

Reimbursement Policy Statement Illinois Medicaid

Effective Date	Next Annual Review	Policy Number	
11/01/2023	03/01/2027	ABHIL-RP-0012	
Policy Name		Department	
Durable Medical Equipment & Supplies		Claims Operations Medical Payment	
Policy Type			
Medical	Administrative	Pharmacy	Reimbursement

Aetna Better Health® of Illinois (ABH IL) implements comprehensive and robust policies and procedures to ensure alignment with Illinois Department of Health Care and Family Services (HFS) and to warrant that regulatory standards are met.

ABH IL reimbursement policies are intended to provide a general reference for claims filing, coding, documentation guidelines and administrative functions. Providers are ultimately responsible for submission of accurate reporting of services provided.

Reimbursement of reported services is subject to member benefit, eligibility on date of service, medical necessity, related plan policies and procedures, correct coding and clinical editing logic, provider contracts and all applicable plan documentation and guidelines set forth by Illinois Department of Health Care and Family Services (HFS). Coding methodology, regulatory requirements, industry standard claims logic, guidance from specialty organizations and other factors are considered in the development of plan policies. ABH IL retains the right to change, amend or withdraw this policy as needed, at any time.

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A. Policy

This policy is provided as a guide to medical coding and editing guidelines for the appropriate reporting of various durable medical equipment & supplies. This guidance aligns with Healthcare Common Procedure Coding System (HCPCS) Guidelines, ICD-10-CM Coding Guidelines and Illinois Department of Health Care and Family Services (HFS) guidelines.

B. Overview

This policy outlines the coding and editing guidelines for reporting of various durable medical equipment & supplies (DME). The DME category of supplies and services represents the vast collection of medical equipment as well as certain services that helps a person function safely at home when they are sick, injured, or have a long-term condition. This policy applies to all professional and facility claim types.

C. Definitions

Term	Definition
Aetna Better Health of Illinois (ABHIL)	A subsidiary of CVS Health Corporation, Medicaid subsidiary that provides plan management and other administrative services for the Illinois Medicaid program.
American Medical Association (AMA)	A professional group that publishes research to advance public health and advocates for the interests of registered physician-members.
Centers for Medicare & Medicaid Services (CMS)	The federal agency that administers the Medicare program as well as works with the individual states to administer state Medicaid and Children’s Health Insurance Programs.
Healthcare Common Procedure Coding System (HCPCS)	Level II of the HCPCS is a standardized coding system that is used primarily to identify products, supplies, and services not included in the CPT code set. Examples include ambulance services and durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS). Level II HCPCS codes were established to allow these products, supplies and services to be reported for reimbursement.
Illinois Department of Health Care and Family Services (HFS)	The Department of Healthcare and Family Services administers health insurance programs for children, pregnant women, and adults who are residents of Illinois.
International Statistical Classification of Diseases (ICD-10-CM)	The 10th revision of the (ICD), a medical classification list by the World Health Organization (WHO). It contains codes for diseases, signs and symptoms, abnormal findings, complaints, social circumstances, and external causes of injury or diseases.



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Medicaid	The state administered program that provides health coverage to millions of Americans, including eligible low-income adults, children, pregnant women, elderly adults, and people with disabilities, according to federal requirements. The program is funded jointly by states and the federal government.
Medicare	Medicare is a health insurance program for: people aged sixty-five (65) or older, people under age sixty-five (65) with certain disabilities, and people of all ages with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a kidney transplant).

D. Reimbursement Guidelines

ABH IL will only reimburse for durable medical equipment & supplies when appropriately reported. Appropriate reporting includes

- Therapeutic Shoes, inserts, fittings and modifications are submitted with a diagnosis of foot ulcers, demonstrated impaired healing of the foot or toes, a history of amputation, or other serious medical foot problems due to diabetes or venous insufficiency
- Disposable incontinence product, brief/diaper, bariatric, each is reported for patients 12 years of age or older *Effective 05/01/2026*

Claims that are submitted will be denied when

- Therapeutic Shoes, inserts, fittings and modifications are submitted with a diagnosis not indicated as appropriate in this policy
- Disposable incontinence product, brief/diaper, bariatric, each is reported for patients 11 years of age or younger *Effective 05/01/2026*

The medical record documentation is expected to support the specific HCPCS code(s) and ICD-10-CM codes reported.

E. Codes/Condition of Coverage

Diabetic Shoe HCPCS Codes

A5500- A5514	Therapeutic Shoes, inserts, fittings and modifications
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Appropriate Therapeutic Shoe ICD-10-CM Codes

E08.00- E08.39; E08.63- E08.9	Diabetes mellitus due to underlying condition
E09.00- E09.39; E09.63- E09.9	Drug or chemical induced diabetes mellitus
E10.10- E10.39; E10.63- E10.A2	Type 1 diabetes mellitus



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E11.00- E11.39; E11.63- E11.A	Type 2 diabetes mellitus
E13.00- E13.39; E13.630- E13.9	Other specified diabetes mellitus

Incontinence Supply HCPCS Code *Effective 05/01/2026*

T4543	Disposable incontinence product, brief/diaper, bariatric, each
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F. Frequently Asked Questions

N/A

G. Review/Revision Date

Action	Date	Comments
Revision	03/02/2026	Policy template updated; Guidance on incontinence supplies added (effective 05/01/2026)- No other content changes
Effective Date	11/01/2023	

- H. Resources**
- American Medical Association. *HCPCS Level II Professional 2025, AMA; 2025.*
 - American Medical Association. *ICD-10-CM 2025 the Complete Official Codebook, AMA; 2024.*
 - Illinois Department of Healthcare and Family Services. *Handbook for Providers of Medical Equipment and Supplies: Chapter M-200—Policy and Procedures for Medical Equipment and Supplies.* Illinois Department of Healthcare and Family Services; 2015.
<https://hfs.illinois.gov/content/dam/soi/en/web/hfs/medicalproviders/handbooks/m200.pdf>
 - Illinois Department of Healthcare and Family Services. *Provider Notice- Incontinence Supplies Monthly Limitations (PRN140514A).* Illinois Department of Healthcare and Family Services.
<https://hfs.illinois.gov/medicalproviders/notices/notice.prn140514a.html>