Frequently Asked Questions (FAQs) about Share of Cost (SOC)

What is Share of Cost?

Share of Cost (SOC) is a monthly dollar amount which a patient is required to pay, or obligate to pay, for health care costs before he/she becomes eligible with Medi-Cal and SBHI/SLOHI, and therefore before Medi-Cal/SBHI/SLOHI will pay for claims exceeding that amount for the given month. The SOC determination is based on criteria supplied by the patient to his/her Eligibility Worker at the Department of Social Services. CenCal Health is not involved with determining SOC or eligibility. SOC is only applicable to Medi-Cal and SBHI/SLOHI. Prenatal PLUS 2 and Healthy Families do not have a Share of Cost.
(Note: If the member does not have any medical expenses for a particular month, no SOC is paid)

Is a Share of Cost a Co-Pay?

No, a Medi-Cal recipient's SOC is similar to a private insurance plan's out-of-pocket deductible. This SOC is a monthly 'deductible' and is based on the amount of income a recipient receives in excess of "maintenance need" levels (determined by the State). Medi-Cal rules require that recipients pay income in excess of their "maintenance need" level toward their own medical bills before Medi-Cal begins to pay.

To whom does the member pay SOC payments?

A patient can pay or obligate to pay his/her SOC with any Medi-Cal provider. SOC can also be met with providers who are not Medi-Cal certified providers. In this case, the member must get a receipt with the following information: provider name pre-printed company letterhead, procedure code, date of service, and total amount paid or obligated. The patient must take this to his/her Eligibility Worker to have applied towards SOC. Additionally, the patient can pay providers who are not medical providers (such as dentists), or pay for services which are not normally Medi-Cal benefits such as non-formulary medications and circumcisions.

What does 'Obligate the SOC' mean?

If a patient cannot pay the total SOC amount or has a large SOC and needs to make payments, the patient can obligate to pay by making arrangements or payment plans with the provider. The obligation to pay and the specific arrangements that are made will be entirely between the patient and the provider. CenCal Health does suggest that this agreement be made in writing. SOC patients are considered 'cash pay' patients until SOC is met for a particular month. If the member does not fulfill an obligation, your normal means of collections can apply. SBHI/SLOHI is not responsible and cannot be billed. **Important:** When arrangements are made to accept payments for SOC amount owed, the entire SOC amount owed should be cleared immediately. Providers should never wait to clear the SOC until the entire amount is paid. This may keep the patient from obtaining other medical services if needed. (However do not collect SOC monies *before* the service is rendered!)

When does a SOC patient become SBHI/SLOHI/Medi-Cal eligible?

When the patient meets SOC and the provider spends down the amount paid or obligated.

What does "meeting share of cost" mean?

This means a patient's total SOC amount is paid or obligated.

What does "spending down SOC" mean?

This means the provider has applied or cleared SOC with the State.

How do I apply or clear SOC?

Providers collect payments from the patient or accept the patient's obligation to pay for services that are rendered up to this SOC amount. Providers should immediately submit a SOC clearance transaction to the State using either of the CenCal Health mechanisms below.

(Remember it is the State, not CenCal Health that clears SOC. Although CenCal Health has the mechanisms to transmit this information to the State, no records are kept in our database. We strongly suggest that you print out the information if possible and place in the members file.)

www.cencalhealth.org

Once you are at our website, Select 'For Providers' and then "For Providers Only". Under 'Transaction Services' select 'SOC Clearance' and enter the information requested. This information is sent to DHCS to apply the payment information. (Note: You must have a password to get into this area. You can e-mail the Webmaster@cencalhealth.org for a password so you can gain access to this secure area. Be sure to include the contact person's name and phone number, and the provider number. Be prepared to give the provider's Tax Identification Number when you are contacted.)

A provider's failure to immediately clear the patient's SOC may prevent the patient from receiving necessary services or medicine, despite having fulfilled the SOC obligation.

Why does a patient's SOC amount change?

Depending upon fluctuations in the patient's monthly income, SOC amounts may change from month to month. Additionally, if a patient's SOC is partially met by multiple providers, different 'remaining' SOC amounts will appear during eligibility verification, until the total SOC is satisfied for that month. CenCal Health strongly suggests verifying eligibility at every visit to get updated SOC information. CenCal Health has been notified of instances where SOC is paid to a provider but the provider has not 'spent down' or applied the SOC. If a member insists that a SOC payment has been made and the eligibility information does not reflect this, please contact Provider Services, extension 1671.
Further, SOC can even be adjusted in a single month. On occasion, due to decreased income, a member who previously had a SOC may become eligible with *no* SOC and will be assigned to an SBHI or SLOHI PCP. In rare instances, a member's SOC might even have retroactive adjustments whereby the SOC paid to a provider, or obligated to be paid in a particular month, is reduced. (In these cases, the provider must bill the appropriate payor – SBHI/SLOHI or EDS, the State Medi-Cal fiscal intermediary - and the patient will be due a refund.

Do SOC recipients have PCPs?

No, once a patient *does* meet the total SOC obligation and this information has been updated by State Medi-Cal, and if they are eligible under SBHI/SLOHI, they will become an SBHI/SLOHI member and be classified as Special Class (not case managed).

What is LTC SOC?

This type of SOC is associated with a long term care (LTC) facility. This SOC is paid to the nursing facility by the patient before the LTC can send a claim to Medi-Cal for the remaining difference. This SOC is always handled by the LTC on their monthly billing, so other providers are not involved. If a member has an LTC SOC, the eligibility verification will indicate this! If you are ***not*** a LTC provider, do not charge a SOC to the patient who resides in a LTC. (FYI-these patients are typically Aid Code 13.)

Do I need to submit a TAR for approval if the patient has a SOC?

If the total SOC amount will not cover the full billed charges and the SBHI/SLOHI allowable payment for the provider would be higher than the SOC amount, providers should follow the usual procedures for TAR approval. This authorization and a cleared SOC will allow you to bill CenCal Health the difference.

Example: Member has a SOC of $50.00. The billed charges for the TAR required procedure are $250.00. SBHI/SLOHI allowable is $150.00. You will need to submit a TAR for authorization, spend down the SOC and after TAR is approved, and member is eligible with SBHI/SLOHI, bill SBHI for the remaining balance owed. SBHI/SLOHI pays up to the allowable, minus the SOC payment.

Do I submit a claim for a SOC patient?

If the patient's SOC equals or exceeds your total charges, do not submit a claim to CenCal Health or to EDS, the State Medi-Cal fiscal intermediary. The paid / obligated SOC is considered to be your full payment and SBHI/SLOHI / Medi-Cal will not pay you more than that amount! Only when the SOC payment you receive is *less* than the SBHI/SLOHI / Medi-Cal allowable and the patient's SOC has been met, making them eligible, then there will be additional payment consideration by SBHI/SLOHI / Medi-Cal. If you do submit a claim, you will need to enter the SOC information (see "Where to Put SOC"). When submitting SOC information on your claim, please do not enter a decimal point, dollar sign, or any '+' or '-' signs. Enter the full dollar and cents, even if the amount is even. For example, if the SOC is $100.00, enter 10000. For more detailed information review your EDS Provider Manual under section 'share'.

Where do I put the SOC information on the claim?

Medical & Allied Health Providers
Field 10d on the HCFA 1500 claim form, titled RESERVED FOR LOCAL USE

For provider's who bill on UB-92 Claim Forms

You can refer to pages 'share' in your EDS Provider Manual for more details but basically, we need you to use Value Code 23 (in Box 39-41) to indicate SOC and follow that Value Code by the amount of the member's SOC, if applicable.

Vision Providers
You must place your SOC information in Box 76 of your Vision claim form. Please show this information as follows:

xxxxx SOC
xxxxx Billed to Medi-Cal
xxxxx Total Charges

Pharmacy
Field 61 on the Pharmacy claim form.