News Bites

AAO Leads Effort to Establish Consistency on Medically Necessary Orthodontic Care

With the recent implementation of the Affordable Care Act (ACA), the insurance world has experienced the biggest change to impact the dental industry in decades. When the ACA health coverage plans that are offered through the state exchanges were first introduced, there was an element of excitement. Benefits for orthodontics were being offered as part of the embedded pediatric dental benefit within the medical policies.

The excitement quickly turned to dismay as AAO members began to realize that this benefit would only be available to those patients whose cases are considered to be "medically necessary." Since this coverage has been launched, not only have orthodontists been faced with the additional burden of determining exactly what benefits will be available for patients, they have also been struggling to navigate the qualifying and the claim submission processes.

Patient qualifications have been further complicated by the fact that many of the third- party payers were not forthcoming with information about how the qualification process would work. Presumably, payers all across the country were scrambling internally to develop the qualifying criteria for their respective coverage policies and consequently, were not able to offer definitive guidance to orthodontic providers. The scramble was exacerbated by the fact that, rather than establish a national standard for qualifying medical necessity, the federal government left development of these standards up to individual states to determine.

Approximately one-half of the states opted to use qualifying criteria already in use by their state public assistance programs. The remaining states allowed the payers to determine medically necessary criteria in their respective states. The varied approaches to qualifying orthodontic care have resulted in a chaotic and confusing environment for all.

Because the dental environment in which orthodontists practice and operate has undergone a dramatic change since the inception of the ACA, orthodontics and orthodontic issues are no longer black and white. A case deemed to be "medically necessary," which currently accounts for approximately 5-15 percent of cases, is a very serious circumstance and might need to be treated on an interdisciplinary basis to improve the patient's quality of life.

It is important that insurance companies as well as state and federal entities know that these cases are serious, not common, and require a special type of approval above and beyond traditional orthodontics.

AAO Updates Policy on Medically Necessary Care

In order to ensure a foundation and clear understanding of medical necessity for the dental community, the AAO undertook a review of the existing policy on medically necessary care for orthodontics (MNOC). Action by the 2014 House of Delegates amended the policy, providing a comprehensive, contemporary and relevant missive:

"Medically necessary orthodontic care is defined as the treatment of a malocclusion (including craniofacial abnormalities/ anomalies) that compromise the patient's physical, emotional or dental health. This treatment should be based on a comprehensive assessment and diagnosis done by an orthodontist, in consultation with other health care providers when indicated."

With the AAO definition of MNOC clearly delineated, Dr. Steve Robirds, AAO coding consultant, and representatives from the Council on Orthodontic Health Care (COHC) met with representatives from a cross section of third-party payers to discuss how individual companies were defining MNOC. It became apparent that there were as many ways to qualify MNOC as there were payer representatives at the table. Because the issue was of greatest concern to orthodontists, payer representatives requested that the AAO consider development of a qualifying index to identify patients who should be considered medically necessary to receive orthodontic treatment.

AAO leadership established the Handicapping Indices Task Force (HITF) to evaluate, and if appropriate, to develop the index. The conclusion of the Task Force was that orthodontists, patients and payers could best be served by the use of auto-qualifiers in lieu of an index and further concluded that all committee recommendations should be supported by scientific evidence.

Indices are problematic from both the payer and the provider's perspective. Use of indices would prove to be difficult for payers to program logic into their claims systems that can successfully render accurate adjudications. As a result, all claims containing indexed information must be sent to a consultant for review and opinion and then undergo the adjudication process after the hands-on review.

From the provider's perspective, use of indices would result in orthodontists spending significant time collecting patient data and measurements as well as in completion of the index score sheet.

Committee on Medically Necessary Orthodontic Care Asked to Delineate Auto-Qualifiers

In response to the HITF recommendations, the AAO Board of Trustees established the Committee on Medically Necessary Orthodontic Care, which was composed of members from the Councils on Education, Scientific Affairs and Orthodontic Health Care. Two additional at-large AAO members completed the group. This committee was charged with developing a recommended list of auto-qualifiers and diagnostic documentation that was based upon scientific evidence.

AAO representatives organized and hosted a meeting with representatives from leading dental payers in hopes of coming to conclusions on how best to address the universal confusion surrounding MNOC, and how the way in which MNOC is qualified and administered can be standardized across all states and the dental industry.

The payer group readily agreed to the need for standardization and group members indicated they are looking toward the AAO to propose standard qualifying criteria. Meeting outcomes were as follows:

- All meeting attendees are interested in developing a coalition to advocate for the standardization of MNOC;
- The group is interested in establishing a workgroup to develop a pilot program to test proposed qualifying criteria; AAO members may be used as pilot program providers;
- Workgroup participants should be sought from
  - The Center for Medicare/Medicaid Services
  - State departments of insurance
  - Association of Managed Care
  - Coverage exchanges

The AAO Committee on Medically Necessary Orthodontic Care re-convened and developed a final list of auto-qualifiers and accompanying diagnostic documentation (see box to the right).

During its May 2015 meeting, the AAO Board of Trustees approved the proposed MNOC criteria. The AAO-approved criteria have been forwarded to the leadership of the National Association of Dental Plans, which is expected to help establish the pilot study work group.

AAO-Approved Auto-Qualifiers and Diagnostic Documentation for Medically Necessary Orthodontic Care

Medically Necessary Orthodontics should be deemed necessary and qualified when it is part of a case involving treatment of cranio-facial anomalies, malocclusion caused as the result of trauma, or a severe malocclusion or cranio-facial disharmony that includes, but is not limited to:

- Overjet equal to or greater than 9 mm
- Reverse overjet equal to or greater than 3.5 mm
- Posterior crossbite with no functional occlusal contact
- Lateral or anterior open bite equal to or greater than 4 mm
- Impinging overbite with either palatal trauma or mandibular anterior gingival trauma
- One or more impacted teeth with eruption that is impeded (excluding third molars)
- Defects of cleft lip and palate or other craniofacial anomalies or trauma
- Congenitally missing teeth (extensive hypodontia) of at least one tooth per quadrant (excluding third molars)

Diagnostic records recommended to properly qualify a medically necessary orthodontic case include:

- Panoramic radiograph
- Cephalometric radiograph
- Intraoral and Extraoral photographs

Watch for e-mail updates from the AAO on medically necessary care for orthodontics and/or on the pilot study program. If you have any questions about this initiative, please contact Ann Sebaugh at **asebaugh@aaortho.org**.