



June 8, 2007

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

Dear Mr. Secretary:

The improvement of our nation's health requires a better understanding of the diseases, illnesses, and procedures we confront. Improved understanding requires a clinical classification system that provides sufficient detail and precise meaning. Achieving a better understanding requires upgrading our clinical diagnostic and procedure coding system by adopting and implementing ICD-10-CM and ICD-10-PCS (collectively referred to as ICD-10) by October 1, 2011. We are seeking your assistance in achieving timely implementation of this goal by promptly initiating the rulemaking process for implementing ICD-10 and updating the HIPAA transactions standard from version 4010 to version 5010. Because of the importance of this issue and the time-consuming rulemaking process, we also seek your support for bipartisan congressional action to achieve this goal in an expedited manner.

We are a coalition that includes: The Advanced Medical Technology Association (AdvaMed), the American Health Information Management Association (AHIMA), the American Hospital Association (AHA), the American Medical Informatics Association, the Federation of American Hospitals (FAH), the Medical Device Manufacturers Association (MDMA), Premier, and Siemens. Collectively we support adoption and implementation of ICD-10 within the United States of America.

The current classification system of ICD-9-CM has been in use within the US for more than 30 years. It is outdated and can no longer keep up with the rapidly changing advances in medical treatment and technology. The need to replace ICD-9-CM was identified almost 15 years ago. Historically, our nation has never relied on the same version of ICD for a 30 year period -- the previous record was 19 years. Other industrialized nations have already embraced ICD-10; yet we are still saddled with using ICD-9-CM--a classification system that is incomplete and incapable of accurately recording important healthcare information.

Ideally, legislative change would help resolve many of the cumbersome HIPAA process requirements that currently impede improvements to the HIPAA standards. Our nation is still working with the first iteration of the HIPAA standard – even though a series of modifications and improvements have been introduced as part of a newer version to these standards. The newer versions of the standards have yet to be named as replacements to the existing standards thus impeding ICD-10 adoption. Additionally, since the HIPAA standards were first introduced, Congress has passed new health policies that seek to improve health care, yet today's HIPAA standards cannot effectively support many of these new changes.

Today, the rulemaking process can take anywhere from one to five years. If we factor in the implementation period, it takes even more time. As the development of electronic health records (EHR) technology moves forward, we are also facing the dire prospect of capturing vital clinical information using an outdated ICD-9-CM coding system--one that cannot effectively improve our understanding of the quality of care rendered nor improve consumer understanding of health status.

The goal that you and the President share around interoperable EHR is to be commended. We ask that you use your role as Secretary to ensure the timely implementation of a modern classification system to better describe clinical data. Without ICD-10, the value derived from the EHR is significantly lessened. Efforts to facilitate accurate and meaningful quality measurements also rely on precise clinical data as provided in ICD-10.

Failure to adopt ICD-10 has a direct and negative impact on:

- Quality measurement and reporting – since ICD-9-CM does not provide necessary detail and severity information
- Public health monitoring and bio-surveillance – our ability to track and share such data is eroded and more difficult to share internationally (we are the only remaining industrial nation not using an ICD-10-based system)
- Medical research - creates difficulty in comparing our data internationally
- Administrative processes – continues to deteriorate claims processing and adjudication, including the ability to identify and pay for 21st century medical procedures and technology, as well as to identify the severity and comorbidities associated with our nation's sickest patients and those suffering from chronic disease

The time for action is now. We are pursuing two courses of action where your leadership is necessary and could ensure that our nation benefits from a richer and more accurate classification system by October 1, 2011. We ask that you:

- A) Direct CMS to immediately initiate the NPRM and Final Rule to accomplish the same implementation requirements mentioned above with formal adoption and implementation of ICD-10-CM and ICD-10-PCS by October 1, 2011. This alternative would require quick processing of the NPRM along with timely review of NPRM comments, and publication of the final rule, with coordination among HHS, CMS, and the Office of Management and Budget. An accelerated pace would require that the HIPAA transactions be implemented at least 1-year prior to the implementation of ICD-10. This alternative does not modify the HIPAA standards upgrading process that would enable the timely modification of standards in the future; and,

B) Work with Congress to pass bipartisan legislation to require adoption and implementation of the changes necessary to meet an October 1, 2011 final implementation. This would include:

- A “Notice of Intent” to implement the newer versions of the HIPAA transactions including the ICD-10 code set changes. This would help vendors prepare for changes made necessary by adoption of the new standards;
- Formal adoption of the HIPAA ASC X12 5010 and NCPDP 8.0 versions by January 1, 2010 – complete transition by health plans, clearinghouses and providers; and,
- Formal adoption and implementation of ICD-10-CM and ICD-10-PCS (the latter for inpatient facilities only) by October 1, 2011.

We realize that these changes are significant and will require more details than presently outlined in this letter. Our coalition is willing to assist and talk with you further about the specifics. We understand your schedule is busy and will follow up with your office if we do not hear from you by Friday, June 22, 2007. In the meantime if you have any further questions or would like to schedule a meeting with our coalition please contact: Don Asmonga, AHIMA’s director of government relations. He can be reached at 202-659-9440 or at Don.Asmonga@AHIMA.org.

Mr. Secretary, thank you for your time and consideration. We look forward to working with you to ensure a timely resolution to this important healthcare issue.

Sincerely

Advanced Medical Technology Association (AdvaMed)
American Health Information Management Association (AHIMA)
American Hospital Association (AHA)
American Medical Informatics Association (AMIA)
Federation of American Hospitals (FAH)
Medical Device Manufacturers Association (MDMA)
Premier
Siemens