

June 25, 2008

Honorable Michael O. Leavitt
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20036

Dear Secretary Leavitt:

As healthcare proponents who have been advocating for the implementation of the ICD-10-CM and ICD-10-PCS (ICD-10) classification systems, we are pleased to see that several physician societies, the HEAL coalition, the Blue Cross Blue Shield Association, and MGMA sent a letter to you on April 1, 2008 regarding the transition from ICD-9 to ICD-10. The co-signers of that letter have been cautious about making the change but now appear to agree that the transition to ICD-10 is poised to move forward.

We acknowledge the detailed implementation steps suggested in the April 1 letter. In the coming weeks, we intend to provide you with a detailed timeline and recommendations that focus on how implementation steps in the April 1 letter might be best addressed and implemented. We have considerable expertise among our collaborative members. In an effort to craft a comprehensive response, we will consider the steps outlined in the April 1st letter as we draft our recommendations.

Based in part on the April 1, 2008 letter, we have developed several recommendations:

1. We recommend that you immediately initiate the notices of proposed rule making (NPRM) necessary to adopt the Accredited Standards Committee X12 (ASC X12N) version 5010 and the National Council for Prescription Drug Programs (NCPDP) version D.0 HIPAA transaction standards and the ICD-10 classification standards.
2. We seek your support for legislation (please see attachment) granting HHS the ability to adopt and implement ICD-10 and the updated HIPAA transaction standards in a much more streamlined manner.

We are concerned with delays in publishing the proposed rules to implement the upgrades needed for the HIPAA transactions and the ICD-10 classification standards. Under the current HIPAA regulations, changes to the standards require an NPRM and final rule with an implementation period. The NPRM to final rule consideration period can take months or years and once a final rule is promulgated, implementation would take close to 3 years. This upgrade is hampering the nation's progress in collecting better data to improve our healthcare system which is long overdue.

We agree the implementation steps, as requested in the April 1 letter, need to be developed for proper implementation. There are many organizations working on these issues and processes. As we have noted to you in previous correspondence, further delays will increase the cost of implementation. As you continue to highlight the use of health information technology and software to improve the health care system, we need to ensure that both are available to incorporate future ICD-10-based classification codes.

As we move forward, vendors and users need a signal that adoption and implementation is imminent, otherwise they may continue to build and buy products that are not enabled to handle contemporary classification standards. New systems developed and purchased today without the ability to accommodate ICD-10 are likely to be significantly more expensive to modify or upgrade in the future.

Mr. Secretary, your leadership has moved our industry forward in the use of health information technology. With the need for upgrading the ICD-9-CM system now widely accepted, the opportunity exists to advance the nation's use of contemporary classification systems such as ICD-10-CM and ICD-10-PCS not only for reimbursement, but for quality measurement, research, public health, and public policy. Your leadership – getting the US past the adoption hurdle – will not only accomplish moving the US healthcare industry into the 21st century classifications and terminologies, but also increase the anticipated benefits of standard electronic health records and electronic health information exchange. Your actions can provide this important signal to start.

Mr. Secretary, we look forward to prompt action on the part of HHS and CMS to adopt the transactions and standards. If you have any questions or concerns in this regard, please contact Dan Rode, vice president for AHIMA at (202) 659-9440 or dan.rode@ahima.org. *We will submit a detailed set of recommendations in response to the April 1 recommended steps as soon as possible.* We thank you for your consideration and timely action.

Sincerely,

American Health Information Management Association (AHIMA)
American Hospital Association (AHA)
American Medical Informatics Association (AMIA)
Advanced Medical Technology Association (AdvaMed)
Federation of American Hospitals (FAH)
Johnson & Johnson
Medical Device Manufacturers Association (MDMA)
Premier, Inc.
Siemens
3M Health Information Systems, Inc.
Zimmer, Inc.

cc: Carolyn Clancy MD, AHRQ
Julie Gerberding, MD, CDC
Kerry Weems, CMS
Robert Kolodner, MD, ONC