



Medicaid Waiver Cost of Care Amount

Billing Instructions for Licensed Assisted Living Homes

Effective August 1, 2020

What is Cost of Care Amount?

Cost of Care Amount (COCA) is the amount of money certain Medicaid waiver recipients who live in licensed assisted living homes (ALH) and receive residential supported living, group home, and family habilitation services are required to pay monthly toward the total cost of waiver services they receive. COCA is required under 7 AAC 100.550 – 7 AAC 100.579.

Who collects an ALH resident’s Medicaid COCA?

The ALH where a Medicaid waiver recipient resides must collect the COCA. Effective for dates of service on and after August 1, 2020, Alaska Medicaid will reduce the amount of an ALH’s claim by the resident’s COCA.

How do I submit a claim to Medicaid for a resident who has a COCA?

If submitting a CMS-1500, complete all necessary information. Effective for dates of service on and after August 1, 2020, enter the total charge in field 28; do NOT deduct the COCA. Do NOT enter the COCA in field 29. If submitting an electronic claim, do NOT report COCA as a patient payment in Loop 2300 in the AMT (Patient Amount Paid) segment and do NOT enter the F5 qualifier.

What happens if I reduce the total charge in field 28 by the COCA, or if I include the COCA in field 29?

If you reduce the total charge in field 28 by the amount of the ALH resident’s COCA, or if you enter the COCA in field 29, you will be underpaid for the stay. In the example below, if you reduce the \$300 claim by the \$50 COCA, you will be paid \$200 instead of \$250.

What will my Medicaid remittance advice look for services on and after August 1, 2020?

The following example shows what a remittance advice will look like for 2 days of stay in an ALH at a rate of \$150 per day, and for a Medicaid recipient who has a monthly COCA of \$50.

Claim submitted by ALH = \$300
 Claim payment to ALH = \$250 (2 days x \$150 = \$300 - \$50 COCA = \$250)

MEMBER ID	MEMBER NAME	HCPCS	DESCRIPTION	REND PROV	UNITS	BILLED	ALLOWED	DISALLOWED	EOB	STATUS
060xxxxxx	Doe, Jane	T2031	Assist Living	xxxxxxxx	1.0	\$150.00	\$150.00	\$0.00		P
20184xxxxxx		T2031	Assist Living	xxxxxxxx	1.0	\$150.00	\$150.00	\$0.00		P
TPL \$0.00						PATIENT LIABILITY \$50.00				
						TOTAL CHARGE \$300.00		CO-PAYMENT \$0.00		
						CONTRACTUAL		PAYMENT \$250.00		
EOB Codes										

What happens if the Medicaid waiver recipient refuses to pay their COCA?

Just as an ALH is responsible for collecting from a private pay resident, the ALH is responsible for collecting COCA from a Medicaid waiver recipient.