

June 26, 2007

The Honorable Michael O. Leavitt, Secretary  
Department of Health and Human Services  
Hubert H. Humphrey Building  
200 Independence Ave, SW  
Washington, DC 20201

Dear Secretary Leavitt:

The undersigned organizations share your commitment to improving the quality, safety and efficiency of health care by advancing health information technology (HIT). We applaud your leadership and efforts to make this vision a reality.

However, we would like to share our concerns with rapidly replacing the International Classification of Diseases, 9<sup>th</sup> edition, Clinical Modification (ICD-9-CM) diagnosis and procedure billing codes with ICD-10-CM/PCS codes for current uses of ICD-9-CM volumes 1, 2, and 3 only, with other code sets currently in use remaining unchanged. We urge you to support a workable timeframe that would allow for:

1. The next generation of the HIPAA electronic transactions (ANSI X12 version 5010) to be implemented before ICD-10 implementation can even begin. All stakeholders agree the 5010 must be in place in order to successfully convert to ICD-10. And most stakeholders, including the Workgroup for Electronic Data Interchange (WEDI), agree this significant change cannot be done simultaneously with ICD-10.
2. Three years to convert to ICD-10 following the implementation of the 5010. ICD-10 is a massive and costly undertaking that not only requires extensive systems modifications, but also requires major changes in provider work flows and business processes. Because of ICD-10's increased granularity and detail, physicians will have to substantially change their coding practices. Physicians, other providers, and administrative staff will need critical education and training and, importantly, ongoing and costly electronic support systems – such as new technology or software – to assist in proper coding.
3. Medicare to complete implementation of the largest contracting changes in its history. Converting to ICD-10 at the same time CMS is competing and consolidating to 15 Medicare Administrative Contractors (MACs) would, in our view, put the program at extreme risk. In fact, a 2006 report by the former Chief Counsel to the HHS Inspector General found rushing conversion to ICD-10 “would likely cause improper and fraudulent Medicare payments to soar.”

Finally, it is important to remember that it took more than five years to transition to the HIPAA transactions and code sets (T&C), with many entities having still not fully implemented these standards. In addition, the National Provider Identifier (NPI) – the least complex of all the HIPAA standards – could not be implemented in the two years provided, resulting in CMS issuing a contingency plan. A key lesson learned from implementation of these HIPAA standards is that provider education and outreach is critical to ensure providers are aware of the changes that must be made and adequate

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time is given to make those changes. It is for these reasons that we believe the soonest ICD-10 can be implemented is three years after the 5010 is in place.

We appreciate this opportunity to raise these important concerns, and we hope you would support a reasonable framework for transition to ICD-10.

Sincerely,

American Academy of Dermatology Association  
American Academy of Ophthalmology  
American Academy of Otolaryngology-Head and Neck Surgery  
American Academy of Professional Coders  
American Association of Community Colleges  
American Association of Neurological Surgeons  
American Association of Orthopaedic Surgeons  
American Chiropractic Association  
American Clinical Laboratory Association  
American College of Emergency Physicians  
American College of Gastroenterology  
American College of Osteopathic Surgeons  
American College of Radiology  
American College of Rheumatology  
American Gastroenterological Association  
American Medical Association  
American Osteopathic Academy of Orthopedics  
American Physical Therapy Association  
American Society of Anesthesiologists  
American Society for Gastrointestinal Endoscopy  
American Urological Association  
Blue Cross and Blue Shield Association  
College of American Pathologists  
Congress of Neurological Surgeons  
Heart Rhythm Society  
Higher Education Allied Health Leaders (HEAL Coalition)  
Infectious Diseases Society of America  
Medical Group Management Association  
Society for Cardiovascular Angiography and Interventions  
Society for Vascular Surgery

cc: Leslie Norwalk, Acting Administrator, CMS  
Kerry Weems, Nominated to serve as Administrator, CMS