

April 22, 2026

Aetna Better Health® of Illinois

Changes to third-party liability recovery process

The Illinois Department of Healthcare and Family Services (HFS) Third-Party Liability Program will implement a new Third-Party Liability Electronic Database System (TED) effective May 1, 2026, which will require changes to third-party liability collections processes.

When a Medicaid customer whose primary coverage is Medicare fails to report the Medicare coverage on the provider's claim(s), the new system will void the claim and send the provider a notice advising them to bill Medicare Primary for the claim(s). The notice will include all provider claims that were identified for recovery. *Note: When Medicaid voids a provider's claim, the provider has six (6) months from the date of the void to bill Medicare as primary.*

Upon identifying retroactive third-party insurance coverage, HFS' Third-Party Liability Unit (TPL Unit) will send a notice to providers instructing the provider to adjust the original Medicaid claim and bill the primary third-party coverage within the next sixty (60) days so long as the claim in question is identified within:

- Five (5) months of the date of service (DOS) for medical claims; and
- Two (2) months of the DOS for pharmacy claims.

The provider will then rebill the agency with updated claim adjudication information from the third-party coverage. Failure to respond in sixty (60) days will result in an automatic voiding adjustment to the original claim by the TPL Unit. Any claims older than five (5) months from the DOS will be billed by the TPL Unit directly to the third-party carrier.

It is incumbent on providers verify insurance eligibility for patients before rendering services. If a provider discovers that a patient did not list commercial third-party medical coverage or if the commercial coverage listed by HFS is inaccurate, the provider should contact the TPL Unit at **(217) 524-2490** or via email at hfs.tpl.1442@illinois.gov to update the coverage.

Please direct any questions regarding this message to the TPL Unit at **(217) 557-4323**.

Questions?

If you need assistance or have any questions, please contact your [Provider Relations Representative](#) or email us at: ABHILProviderRelations@AETNA.com