

SUBJECT: Requiring Medicaid and CHIP to cover cranial remolding orthosis

COMMITTEE: Insurance — committee substitute recommended

VOTE: 8 ayes — Oliverson, Johnson, Cain, Caroline Harris, Hull, A. Johnson, Paul, Perez

0 nays

1 absent — Cortez

WITNESSES: For — Lisa Abernethy, Craniofacial Society; Joe Nieto, Justin Pfaff, Hanger Clinic; Ben Wright (*Registered, but did not testify*: David Reynolds, Texas Chapter American College of Physicians Services; Ben Wright, Texas Medical Association; Jaime Capelo, Texas Society of Plastic Surgeons; Ware Wendell, Texas Watch; Chris Masey)

Against — Shanneé Tracey, GuideStone Financial Resources of the Southern Baptist Convention; Blake Hutson, Texas Association of Health Plans (*Registered, but did not testify*: Sarah Douglas, National Federation of Independent Business; Matt Abel, Texas Association of Business)

On — (*Registered, but did not testify*: Erica Brown, Health and Human Services Commission; Debra Diaz-Lara, Texas Department of Insurance)

BACKGROUND: Some have suggested that cranial remolding orthosis is an effective treatment for craniosynostosis, plagiocephaly, and brachycephaly. Concerns have been raised that while insurance often covers a first helmet utilized in the treatment, insurance usually does not cover a second helmet.

DIGEST: CSHB 134 would require the children's health insurance plan (CHIP) to cover the full cost of a cranial remolding orthosis in the same manner that Medicaid coverage was provided for that treatment. The Health and Human Services Commission would be required to ensure medical assistance reimbursement for the full cost of a cranial remolding orthosis

to those eligible.

A "cranial remolding orthosis" would be defined 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.

A child who was diagnosed with craniosynostosis would be eligible. In addition, a child diagnosed with plagiocephaly or brachycephaly would be eligible if they were between three and 18 months of age, had a documented failure to respond to conservative therapy for at least two months, and had:

- asymmetrical appearance confirmed by a right/left discrepancy of greater than six millimeters in a craniofacial anthropometric measurement; or
- brachycephalic or dolichocephalic disproportion in the comparison of head length to head width confirmed by a cephalic index of two standard deviations above or below mean.

The bill would require the coverage to not be less favorable than the coverage required for other orthotics under Medicaid.

The bill would take effect September 1, 2023.

If a state agency determined that a waiver or authorization was required from the federal government to implement the bill, the state agency would be required to request the waiver or authorization and delay the implementation until it was granted.

NOTES:

According to the Legislative Budget Board, the bill would have an estimated negative impact of about \$2.1 million to general revenue related funds through fiscal 2024-25.