



October 28, 2008

Dear Member of Congress:

On Friday, August 22, 2008, the Department of Health and Human Services (HHS) published a Notice of Proposed Rulemaking (NPRM) for the adoption of the ICD-10-CM and ICD-10-PCS coding systems. The Advanced Medical Technology Association (AdvaMed), the American Hospital Association (AHA), and the American Health Information Management Association (AHIMA) strongly support the proposed move to ICD-10.

In recent years, Congress has indicated its strong commitment to improving quality, reducing medical errors and infections, and modernizing health information technology. A modern clinical coding system is critical for accomplishing these goals. Providers, payers, the government, and researchers use clinical codes for many purposes, including payment, quality reporting, pay-for-performance, benchmarking, policy development, public health reporting, biosurveillance reporting, and research. Without an accurate and complete coding system, e-prescribing and pay-for-performance systems are difficult to achieve and maintain.

At a time when both Congress and HHS are looking to make significant changes in the way health care is delivered and paid for, to begin to measure quality more accurately and to adjust payments to providers based on those measurements, it is critical that those judgments be based on the most accurate information available. The current coding system simply cannot capture the detail – in either diagnosis or treatment – that is necessary to make these pay-for-performance programs work as conceived.

Unfortunately, providers and payers are still using ICD-9, a coding system for diagnosis and procedure coding that was developed more than 30 years ago. It is outdated, has not, and cannot keep up with rapidly changing advances in medical treatment and technology. It has neither the specificity and detail and the space for expansion, nor the structure to capture technological advances that have occurred over the last 30 years and that will occur in the future. Its lack of detail creates administrative burdens on healthcare providers and plans by requiring them to frequently produce detailed follow-up paperwork and other documentation needed to process claims and to make policy decisions.

The time for moving forward is long overdue. The ICD-9 code set was never designed to provide the increased level of detail required to support emerging needs such as biosurveillance, quality reporting and development of pay-for-performance programs. The National Committee on Vital and Health Statistics concluded in 2003 that we were ready to transition to ICD-10. Now is the time to act on that recommendation.

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If we do not move forward with implementation now, vendors and users will continue to build and buy products – including electronic health records systems – that cannot handle the upgraded ICD-10-CM and ICD-10-PCS coding system. Those systems will be much more expensive to modify and retrofit in the future.

All health care providers would use ICD-10-CM for reporting diagnoses. ICD-10-PCS, a coding system for procedures, would be used only for hospital inpatients. Physicians currently use the Current Procedural Terminology (CPT) coding system to report their procedure codes. Moving to ICD-10 would not change that.

As with any system change, moving to ICD-10 will require investment. However the benefits of ICD-10 – such as more accurate payments, fewer miscoded and rejected claims, better recognition of new technologies and services, and better data for analysis – outweighed the costs of the transition.

We are aware that there are groups urging HHS to put off implementation of ICD-10, thus slowing down progress toward a more modern coding system and all the benefits to payment, public health reporting, research and quality measurement that it represents. We urge you to resist any such efforts to delay this important regulation.

Sincerely,

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