

## Reimbursement Policy Statement Illinois Medicaid

<b>Effective Date</b>	<b>Next Annual Review</b>	<b>Policy Number</b>	
<b>12/01/2020</b>	<b>01/13/2027</b>	<b>ABHIL-RP-0015</b>	
<b>Policy Name</b>		<b>Department</b>	
<b>Never Events</b>		<b>Claims Operations Medical Payment</b>	
<b>Policy Type</b>			
<b>Medical</b>	<b>Administrative</b>	<b>Pharmacy</b>	<b>Reimbursement</b>

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, documentation and editing guidelines for the appropriate reporting of procedures classified as Never Events. This policy aligns with guidance from the Centers for Medicare & Medicaid Services (CMS), AMA CPT Coding Guidelines and guidance issued by the National Quality Forum (NQF) in conjunction with CMS for defining, coding and reporting of Never Event Procedures.

## B. Overview

This policy outlines the coding, documentation and editing guidelines for reporting of surgical or invasive procedures which would be defined as Never Events by this policy. ABHIL defines a Never Event as a surgical or invasive procedure that is not consistent with the documented informed consent prepared for or signed by the member. ABHIL recognizes the following three scenarios as Never Events:

1. A surgery or other invasive procedure performed on the incorrect patient
2. A surgery or other invasive procedure performed on the incorrect or unintended anatomical site or body part
3. The incorrect or unintended surgery or invasive procedure performed on the patient

ABHIL considers Never Events to be non-reimbursable and requires that our members are not billed for these events in return. Providers and facilities must submit a claim for never event using the appropriate and required modifier and waive all costs related to the never event. 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.
Modifier	A two-digit code (numeric or alphanumeric) reported along with an applicable CPT or HCPCS code to provide greater detail about the service performed, explaining special circumstances, location, or that the service was altered without changing the code's basic definition.
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.



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Current Procedural Terminology (CPT)	A medical code set maintained by the American Medical Association through the CPT Editorial Panel. The CPT code set (copyright protected by the AMA) describes medical, surgical, and diagnostic services and is designed to communicate uniform information about medical services and procedures among physicians, coders, patients, accreditation organizations, and payers for administrative, financial, and analytical purposes.
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.
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 procedures/ services when appropriately performed and reported when

- A surgical or invasive procedure is conducted on the correct and intended patient
- A surgical or invasive procedure is conducted on the correct and intended body part
- The correct and intended surgical or invasive procedure is conducted

Claims that are submitted will be denied as non- reimbursable when

- A Never Event modifier as specified by this policy is reported
- A surgical or invasive procedure is conducted on the incorrect or unintended patient
- A surgical or invasive procedure is conducted on the incorrect and unintended body part
- The incorrect and unintended surgical or invasive procedure is conducted

The medical record documentation is expected to support the specific CPT code(s) and modifiers reported.



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**E. Codes/Condition of Coverage**

PA	Surgical or other invasive procedure on wrong body part
PB	Surgical or other invasive procedure on wrong patient
PC	Wrong surgery or other invasive procedure on patient

**F. Frequently Asked Questions**

N/A

**G. Review/Revision Date**

Action	Date	Comments
Review	01/13/2026	Policy template updated- No other content changes
Effective Date	12/01/2020	

**H. Resources**

1. American Medical Association. *CPT Professional Edition 2025, AMA; 2024.*
2. Centers for Medicare & Medicaid Services (CMS). *Medicare National Coverage Determinations Manual*. Pub 100-03, Ch 1 (“Medicare National Coverage Determinations”), § 140.6, “Wrong Surgical or Other Procedure Performed on a Patient” (New, effective Jan 15, 2009), Transmittal 101, June 12, 2009.
3. Centers for Medicare & Medicaid Services (CMS). CMS Fact Sheet. *Eliminating Serious, Preventable, and Costly Medical Errors- Never Events.* Published May 18, 2006