

# Share of Cost

## How it works

## How to make it \$0

### **I just received a 'Notice of Action' letter from Medi-Cal saying I have a 'Share of Cost' of \$980. What does that mean?**

Medi-Cal has determined that your income is above the threshold amount for full Medi-Cal benefits, and you will have to pay a share of your medical costs. If you had full Medi-Cal previously, this change may have happened because you started a job, received a pension or Medi-Cal determined an error in your income records.

### **My share of cost is \$980. I can't afford to pay that much each month for medical costs!**

Don't worry – a share of cost is not an amount you must pay. Rather, a share of cost is like a monthly deductible. That is, if you have unpaid medical expenses in a month, Medi-Cal will only pay the amount that exceeds the share of cost. Then, Medi-Cal will pay for all remaining Medi-Cal covered services that month. Here is an example:



Mary's Share of Cost (SOC) is \$980



In February, she has health expenses of \$1000



Mary pays \$980; Medi-Cal pays \$20



In March she has billed health expenses of \$170. She pays \$170

Then, for the next 6 months she has no health expenses and pays nothing.

## What else will happen now that I received this notice?

Several things will happen over the next few months:

- The State will no longer pay the Medicare Part B Premium (about \$170 in 2022) on your behalf.
- You will soon pay out of pocket costs when seeing providers.
- You may lose your 'Extra Help' medication pricing.



## Is there anything I can do to get back the full Medi-Cal status with no Share of Cost?



First, call Medi-Cal at 866-663-3225 to make sure they have your income entered correctly. Then ask: "*How much additional insurance do I need to purchase to eliminate my share of cost?*" Monthly Premiums for any type of health insurance will reduce the amount of your income that counts toward the Medi-Cal limit. If your share of cost is around \$980, you may be able to eliminate the share of cost by purchasing as little as \$20 a month of additional health insurance.

## What kind of health insurance can I buy?

Dental insurance plans are commonly used because anyone can purchase them any time, and they will not affect your other health coverage. Vision plans may be purchased as well. Be sure the premium is charged monthly, not annually.

Remember, you will be saving more than you spend on this additional insurance by not having to pay the premiums for Medicare Part B and Part D insurance.



If Medi-Cal says you need to spend more than \$200 a month on insurance, ask HICAP for more options.

## What do I have to do after I purchase additional insurance?

Submit evidence of the insurance purchase to Medi-Cal and request that they "rebudget" your case to eliminate your Share of Cost. Your insurance broker may be able to do this for you. But to be safe, you can drop off a copy of the insurance bill, mail it to Box 4114, Concord, CA 94520, or do an upload at: <https://ehsd.org/help/upload-documents/>. Be sure to include details about your case number.

Always keep copies of all documentation and keep notes on phone calls and who you spoke to.

## Can HICAP help me sort this all out?

HICAP can help you in several ways:

- 1) We will give you a list of insurance brokers specializing in Dental and Vision insurance plans. Some will customize your plan for the exact amount you need and even take care of the Medi-Cal paperwork for you.
- 2) If you ever qualified for Social Security Disability, we can help you apply for a special Medi-Cal program that does not count Social Security toward the income limit. It is called the 250% Working Disabled Program.
- 3) We can give you a tip sheet on using a special Bill Reduction Plan for those who have a Share of Cost and use Contra Costa Health Plan doctors and facilities. In our example, Mary's remaining bill of \$1000 for medical expenses will be reduced to as little as \$50, with several months to pay it off.
- 4) We can help you find the most cost-effective Medicare plans.



## Contra Costa Health Insurance Counseling and Advocacy Program (HICAP)

**For assistance call HICAP at: 925-655-1393,  
or 800-434-0222, or 800-510-2020 (from land lines)**

**Visit: [www.cchicap.org](http://www.cchicap.org)**

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