




HEALTH CARE
AUTHORITY

Michelle Lujan Grisham, Governor
Kari Armijo, Secretary
Dana Flannery, Medicaid Director

Letter of Direction #19

Date: October 2, 2024

To: Turquoise Care Managed Care Organizations

From: Dana Flannery, Medical Assistance Division 

Subject: Orthodontic Medical Necessity Criteria

Title: Revised Medical Necessity Criteria for Orthodontic Treatment

The purpose of this letter of direction is to provide the Turquoise Care Managed Care Organizations (MCOs) with information on implementing revisions for orthodontic treatment medical necessity criteria effective October 1, 2024.

1. Eligible Member:

a. Under age 21

2. Medical necessity criteria: Orthodontic treatments are interventions indicated for the correction of misalignment of teeth and/or jaws, described as malocclusions, causing a disability in normal oral function. The New Mexico Health Care Authority (HCA) is revising the medical necessity criteria for Handicapping malocclusions for the purpose of determining eligibility under these regulations. Medical necessity shall mean the presence of the following:

a. Auto Qualifiers

- i. Cleft palate deformities and other significant craniofacial anomalies.
- ii. Deep impinging overbite, when the lower incisors are touching the soft tissue. This does not include occasional biting of the cheek.
- iii. Cross bite of individual anterior teeth in contact with soft tissue or the presence of more than two teeth in crossbite will result in an autoqualifier.
- iv. Impacted permanent cuspids and/or surgical intervention. This does not include cases where cuspids or incisors will erupt ectopically.
- v. Overjet in excess of 7 mm.

b. If none of the above auto qualifier conditions are present, then a minimum score of 26 points or greater is the threshold value on the handicapping labio-lingual deviations (HLD) index for making orthodontic determination of medical necessity. HLD measures the severity of a handicapping malocclusion.

c. If none of the auto qualifier or the minimum score of 26 is met, then the following indicators may be considered in the determination of medical necessity:

- i. A medical condition and/or a nutritional deficiency with medical physiological impact, that is documented in the physician progress notes that predate the diagnosis and request for orthodontics. The condition must be non-responsive to medical treatment without orthodontic treatment.
- ii. The presence of a speech pathology, that is documented in speech therapy progress notes that predate the diagnosis and request for orthodontics. The condition must be non-responsive to speech therapy without orthodontic treatment.

3. Eligible Provider:

- a. Provider Type: 421- Dentist
- b. Taxonomy: 122300000X - Dentist

4. Provider Requirement:

- a. As described in the New Mexico Administrative Code (NMAC) 8.310.2.9, Orthodontic services must be furnished within the limits of the MAD (NMAC) rules policies and instructions within the scope of practice defined by the provider's licensing board, scope of practice act, or regulatory authority.
- b. Required Documentation: Completed orthodontic records and treatment plan. The treatment plan must include the diagnosis, the length, and type of treatment, documentation of a favorable prognosis, and a high probability of compliance in completing the treatment program. The treatment plan must document if an orthognathic surgery is planned. Orthodontic records must include:
 - i. Diagnostic casts or digital study models
 - ii. Full mouth or panoramic x-ray
 - iii. Cephalometric film
 - iv. Diagnostic photographs
 - v. A completed orthodontic screening form that states the Handicapping Labio-Lingual Deviation Index (HLD) score and indicates the handicapping malocclusion. The provider may submit either the original or a copy.
- c. Anecdotal information is insufficient to document the presence of a handicapping malocclusion. Statements that are not supported by professional progress notes indicating the patient has difficulty with eating, chewing, or speaking represent anecdotal information. These conditions may be caused by other medical conditions in addition to the misalignment of the teeth.

5. Prior Authorization: This service will continue to require prior authorization.

6. Billing: Effective October 1, 2024, MCOs will allow and reimburse for orthodontic treatment when the above medical necessity criteria and/or handicapping labio-lingual deviations (HLD) are met.

- a. Dental providers will bill on an American Dental Association (ADA) Dental Claim form. They must follow the eligibility requirements and will be reimbursed at no less than the dental fee schedule rate published at <https://www.hsd.state.nm.us/providers/fee-schedules/>
- b. Federally Qualified Health Centers (FQHCs), non-hospital based Rural Health Clinics (RHCs), Indian Health Service (IHS) & eligible Tribal 638 may bill using the UB 04

Institutional claim with the appropriate revenue code and appropriate dental procedure code as part of their visit/encounter. Orthodontic services must follow the eligibility requirements and will be reimbursed according to their appropriate encounter/Office of Management and Budget (OMB) rates.

- c.** MCOs are directed to implement changes associated with these instructions, including system changes and provider contract negotiations as needed, no later than 90 days from the date of issuance of this directive.

This LOD will sunset upon inclusion in the NMAC 8.310.2.12.G Dental Services.