Update to Cranial Remolding Orthosis (CRO) Benefit Criteria Effective September 1, 2026

Parkland Community Health Plan (PCHP) is notifying providers of updated Texas Medicaid benefit criteria for Cranial Remolding Orthosis (CRO) (Procedure Code S1040). Effective for dates of service on or after September 1, 2026, benefit criteria will be updated in accordance with House Bill 426, 89th Legislature, Regular Session, 2025.

These updates expand coverage criteria for members who require a cranial remolding orthosis as part of a treatment plan for qualifying cranial deformities.

Covered Conditions

CRO may be considered medically necessary when prescribed as part of a treatment plan for members diagnosed with:

- Lateral Deformational Plagiocephaly (LDP)
- Brachycephaly
- Asymmetrical Brachycephaly
- Dolichocephaly
- Synostotic Plagiocephaly resulting from Craniosynostosis

Definitions

A Cranial Remolding Orthosis (CRO) is a custom-fitted or custom-fabricated medical device applied to the head to correct a deformity, improve function, or relieve symptoms associated with structural cranial conditions.

Non-Synostotic Deformational Plagiocephaly (DP)

DP occurs when external forces shape an infant's skull during the first year of life and can include:

- Lateral Deformational Plagiocephaly (LDP): Flattening on one side of the skull that may affect forehead and ear alignment.
- Brachycephaly: A short, wide head shape caused by flattening of the back of the head.
- Asymmetrical Brachycephaly: A combination of plagiocephaly and brachycephaly with occipital flattening and asymmetry.
- Dolichocephaly: A long, narrow head shape characterized by flattening on both sides of the head.

Craniosynostosis

Craniosynostosis occurs when one or more cranial sutures fuse prematurely, potentially causing synostotic plagiocephaly and skull deformity.

Conservative Therapy Requirements

For members with non-synostotic plagiocephaly diagnoses (including brachycephaly, asymmetrical brachycephaly, or dolichocephaly), documentation must demonstrate at least two months of conservative therapy that did not adequately correct the condition.

Conservative therapy may include:

- Repositioning techniques
- Increased tummy time
- Physical therapy
- Occupational therapy
- Treatment of underlying torticollis

Reimbursement Information

Procedure code S1040 may be reimbursed when the member:

- Is between 3 months and 18 months of age and
- Has a qualifying diagnosis of:
  - Synostotic plagiocephaly resulting from craniosynostosis or
  - Non-synostotic plagiocephaly meeting established diagnostic criteria

Orthotist providers may be reimbursed for S1040 services rendered in the member's home setting.

Lifetime Limitation

Coverage is limited to one CRO device per lifetime, regardless of provider.

Additional devices may be considered with prior authorization when all of the following are documented:

- The original device was obtained to treat a qualifying diagnosis.
- Treatment with the device has been effective.
- Treatment goals have not yet been achieved.
- A replacement device is medically necessary due to member growth.

Prior Authorization Requirements

Prior authorization is required for all CRO services.

Documentation of medical necessity must be maintained in the member's medical record and include applicable clinical findings and measurements supporting the diagnosis.

Diagnostic Criteria

Documentation must support one of the following:

- Cranial Vault Asymmetry (CVA) greater than six millimeters in craniofacial anthropometric measurements.
- Brachycephalic disproportion confirmed by a cephalic index two standard deviations from the mean.
- Dolichocephalic disproportion confirmed by a cephalic index two standard deviations from the mean.

For members diagnosed with craniosynostosis, medical records must document:

- The specific craniosynostosis diagnosis and
- Synostotic plagiocephaly.

Diagnosis Codes Eligible for Prior Authorization Review							
Q040	Q041	Q042	Q308	Q672	Q673	Q674	Q75001
Q75002	Q75009	Q7501	Q75021	Q75022	Q75029	Q7503	Q75041
Q75042	Q75049	Q75051	Q75052	Q75058	Q7508	Q751	Q752

Provider Action Required

Providers rendering cranial remolding orthosis services should:

- Review the updated benefit criteria and medical necessity requirements.
- Ensure clinical documentation supports the qualifying diagnosis and treatment criteria.
- Submit prior authorization requests with all required supporting documentation.
- Verify member eligibility and benefit coverage through standard PCHP processes.

Note

Administrative requirements, including prior authorization and claims submission, may differ by health plan. Providers should verify PCHP-specific requirements prior to rendering services. For questions, contact PCHP Provider Services at 1-888-672-2277.