May 14, 2012

Via Electronic Mail
Marilyn Tavenner, Acting Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Room 445-G
Hubert H. Humphrey Building
200 Independence Ave, S.W.
Washington, DC 20201

Re: Administrative Simplification: Adoption of a Standard for a Unique Health Plan Identifier; Addition to the National Provider Identifier Requirements; and a Change to the Compliance Date for ICD-10-CM and ICD-10-PCS Medical Data Code Sets (CMS-0040-P)

Dear Ms. Tavenner:

The Advanced Medical Technology Association (AdvaMed) welcomes the opportunity to provide comments on the Administrative Simplification: Adoption of a Standard for a Unique Health Plan Identifier; Addition to the National Provider Identifier Requirements; and a Change to the Compliance Date for ICD-10-CM and ICD-10-PCS Medical Data Code Sets (Proposed Rule CMS-0040-P) (Federal Register, Vol. 77, No. 74, Monday, April 17, 2012, p. 22950). Specifically, we would like to provide the Centers for Medicare and Medicaid Services (CMS) with feedback regarding the proposal to delay the compliance date for use of the International Classification of Diseases, 10th Edition diagnosis and procedure codes (ICD-10).

AdvaMed member companies produce the medical devices, diagnostic products, and health information systems that are transforming health care through earlier disease detection, less invasive procedures, and more effective treatments. AdvaMed members range from the largest to the smallest medical technology innovators and companies.
AdvaMed is committed to ensuring patient access to life-saving and life-enhancing devices and other advanced medical technologies. Achieving this goal in an era of initiatives that focus on, quality, efficiency, outcomes, value, public health, and preventive services requires a contemporary coding system that accommodates the reporting of detailed data. ICD-10 is such a system. AdvaMed supports adoption of ICD-10 and believes that moving to this coding system is critical in achieving many of the quality and efficiency goals that CMS is pursuing as part of its various initiatives. Moreover, we remain concerned that the proposed delay of one year, until October 1, 2014, could have substantial negative impacts. We recommend that CMS not further delay implementation of ICD-10 and instead move forward with the October 1, 2013 compliance date.

ICD-10 was developed as an improvement to ICD-9, and allows for a more specific and accurate representation of current and future medical procedures and diagnoses than is possible with the 30-year old ICD-9 system. Use of ICD-10 codes will provide more accurate and discrete data for health care billing, quality assurance, public health reporting, and health services research and will modernize and expand CMS’ capacity to keep pace with changes in medical practice and health care delivery.

ICD-10 is a valuable tool in collecting the information needed to implement pay-for-performance, value-based purchasing, and quality of care monitoring systems for providers who depend on accurate data for measuring the effectiveness of treatments. ICD-10 will also lead to better patient care outcomes through enhanced understanding of the value of new procedures, improved disease management, and an improved ability to study and compare alternative treatments and services. Delays in implementing ICD-10 will adversely impact efforts to track and advance the quality and type of health care services provided.

AdvaMed is greatly concerned that an implementation delay will result in the need to duplicate resources in order to transition to the ICD-10 system. The Department of Health and Human Services issued a Notice of Proposed Rulemaking regarding adoption of the ICD-10 coding systems in August, 2008, with an initial implementation date of October 2011. Since that time, ICD-10 implementation has been plagued by delays including pushing the compliance date back to October 2013. Despite the repeated delays, CMS has continued to prepare both the hospital and provider communities in anticipation of the switch to ICD-10. Since 2009, CMS has sponsored workshops, presentations, and webinars discussing the purpose, use, and structure of ICD-10 codes in an effort to educate the hospital and provider communities about the transition. CMS also recommended that these groups invest time, resources, and training to prepare for the anticipated transition to ICD-10 in October 2013. In response, numerous health care providers, hospitals, and health systems have invested significant time and financial resources to convert their existing systems and to prepare their staffs for the transition. These costly infrastructure improvements, which include training, hiring, hardware, and software costs, will have been wasted if the conversion to ICD-10 does not move forward.

Lastly, in preparation for the October 2013 transition to ICD-10 codes, CMS implemented a partial freeze on the issuance of updates to the ICD-9 code set. Because of the freeze the last
regular updates to the ICD-9 code set took place in October 2011. In anticipation of implementation of ICD-10 in 2013, CMS planned for limited updates to the ICD-9 code set in October 2012 and no ICD-9 updates in 2013. The proposed rule suggests that CMS does not need to lift the freeze if a delay of only one year is implemented. The FY 2013 Hospital Inpatient Prospective Payment System (IPPS) proposed rule (released subsequent to the Administrative Simplification rule proposing the ICD-10 implementation delay) proposes modification of the freeze schedule to include an additional limited update to the ICD-9-CM code set on October 1, 2013 if ICD-10 implementation is delayed until October 2014. **AdvaMed supports the recommendation included in the proposed IPPS rule which provides for limited updates to the ICD-9 code set in October 2012 and October 2013.** However, we also **recommend that CMS provide a limited update to the ICD-9 code set on October 1, 2014.** These adjustments to the code freeze schedule will assure that the necessary ICD-9 codes are available for use until ICD-10 is implemented. AdvaMed urges CMS adoption of these recommendations if the decision to delay ICD-10 implementation for one year is finalized.

**Conclusion**

AdvaMed urges CMS to move forward with the October 1, 2013 compliance date for ICD-10. In the event that CMS delays implementation of ICD-10 until October of 2014 we would urge the agency to modify the partial freeze policy, as it relates to the ICD-9 code set, to allow for limited updates to the code set in 2012, 2013, and 2014. We would be happy to meet with you and your staff at any time to discuss our position on ICD-10, as well as respond to any specific questions or concerns you have about the system. Please feel free to contact DeChane Dorsey, Vice President of Payment and Health Care Delivery Policy at 202-434-7218 or ddorsey@AdvaMed.org with any questions. We look forward to your response.

Sincerely,

Ann-Marie Lynch
Executive Vice President
Payment and Health Care Delivery Policy
AdvaMed