

- SUBJECT:** Requiring health plans to cover childhood cranial remolding orthosis
- COMMITTEE:** Insurance — committee substitute recommended
- VOTE:** 8 ayes — Oliverson, Vo, J. González, Hull, Israel, Paul, Romero, Sanford
1 nay — Middleton
- WITNESSES:** For — None
Against — Laurie Vanhooose, Texas Association of Health Plans;
(*Registered, but did not testify*: John McCord, NFIB; Megan Herring, Texas Association of Business; Bill Hammond, Texas Employers for Insurance Reform)
On — (*Registered, but did not testify*: Kenisha Schuster, Texas Department of Insurance)
- BACKGROUND:** Concerns have been raised that certain medical conditions that require a remolding helmet are not considered by health insurance plans to qualify a child for coverage because cranial remolding orthoses are cosmetic. Suggestions have been made to require health plans to cover the full cost of a cranial remolding orthosis for a child diagnosed with craniostenosis or for a child diagnosed with plagiocephaly or brachycephaly under certain conditions.
- DIGEST:** CSHB 2134 would require certain health benefit plans to provide coverage for the full cost of a cranial remolding orthosis for certain children.
The bill would define "cranial remolding orthosis" as a custom-fitted or custom-fabricated medical device that was applied to the head to correct a deformity, improve function, or relieve symptoms of a structural cranial disease.
Applicability. The bill would apply only to certain health plans issued by

organizations specified in the bill, including:

- the state Medicaid program, including Medicaid managed care;
- the Children's Health Insurance Program (CHIP);
- a plan issued by a health maintenance organization;
- a small employer health plan subject to the Health Insurance Portability and Availability Act;
- a consumer choice of benefits plan;
- a basic coverage plan under the Texas Employees Group Benefits Act;
- a basic plan under the Texas Public School Retired Employees Group Benefits Act;
- a primary care coverage plan under the Texas School Employees Uniform Group Health Coverage Act; and
- a basic coverage plan under the Uniform Insurance Benefits Act for employees of the University of Texas and Texas A&M systems.

The bill also would apply to coverage under a group health benefit plan provided to a state resident regardless of whether the group policy, agreement, or contract was issued or renewed in the state.

Exceptions. The bill would not apply to a qualified health plan if a determination was made under federal law that:

- the bill required the plan to offer benefits in addition to the essential health benefits required under federal law; and
- the state was required to defray the cost of mandated benefits.

The bill also would not apply to an individual health plan issued on or before March 23, 2010, that did not have any significant changes since that date that reduced benefits or increased costs to the individual.

Required coverage. Under the bill, a health plan would have to cover the full cost of a cranial remolding orthosis for a child diagnosed with:

- craniostenosis; or
- plagiocephaly or brachycephaly if the child was between three and 18 months old, had documented failure in responding to conservative therapy for at least two months, and had specified measurements or indications.

The required coverage could not be less favorable than coverage for other orthotics under the health plan and would have to be subject to the same dollar limits, deductibles, and coinsurance as coverage for other orthotics under the health plan.

Effective date. The bill would take effect September 1, 2021, and would apply only to a health benefit plan that was issued or renewed on or after January 1, 2022.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of about \$3.6 million in general revenue through fiscal 2023.