8/4/2026

PROVIDER NOTICE FOR UPDATE TO CRANIAL REMOLDING ORTHOSIS BENEFIT CRITERIA FOR CHIP EFFECTIVE SEPTEMBER 1, 2026

BACKGROUND

Effective for dates of service on or after Sept. 1, 2026, benefit criteria for cranial remolding orthosis (CRO) (procedure code S1040) will be updated in accordance with House Bill 426, 89th Legislature, Regular Session, 2025.

Cranial Remolding Orthosis (CRO) is a benefit for CHIP Members as required by Chapter 62, Texas Health & Safety Code, Section 62.1512. The benefit must be in the same amount, duration, and scope as detailed in the TMPPM for Medicaid.

The updated benefit criteria specify that CRO may be a benefit when the client requires CRO as part of the treatment plan for a documented diagnosis of any of the following non-synostotic deformational plagiocephaly conditions:

- Lateral deformational plagiocephaly (LDP)
- Brachycephaly
- Asymmetrical brachycephaly
- Dolichocephaly

Definitions and Descriptions

CRO is defined by the Human Resources Code, Chapter 32, Subchapter B, Section 32.03126 as a custom-fitted or custom-fabricated medical device that is applied to the head to correct a deformity, improve function, or relieve symptoms of a structural cranial disease.

Plagiocephaly refers to an asymmetrical, flattened deformity of the skull and can be used to describe both synostotic and non-synostotic head symmetry.

Craniosynostosis occurs when there is a premature fusion of cranial sutures. Craniosynostosis may cause synostotic plagiocephaly, a flattened deformity of the skull as a result of the premature fusion of cranial sutures.

Non-synostotic deformational plagiocephaly (DP) is head-flattening that results from external forces that mold the skull in the first year of life. The following are categories

of DP that may require treatment with a CRO:

- LDP is described as an asymmetric head which occurs when an infant's skull is flattened on one side. This can be predominantly anterior (forehead flattening) or posterior (occipital flattening). The flattening may be accompanied by anterior displacement of the ear, forehead, and in severe cases, the orbit.
- Brachycephaly describes a short, wide head. The occiput flattens and there may be bilateral widening in the tempo-parietal regions. There may also be bulging noted above the ears.
- Asymmetric brachycephaly is the combination of plagiocephaly and brachycephaly. It is characterized by occipital flattening accompanied by parietal asymmetry. The flattening may be accompanied by anterior displacement of the ear, forehead, and in severe cases, the orbit.
- Dolichocephaly is characterized by flattening on both sides of the head and elongation from anterior to posterior.

Conservative therapy for treatment of non-synostotic plagiocephaly involves non-surgical, proactive methods to reshape the infant's skull, primarily through consistent repositioning, increased tummy time, and physical therapy to treat underlying torticollis. These methods are most effective when started early (before 4–6 months of age) to alleviate pressure on the flat spot.

Claims Reimbursement

Claims for procedure code S1040 may be reimbursed for clients who are 3 months through 18 months of age and have been diagnosed with one of the following:

- Synostotic plagiocephaly as a result of craniosynostosis
- Non-synostotic plagiocephaly that meets diagnostic criteria

CRO will be limited to one device per lifetime, by any provider. This limitation may be exceeded with prior authorization for fee for service (FFS) clients.

Orthotist providers may be reimbursed for procedure code S1040 for services rendered in the home setting.

Prior Authorization and Documentation Requirements

CRO will require prior authorization and may be approved for the following diagnosis codes:

Diagnosis Codes							
Q040	Q041	Q042	Q308	Q672	Q673	Q674	Q75001
Q75002	Q75009	Q7501	Q75021	Q75022	Q75029	Q7503	Q75041
Q75042	Q75049	Q75051	Q75052	Q75058	Q7508	Q751	Q752
Q753	Q754	Q755	Q758	Q759	Q781	Q870	

Additional devices beyond the one-per-lifetime limitation may be considered for prior authorization with documentation of all the following:

- The initial device was obtained to treat either of the following:
  - Synostotic plagiocephaly as a result of craniosynostosis
  - Non-synostotic plagiocephaly, brachycephaly, asymmetric brachycephaly, or dolichocephaly
- Treatment with the device has been effective, but the client has not yet met the treatment goal.
- The new device is needed due to growth.

Documentation of medical necessity must be maintained in the client's medical record.

If the client has craniosynostosis, a diagnosis of the type of craniosynostosis and synostotic plagiocephaly must be documented.

If the client has a diagnosis for non-synostotic plagiocephaly (e.g., LDP, brachycephaly, asymmetric brachycephaly, or dolichocephaly) one of the following criteria must be met:

- Cranial vault asymmetry (CVA) confirmed by a right or left discrepancy of greater than six millimeters in a craniofacial anthropometric measurement to include, but not limited to, the criteria set by the Children's Healthcare of Atlanta Plagiocephaly Severity Scale
- Brachycephalic disproportion in the comparison of head length to head width that is confirmed by a cephalic index of two standard deviations of the mean
- Dolichocephalic disproportion in the comparison of head length to head width that is confirmed by a cephalic index of two standard deviations of the mean

If the client has a diagnosis of non-synostotic plagiocephaly (e.g., brachycephaly, asymmetric brachycephaly, or dolichocephaly), there must be documentation of at least two months of conservative therapy **or** physical or occupational therapy by a qualified health care professional that did not achieve a reduction of asymmetry or disproportion that would no longer meet the criteria listed above.

For more information regarding this notice, please contact your Community Provider Performance Manager (provider representative).
Email: providerrelationsinquiries@communityhealthchoice.org

Complete Information:
Update to Cranial Remolding Orthosis Benefit Criteria Effective September 1, 2026

KEY DETAILS

Please find the complete provider notices on Community Health Choice website here.