expenses (personal needs allowance, unreimbursed medical expenses you pay, etc.)
- What's left becomes your monthly COCA payment

3. YOU GET TWO LETTERS

- Medicaid Eligibility Letter (says you qualify for services)
- Cost of Care Amount Letter (shows monthly payment amount if you have to pay COCA)

4. YOU PAY YOUR PROVIDER

- Pay the provider who helps you most.
- Services continue.

Need Help?

Your Care Coordinator:
Can help you understand how COCA works

Your DPA Caseworker:
Can help with questions about your COCA payment amount

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HOW YOUR COCA IS CALCULATED

Your Income
Social Security, Pensions, Job pay, Other money

− **Your Expenses**
Personal needs allowance, Medical bills, Insurance

= **Your COCA**

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When DPA Figures Out Your COCA

DPA figures out your COCA at three important times:

1. **When you first apply** for Medicaid long-term services and supports
2. **Every year** when you renew your Medicaid
3. **When you report changes** to your income or expenses

During these times, your DPA caseworker will look at your income and expenses to figure out if you have to pay COCA and how much it will be.

INCOME SOURCES TO REPORT:

- Social Security (provide award letter)
- Pensions/retirement (provide statements)
- Employment income (provide pay stubs)
- VA benefits (provide award letter)
- Trust income (provide complete trust docs)
- Investment income

ALLOWABLE DEDUCTIONS:

- **Personal Needs Allowance if You Live in:**
  - **Nursing home: $200/month**
  - **Assisted living: $1,396/month**
  - **Living at home: $1,656/month**
- Health insurance premiums (you pay)
- Medical expenses (you pay)
- Guardian fees (up to $100/month)
- Income taxes
- Support for spouse/dependents

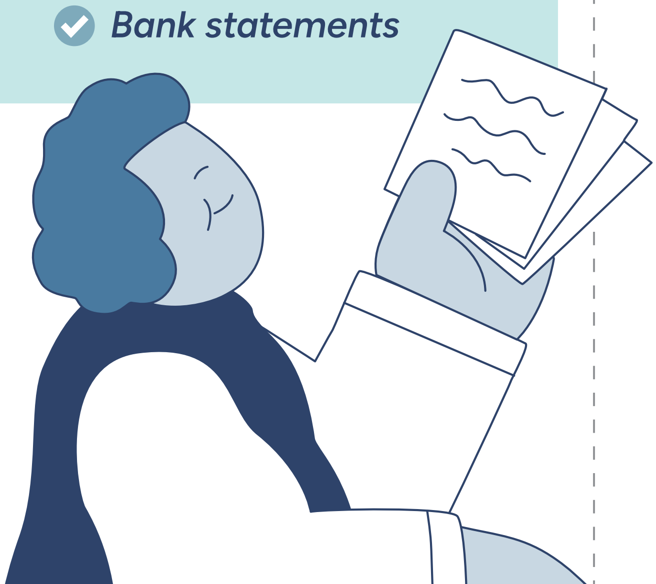
DEADLINE ALERT

Report changes within **10 DAYS**

Contact your DPA caseworker **IMMEDIATELY** if your income or living situation changes.

KEEP THESE PAPERS

- *Social Security letters*
- *Insurance bills*
- *Medical bills*
- *Bank statements*



Documentation Checklist

Save paperwork for all the money you get and medical bills you pay. Give your DPA caseworker the right kind of paperwork that shows your income and expenses. Bank statements by themselves aren't enough. This helps make sure your COCA payment amount is correct.

FOR INCOME VERIFICATION:

- Social Security award letters
- Most recent pay stubs (if working)
- Pension/retirement statements
- VA benefit award letters
- Complete trust documents + court registration
- Trust bank statements (all accounts)

FOR EXPENSE VERIFICATION:

- Insurance premium bills/statements
- Insurance Explanation of Benefits (EOB) forms
- Pharmacy EOB forms
- Tax returns
- Guardian/conservator invoices

TIP: Bank statements alone are NOT sufficient - you need the original source documents listed above

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UNDERSTANDING YOUR COST OF CARE AMOUNT LETTERS

You will get **two letters:**

1. **Medicaid Letter** *(you qualify)*
2. **COCA Letter** *(payment amount)*

Check carefully - *make sure all income and expenses are included*

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After DPA decides you're eligible for Medicaid, they will send you two letters:

1. **Medicaid Eligibility Letter** - says you qualify for services
2. **Cost of Care Amount Letter** - shows how much you need to pay each month (if you have to pay COCA)

The COCA letter shows:

- All your income
- All approved expenses you qualify for
- Your monthly COCA payment amount

Check your letter carefully. Make sure DPA included all your income and expenses. If something is missing, call your DPA caseworker right away. Have your paperwork ready to make things go faster.

IMPORTANT TIP: Always share these letters with your care coordinator so everyone has the same information.

Who Can Help You:

Your Care Coordinator:
can help you understand how COCA works

Your DPA Caseworker:
can help with questions about your COCA payment amount

Keep all letters
you get about Medicaid and COCA

IF YOU THINK YOUR COST OF CARE AMOUNT IS WRONG

30 DAYS to request a Fair Hearing:

First: *Contact your DPA caseworker*

If that doesn't help: *Ask for Fair Hearing*

You have 30 days to ask for a Fair Hearing if you think your payment amount is wrong.

HOW TO ASK FOR A FAIR HEARING

A fair hearing request can be made to any DPA employee in person, by telephone, or in writing:

- Call the Virtual Contact Center: (800) 478-7778
- Email: hss.dpa.offices@alaska.gov
- Fax: (907) 269-6520 in Anchorage or (888) 269-6520 statewide

IMPORTANT: Keep proof you sent your request. DPA must respond within 10 days.

IMPORTANT ADVICE: If you disagree with your COCA, ask for a Fair Hearing. You can cancel your request later, but you cannot ask for a Fair Hearing after 30 days.

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MAKING YOUR COST OF CARE AMOUNT PAYMENTS

Who to Pay

If you live in a:

- Nursing home
- Assisted living
- Group home

PAY THEM

If you live at home:

Pay the provider who helps you most

Simple rule: *Pay whoever helps you the most*

How to Make Your Payment

You don't pay COCA directly to the state. Instead, you pay one of your service providers.

When you're ready to make your COCA payment:

- Pay the provider's office staff, not the people who give you direct support
- Ask the office staff how and where to make payments
- Give a copy of your COCA letter to the provider you choose to pay

This makes sure your payment gets handled properly.

IMPORTANT NOTES:

- You can only pay your COCA to waiver service providers
- You cannot pay your COCA to Personal Care Services (PCS) providers because PCS is not a waiver service

SPECIAL SITUATIONS

If You Have a Trust

Your COCA counts ALL your income BEFORE trust payments

Trust Calculation Details

Your COCA is calculated using ALL income BEFORE any money goes into the trust.

Alaska Native Dividends: Dividend income over $2,000 annually counts toward COCA even if deposited in a trust.

ONE-TIME PAYMENTS (LUMP SUM):

- Sometimes you get money that isn't part of regular monthly income
- DPA only counts this for the month you get it
- Alaska PFDs don't count

WHEN YOUR COST OF CARE AMOUNT MIGHT CHANGE

COCA May Change When:

- Your income changes
- You move
- Your expenses change

REPORT IN 10 DAYS or COCA might be wrong

You must report changes to your DPA caseworker within 10 days.

Changes that might affect your COCA include:

- New job or job loss
- Social Security increase/decrease
- Pension changes
- Moving to different care setting
- Any changes to medical expenses
- Insurance changes

Must report within **10 days**

HOW TO REPORT:

1. Contact DPA caseworker first
2. Have documentation ready
3. Follow up in writing if requested
4. Keep records of when you reported

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WHEN THINGS GO WRONG

Common Questions

Who do I pay?
Office staff, not direct caregivers

Can't afford COCA?
Contact DPA NOW

Provider won't accept payment?
All providers MUST accept COCA

Disagree with amount?
30 days for Fair Hearing

Didn't get letters?
Contact DPA

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If You Think Your Cost of Care Amount Is Wrong

You have **30 days** from COCA letter

STEP 1 — **Contact DPA caseworker first**
- Explain your concerns
- Ask them to review calculation
- Get their response in writing

STEP 2 — **If still not resolved**
- Request a Fair Hearing from any DPA employee in person, by telephone, or in writing
- Call the Virtual Contact Center: (800) 478-7778
- Email: hss.dpa.offices@alaska.gov
- Fax: (907) 269-6520 in Anchorage or (888) 269-6520 statewide

STEP 3 — **Prepare for hearing**
- Gather all documentation
- Write down your concerns
- Consider getting help (see resources)

TIP: You can cancel the Fair Hearing request later, but you CAN'T request one after 30 days!

CRITICAL DEADLINE REMINDER

30 DAYS to request Fair Hearing | **10 DAYS** to report changes

Missing these deadlines can affect your services!

REMEMBER

- Your COCA payment helps make sure you continue receiving necessary services
- Understanding COCA helps avoid unexpected bills or service disruptions

When in doubt:
ask questions

Resources

DIVISION OF PUBLIC ASSISTANCE (DPA)

General Information: health.alaska.gov/en/services/division-of-public-assistance-dpa-services

Tips for Avoiding Delays: health.alaska.gov/en/resources/tips-to-avoid-delays

LEGAL HELP

Disability Law Center of Alaska (for people with intellectual/developmental disabilities)

Free legal help with disability rights, benefits, guardianship, and special needs trusts

Website: www.dlcak.org

Alaska Legal Services (for everyone else)

Free legal help for low-income Alaskans with public benefits, healthcare, housing, and estate planning

Website: www.alsc-law.org

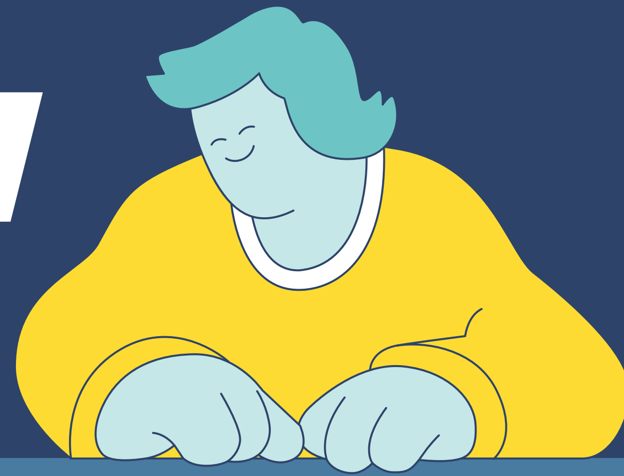
Fair Hearing Requests

Email: hss.dpa.offices@alaska.gov

Fax: (888) 269-6520

OVERVIEW

The Cyclical Nature



STARTING POINT

1 You qualify for Medicaid long-term services

2 DPA Calculates Your COCA
Initial application, annual renewal, life changes

3 You Get Two Letters
Medicaid eligibility + COCA payment (if applicable)

4 Problem Resolution
Disagree with amount = fair hearing process

5 You Pay Your Provider
Identify provider, make monthly payments

6 YOUR SERVICES CONTINUE

! Fair Hearing Results
(if COCA changes)
30-DAY *request deadline!*

! Life Changes
(income, move, medical expenses)
10-DAY *reporting deadline!*

! Annual Renewal
Every Year

Return to Step 2

Key Words Explained

COCA (Cost of Care Amount): Your monthly payment toward the services you receive.

DPA (Division of Public Assistance): The state agency that decides if you qualify for Medicaid and figures out your COCA.

EOB (Explanation of Benefits): A document from your insurance company showing what medical services were billed, what was paid, and what you owe.

Fair Hearing: A formal process to challenge decisions about your benefits.

Gross Income: All the money you receive before any deductions or taxes are taken out.

HCBS (Home and Community-Based Services): Services that help you live at home and in your community instead of an institution.

Lump Sum Payments: One-time payments of money (like back payments from Social Security or Alaska Native dividends) rather than regular monthly income.

Personal Needs Allowance (PNA): Money set aside from your income for personal expenses. This is a set amount based on your living situation.

Trust: A legal arrangement where money or property is held and managed by someone else (called a trustee) for your benefit.

Waiver Services: Special Medicaid programs that provide home and community-based services as an alternative to institutional care.