

April 11, 2014

Marilyn Tavenner, Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue, S.W. Washington, DC 20201

Dear Administrator Tavenner:

The Coalition for ICD-10, a broad constituency of organizations from across the health care community, strongly opposed Section 212 of the Protecting Access to Medicare Act prohibiting ICD-10 adoption prior to October 2015. We recognize that this delay was mandated by Congress and as a result, HHS and the entire healthcare industry must work together to find a productive and a cost-effective path forward with ICD-10 implementation.

All segments of the health care industry have already dedicated significant time and resources in financing, training and implementing the necessary changes to workflow and clinical documentation. The delay will require the ICD-10 conversion work already performed to be updated, retested, and reintegrated – greatly increasing the cost of conversion.

The Protecting Access to Medicare Act prohibits ICD-10 adoption prior to October 2015 but does not establish a firm implementation date. This third delay of ICD-10 has created great uncertainty relative to the future of ICD-10, which is further compounded by the lack of a firm implementation date. This makes planning and investment decisions for ICD-10 preparation nearly impossible, leading some organizations to consider suspending ICD-10 preparation activities. Without an established implementation date, ICD-10 preparations will be delayed until the last minute, creating a hurried transition when the date of implementation actually arrives.

We urge that this delay not extend past October 2015, and that HHS announce October 1, 2015 as the new implementation date for ICD-10 as soon as possible. The delay is going to be disruptive and costly for health care delivery innovation, payment reform, public health, and health care spending, and uncertainty on the implementation date only adds to the disruption and cost. Furthermore, as CMS stated in 2012, implementation costs will continue to increase considerably with every year of a delay. The lost opportunity costs of failing to move to a more effective code set also continue to climb every year. The diagnosis and procedure coding systems must keep pace with the rapid changes that are occurring in payment and regulatory systems. All of these changes are interrelated and interdependent. The enormous investment that is being made in Accountable Care Organizations (ACOs), meaningful use of electronic health records and value-based purchasing are all predicated on having a more precise and comprehensive diagnosis and procedure coding system that is up-to-date with the rapid changes in practices and technologies utilized in today's health care system.

This additional delay will also exacerbate the current coder shortage and will dampen the employment prospects for more than 25,000 students in health information management (HIM) associate, baccalaureate and coding certification educational programs, as many have learned to code exclusively in ICD-10. Additionally, curricula will need to be redesigned in each school to accommodate teaching ICD-9 if the delay is longer than a year.

ICD-10 is the next-generation coding system that will modernize and expand the capacity of public and private payers to keep pace with changes in medical practice and healthcare delivery by providing higher-quality information for measuring service quality, outcomes, safety, and efficiency. By allowing for greater coding accuracy and specificity, ICD-10 is key to collecting the information needed to implement health care delivery innovations such as patient-centered medical homes and value-based purchasing. ICD-10 will enable better patient care through better understanding of the value of new procedures, improved disease management, and an improved ability to study and understand patient outcomes, yielding benefits to patients far beyond cost savings.

The undersigned organizations have already expended an enormous amount of time, effort and resources in preparing for the transition to ICD-10 in accordance with the original timeline given by HHS. In 2012, CMS estimated the cost to the health care industry of a one year delay to be as much as \$6.6 billion, or approximately 30 percent of the \$22 billion that CMS estimated had been invested or budgeted for ICD-10 implementation. A 30 percent cost increase due to a one-year delay is consistent with the experience and observations of the coalition members. Continued uncertainty relative to the ICD-10 implementation date will add significant demands on limited resources and will measurably increase the overall cost of completing the transition.

We stand ready to work with HHS and its various agencies and offices to ensure a smooth transition to ICD-10 on October 1, 2015, and we would be happy to meet with you or your staff to discuss this transition or respond to any questions or concerns. In particular, we would like to work with CMS to identify measurable milestones on the path toward implementation to demonstrate that preparatory work is proceeding smoothly toward successful implementation.

Sincerely,

Advanced Medical Technology Association (AdvaMed)
American Health Information Management Association (AHIMA)
America's Health Insurance Plans (AHIP)
American Medical Informatics Association (AMIA)
BlueCross BlueShield Association
College of Healthcare Information Management Executives (CHIME)
Health IT Now Coalition
Medical Device Manufacturers Association (MDMA)
3M Health Information Systems