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Medicare *Red Tape Relief Project*

Submissions accepted by the Committee on Ways and Means, Subcommittee on Health

Date: 8/22/17

Name of Submitting Organization: American Health Information Management Association (AHIMA)

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Statutory: X **Regulatory:** X

Please describe the submitting organization's interactions with the Medicare Program:

AHIMA is the national non-profit association of health information management (HIM) professionals. AHIMA's members can be found in more than 40 different employer settings in 120 different job functions—consistently ensuring that health information is accurate, timely, complete, and available to patients and providers. Many of our members are certified and credentialed by AHIMA as medical coders with expertise in ICD-10 and HCPCS coding systems. AHIMA is also one of the four cooperating parties responsible for ICD-10 coding guidelines along with CMS.

Short Description: Easing Transition to Updated Version of Existing Code Set Standard

Summary:

Under current regulations, the process required for transitioning to an updated version of an existing code set standard is the same process required for the adoption of an entirely new code set. The process dictates that the Secretary of HHS may consider a recommendation for a proposed modification to an existing standard or a proposed new standard **only if** the recommendation is developed through a process that provides: (1) open public access, (2) coordination with other designated standards maintenance organizations (DSMOs), (3) an appeals process for the requestor of the proposed modification or for a DSMO that participated in the review and analysis of the request and was dissatisfied with the decision, (4) an expedited process to address content needs identified within the industry, if appropriate and (5) submission of the recommendation to the National Committee on Vital and Health Statistics (NCVHS). The overall result is a lengthy adoption process (see Appendix A) that is often administratively burdensome, costly and can have a deleterious effect on the quality of healthcare data.

Related Statute/Regulation:

45 C.F.R § 162.910(c)

42 U.S.C. § 1320d-1(g)

42 U.S.C. §1320d-3(b)

Proposed Solution:

We recommend an expedited procedure by which an updated version of an existing code set standard may be considered by the Secretary of HHS. Specifically, we recommend that such recommendations to the Secretary of HHS be considered through notice and comment rulemaking in accordance with the Administrative Procedures Act. This change to the process would reduce administrative burden and shorten the adoption process of the updated code set standard. At the same time, it would allow an opportunity for the public and DSMOs to still participate in the review and analysis of the updated code set. Additionally, the proposed change would in no way affect the Secretary's authority in considering such recommendation, nor would it change the process by which new code set standards are considered. Rather, the proposed change would only modify the process by which the Secretary may consider an updated version of an existing code set standard.

Appendix A: ICD-10 Timeline

1979

ICD-9-CM implemented (prior to development and implementation of reimbursement systems that rely on diagnosis and procedure codes)

Although annual update process allows some addition of new conditions and procedures, and expansion for greater detail, it uses as its base a classification system that was developed 40 years ago.

1983

Implementation of hospital inpatient prospective payment system which uses ICD-9-CM diagnosis and procedure codes as the basis for assigning cases to DRGs.

1990

The National Committee on Vital and Health Statistics (NCVHS) issued a report to the Assistant Secretary for Health noting that while the ICD-9-CM classification system has been responsive to changing technologies and identifying new diseases that impact heavily on the community, there was concern that the ICD classification might be stressed to a point where the quality of the system would soon be compromised.

1993

NCVHS sent letter to Assistant Secretary for Health and Administrator of the Healthcare Financing Administration (HCFA) recommending that the Department of Health and Human Services (HHS) dedicate resources to determine the feasibility of implementing ICD-10 for morbidity applications.

ICD-10 was released by the World Health Organization.

1994

NCVHS sends a letter to the Assistant Secretary for Health urging HHS to consider the desirability and feasibility of developing a clinical modification of ICD-10 for morbidity purposes.

The National Center for Health Statistics (NCHS) awarded a contract to the Center for Health Policy Studies to evaluate ICD-10 for morbidity purposes within the U.S. A prototype of ICD-10-CM was developed following a thorough evaluation of ICD-10 by a Technical Advisory Panel comprised of private and public sector stakeholders.

HCFA announced plans to initiate a solicitation for a contract to develop a new procedure coding system for use with hospital inpatients replace the ICD-9-CM procedure codes. This new system is referred to as ICD-10-PCS.

1995-1996

Further work on ICD-10-CM is undertaken by NCHS, including a thorough review of ICD-9-CM Coordination and Maintenance Committee proposals for modifications that

could not be incorporated into ICD-9-CM and extensive collaboration with many medical/surgical specialty groups.

HCFA awards a contract to 3M HIS to develop the procedure classification system to replace Volume 3 of ICD-9-CM (hospital inpatient procedures), known as ICD-10-PCS. It was developed using an open process and a Technical Advisory Panel provided review and comments throughout development. The new procedure classification adheres to the criteria established by NCVHS for a procedure classification system in 1993.

1996-1998

Informal and formal testing of ICD-10-PCS was conducted.

1997

The draft of the Tabular List of ICD-10-CM, and the preliminary crosswalk between ICD-9-CM and ICD-10-CM is made available on the NCHS website for public comment during a three-month open comment period, which begins December 1997 and ends February 1998. More than 1,200 comments are received from 22 individuals and organizations representing a variety of groups, including one governmental agency, two research institutions, three information system developers, four professional organizations, and several health care providers. Comments range from general observations to very specific and detailed analyses.

1997-2003

More than eight days of hearings are held by NCVHS with letters and written and oral testimonies provided by more than 80 public and private sectors groups representing the healthcare industry, the Federal and State governments, public health and research communities, insurers, and providers.

<http://www.ncvhs.hhs.gov/>

<http://www.ncvhs.hhs.gov/0311051t.htm>

AHIMA testimony:

http://library.ahima.org/xpedio/groups/secure/documents/ahima/bok2_000614.hcsp?dDocName=bok2_000614

http://library.ahima.org/xpedio/groups/secure/documents/ahima/bok1_013551.hcsp?dDocName=bok1_013551

http://library.ahima.org/xpedio/groups/secure/documents/ahima/bok1_013552.hcsp?dDocName=bok1_013552

1998

The Notice of Proposed Rulemaking (NPRM) for Transactions and Code Sets is published by the HHS, as required by the Health Insurance Portability and Accountability Act of 1996. ICD-9-CM is proposed as the initial standard for diagnoses and inpatient procedures. The NPRM includes the following language: *In addition to accommodating the initial code sets standards for the year 2000, those that produce and process electronic administrative health transactions should build the system flexibility that will allow them to implement different code formats beyond the year 2000.*

<http://www.gpo.gov/fdsys/pkg/FR-1998-05-07/pdf/98-11691.pdf>

The ICD-10-PCS coding system, training material and crosswalk to ICD-9-CM procedure codes were posted on the Centers for Medicare and Medicaid Services (CMS) web site. The coding system and related materials have been updated annually since then.

<http://www.cms.gov/Medicare/Coding/ICD10/index.html>

1999

ICD-10 was implemented in the U.S. for mortality reporting.

<http://www.cdc.gov/nchs/icd/icd10.htm>

An overview of the comments received during the ICD-10-CM comment period is posted on the NCHS website in 1999. A summary of the comments also is presented at the November 1999 ICD-9-CM Coordination and Maintenance Committee meeting and posted on NCHS website.

2000

The Final Rule for Transactions and Code Sets is published and states: *ICD-10-CM has great potential for replacement of ICD-9-CM.*

<http://aspe.hhs.gov/admsimp/final/txfinal.pdf>

2000-2001

Further enhancements to ICD-10-CM continue with changes being made in response to the open comment period, as well as, input from physician specialty groups.

2001

In the Benefits Improvement and Protection Act of 2000, Congress addressed requirements for incorporation of new medical services and technologies into the Medicare hospital inpatient prospective payment system. In the September 7, 2001 issue of the *Federal Register*, CMS noted the limitation of ICD-9-CM regarding the ability to expeditiously incorporate new medical services and technologies into the classification. A number of procedural approaches and techniques cannot be readily captured by the structure of ICD-9-CM codes.

<http://www.gpo.gov/fdsys/pkg/FR-2001-09-07/pdf/01-22475.pdf>

2002

CMS states a contract had been awarded to 3M HIS to undertake the DRG conversion necessary when ICD-10-CM and ICD-10-PCS are adopted as national standards.

2003

An updated draft of ICD-10-CM was posted on the NCHS web site.

Under the direction of NCVHS, a contract was awarded to RAND's Science and Technology Policy Institute to conduct an impact analysis of moving to ICD-10-CM and

ICD-10-PCS. This analysis concluded that switching to the new code sets is likely to generate more benefits than costs.

http://www.rand.org/content/dam/rand/pubs/technical_reports/2004/RAND_TR132.pdf

The American Health Information Management Association (AHIMA) and the American Hospital Association (AHA) jointly conduct a pilot test of ICD-10-CM during June/July 2003. The study involves dual coding records in ICD-9-CM and ICD-10-CM. More than 6100 records from a broad cross section of health care community were dual coded by 180+ participants. The results indicated that: there is general support for adoption of ICD-10-CM; ICD-10-CM is seen as an improvement over ICD-9-CM; and ICD-10-CM is more applicable to non-hospital settings than ICD-9-CM.

http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1_021578.pdf

In July 2003, AHIMA sends letter to HHS Secretary on adoption of ICD-10.

http://library.ahima.org/xpedio/groups/secure/documents/ahima/bok1_021545.hcsp?dDocName=bok1_021545

In November 2003, the NCVHS sent a letter to the Secretary of HHS recommending adoption of ICD-10-CM and ICD-10-PCS as HIPAA standards for national implementation as replacements for current uses of ICD-9-CM. NCVHS concludes it is in the best interests of the country as a whole that ICD-10-CM and ICD-10-PCS be adopted as HIPAA standards for national implementation as replacements for current uses of ICD-9-CM volumes 1, 2, and 3.

<http://www.ncvhs.hhs.gov/031105lt.htm>

2003-2011

ICD-10-CM is updated annually every October 1 to accommodate changes made to ICD-10 by the World Health Organization and to incorporate changes made to ICD-9-CM diagnosis codes. ICD-10-PCS is updated annually every October 1 to incorporate changes made to ICD-9-CM, Volume 3.

Current version of ICD-10-CM: <http://www.cdc.gov/nchs/icd/icd10cm.htm>

Current version of ICD-10-PCS:

<http://www.cms.gov/Medicare/Coding/ICD10/index.html>

2004

The NCVHS Workgroup on Quality report titled “Measuring Health Care Quality: Obstacles and Opportunities” noted that the adoption of ICD-10-CM would help with the capture of more specific clinical information on disease severity, including complications, co-morbidities and risk factors. The report recommended adoption of ICD-10-CM.

<http://www.ncvhs.hhs.gov/040531rp.pdf>

2005

Subcommittee on Health of House Ways and Means Committee addresses adoption of ICD-10-CM and ICD-10-PCS as part of a hearing on the use of health information technology.

AHIMA testimony:

http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1_031217.pdf

Representative Nancy Johnson (CT) introduced H.R. 4157, the “Health Information Technology Promotion Act of 2005,” requiring the replacement of ICD-9 with ICD-10, for transactions occurring on or after October 1, 2009. The intent of this section of the bill was to speed up the implementation of ICD-10-CM/PCS. This section was ultimately removed because HHS agreed to move forward with the regulatory process to implement ICD-10-CM/PCS.

2006

Subcommittee on Health of House Ways and Means Committee holds hearing on the adoption of ICD-10-CM and ICD-10-PCS.

AHIMA testimony:

http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1_031258.hcsp?dDocName=bok1_031258

2007

Senator Norm Coleman (MN) introduced S. 628, the “Critical Access to Health Information Technology Act of 2007,” requiring the replacement of ICD-9 with ICD-10. The ICD-10 language called for a final rule to be promulgated by October 1, 2008, with full implementation by October 1, 2011.

NCVHS sends a letter to the Secretary titled, “Revision to HIPAA Transaction Standards Urgently Needed.” The letter states that “...there are specific and urgent business drivers (e.g., the need to accommodate ICD-10 codes) that justify adoption of Version 5010.

<http://www.ncvhs.hhs.gov/070926lt.pdf>

2008

In a letter to the Secretary on “Quality measurement and public reporting in the current health care environment”, NCVHS recommends that the HHS “Accelerate US adoption of ICD-10-CM and ICD-10-PCS by publishing the required notice of proposed rulemaking.”

<http://www.ncvhs.hhs.gov/080128lt.pdf>

HHS publishes an NPRM for replacement of ICD-9-CM by ICD-10-CM and ICD-10-PCS on October 1, 2011.

<http://www.gpo.gov/fdsys/pkg/FR-2008-08-22/pdf/E8-19298.pdf>

2009

HHS publishes a final rule for adoption of ICD-10-CM and ICD-10-PCS on October 1, 2013.

<http://www.gpo.gov/fdsys/pkg/FR-2009-01-16/pdf/E9-743.pdf>

NCVHS conducts a hearing to monitor industry progress on implementation of updated versions of the HIPAA transaction standards and ICD-10 code sets

(<http://www.ncvhs.hhs.gov/091209ag.htm>). Following the hearing, the Committee sends a letter to the Secretary recommending that HHS, “Reiterate in every publication, presentation and public forum, that the deadline for Versions 5010, D.0 and 3.0 is January 1, 2012, and the deadline for implementation for ICD-10 code sets is October 1, 2013. These deadlines have been established by HHS as the law, and there is no justification for changing them. HHS, through CMS, must effectively publicize its commitment to the compliance dates.” (<http://www.ncvhs.hhs.gov/100303lt.pdf>)

AHIMA testimony:

http://library.ahima.org/xpedio/groups/public/documents/government/bok1_046473.pdf

2010

CMS announces a partial code set freeze in preparation for the ICD-10 transition, resulting in the last regular annual update to ICD-9-CM and ICD-10-CM/PCS occurring on October 1, 2011 with only limited code updates to capture new technology and new diseases being implemented until the resumption of regular updates one year after the ICD-10 transition.

https://www.cms.gov/Medicare/Coding/ICD10/downloads/Partial_Code_Freeze.pdf

2011

NCVHS holds another hearing to monitor industry progress on implementation of updated versions of the HIPAA transaction standards and ICD-10 code sets and again recommends to the HHS that “HHS should use all communication vehicles to reiterate and emphasize that the compliance dates for implementing 5010/D.0/3.0 and ICD-10 code sets are not changing.”

<http://www.ncvhs.hhs.gov/110617ag.htm>

<http://www.ncvhs.hhs.gov/110922lt1.pdf>

AHIMA testimony:

http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1_050642.pdf

2012

NCVHS sends letter to HHS Secretary urging that any delay in ICD-10 implementation not be more than a year, due to the significant financial burden that accrues with each month of delay.

<http://www.ncvhs.hhs.gov/120302lt4.pdf>

AHIMA sends letter to HHS Secretary urging that there be no delay in the ICD-10 compliance date.

http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1_050126.pdf

In April 2012, HHS publishes an NPRM to change the compliance date for ICD-10-CM/PCS from October 1, 2013 to October 1, 2014.

<http://www.gpo.gov/fdsys/pkg/FR-2012-04-17/pdf/2012-8718.pdf>

NCVHS holds a hearing on the industry status of planning, transitioning and implementation of administrative transaction standards, code sets and operating rules.

<http://www.ncvhs.hhs.gov/120620ag.htm>

AHIMA testimony:

http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1_049926.pdf

In September 2012, HHS publishes a final rule that changes the compliance date for ICD-10-CM/PCS from October 1, 2013 to October 1, 2014.

<http://www.gpo.gov/fdsys/pkg/FR-2012-09-05/pdf/2012-21238.pdf>

2013

AHIMA sends letter to HHS Secretary requesting that the previous commitment to only extend the compliance date for ICD-10-CM and PCS to October 1, 2014 be maintained and that the implementation process not be stopped.

http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1_050314.pdf

NCVHS holds hearing on current state of administrative simplification standards, code sets and operating rules and recommends to HHS that it continue to emphasize its intent NOT to change the current deadline for compliance with ICD-10 code sets of October 1, 2014.

<http://www.ncvhs.hhs.gov/130617ag.htm>

<http://www.ncvhs.hhs.gov/130920lt.pdf>

AHIMA testimony:

http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1_050246.pdf

The “Cutting Costly Codes Act,” H.R. 1701 and S. 972, is introduced by Representative Ted Poe (TX) and Senator Tom Coburn (OK), which would prohibit implementation of ICD-10-CM/PCS on October 1, 2014.

2014

NCVHS holds hearing in February on HIPAA and ACA Administrative Simplification, including ICD-10.

<http://www.ncvhs.hhs.gov/140219ag.htm>

AHIMA testimony:

http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1_050612.pdf

In April, the Protecting Access to Medicare Act of 2014 (PAMA) (Pub. L. No. 113-93) was enacted, which contains a provision prohibiting the Secretary from adopting the ICD-10 code sets as the standard for code sets prior to October 1, 2015.

<http://www.gpo.gov/fdsys/pkg/BILLS-113hr4302enr/pdf/BILLS-113hr4302enr.pdf>

In May, HHS announced that it expects to release an interim final rule in the near future that will include a new compliance date that would require the use of ICD-10 beginning October 1, 2015. The rule will also require HIPAA covered entities to continue to use ICD-9-CM through September 30, 2015.

<http://www.cms.gov/Medicare/Coding/ICD10/index.html>