



**Testimony of
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To the
Standards Subcommittee of the
National Committee on Vital and Health Statistics
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Chairmen Warren, Suarez, and Soonthornsima, members of the Subcommittee, ladies and gentlemen, good afternoon. I am Dan Rode, vice president for the American Health Information Management Association (AHIMA). On behalf of AHIMA's more than 64,000 professional health information management members, I am honored to testify before you today regarding the current state of ICD-10-CM and ICD-10-PCS implementation, strategic plans to address the current delay in achieving final compliance with and for the use of the ICD-10-CM and ICD-10-PCS classification code sets, and the impact of the proposed delay on other health information and data related to other federal and industry activities.

AHIMA

AHIMA is a 501 (c) (6) non-profit organization made up of health information management (HIM) professionals who work in a variety of organizations which create, use, analyze, and protect health information and data. Today, AHIMA members work in over 40 different employer types and occupy some 120 different healthcare functions. AHIMA has 52 component state associations which work in concert with the national association in supporting the HIM profession. Given the role of health information management professionals and AHIMA in the ICD-10-CM and PCS transformation, I will be giving you insight in to what we are doing to assist the profession and the industry in transformation strategy, implementation, and testing. .

AHIMA is a member of the Cooperating Parties for ICD-9-CM in conjunction with the American Hospital Association (AHA), the Centers for Disease Control and Prevention (CDC) and its National Center for Health Statistics (NCHS), and the Centers for Medicare and Medicaid Services (CMS). Together, these organizations provide guidance and maintenance of the ICD-9-CM, ICD-10-CM, and ICD-10-PCS classification systems. AHIMA also serves on the editorial advisor committees for ICD-9-CM and ICD-10-CM/PCS as well as the Health Care Procedure Coding System (HCPCS) and CPT®. Beyond national standards, AHIMA participates in the World Health Organization's (WHO) Family of International Classifications: this includes work on "ICD-11." AHIMA also works with the International Health Terminology Standards Development Organization (IHTSDO) that is developing and maintaining the SNOMED-CT®.

Finally, the Association is an active member of the National Quality Foundation (NQF), National Association for Healthcare Quality (NAHQ), and the Health Level 7 standards development

organization. These affiliations along with our work with the International Organization for Standardization (ISO), the Office of the National Coordinator for HIT (ONC), and other federal agencies are working to achieve uniformity, harmonization, and interoperability among our terminologies and classifications, e-measures, and clinical transactions to maximize the use of electronic health records and achieve data integrity for all information used for primary care and a variety of secondary uses.

ICD-10-CM and ICD-10-PCS Compliance Delay

While examining the issues related to the ICD-10-CM and ICD-10-PCS today, I want to note that AHIMA's testimony is based on the assumption that the proposed one-year delay in the compliance date will be the same in the CMS' final rule. Any further delay will require extensive changes to our nation's ability to strategically implement ICD classifications projects related to the federal government, the healthcare industry, and much more. The impact of additional delay will, as indicated in the comments of many of our nation's health plans and providers, raise the costs of implementation another 50 percent to those entities that followed the directions for implementation in the final rule of 2009.

I would like to respond to the questions your instructions raised and also address some issues beyond those questions.

Critical Industry Milestones

The first milestone we perceive is today, June 20, 2012. There are healthcare entities that have already achieved various stages of readiness for conversion in the use of ICD-10-CM or ICD-10-PCS. Throughout the last three years AHIMA and other organizations have called for all affected entities to proceed with implementation. As a result a significant portion of the healthcare industry was on the road to compliance for 2013.

There are entities that have not proceeded with implementation, some because of a lack of understanding and others because the compliance date continues to be moved. Therefore, this committee should reiterate the need for a firm date, and entities must be compliant by October 1, 2014. Any suggestion otherwise is unacceptable. Another delay will continue to raise the cost of implementation, hinder the benefits gained from the new system, impede progress toward government mandates and segments of the healthcare industry will continue to request additional delays.

There are milestones for many organizations and private practices who are engaged in adoption and implementation of electronic health records and other electronic information systems used in healthcare. These groups may be engaged in or anticipating involvement in the ARRA-HITECH incentives program. All participants should be requiring that the new HIT systems include the ability to comply with the applications and storage required for use of ICD-10-CM or ICD-10-PCS. Ignoring the fact that ICD-10 classification compliance will occur will raise the cost of implementation if a system has to be retrofitted to accommodate ICD-10-CM or ICD-10-PCS.

Likewise, HIT systems vendors should take it upon themselves to ensure their systems will accommodate ICD-10-CM or ICD-10-PCS. A number of vendors are performing this conversion at no cost to the provider or plan as part of their on-going contractual obligation to meet Medicare and Medicaid regulations. In my Association's letter of comments on Meaningful Use – Stage 2, AHIMA also recommended that the ONC's 2014 Meaningful Use certification standards include all appropriate ICD-10-CM and ICD-10-PCS requirements.

Patently, the next and very important milestone is the final rule that CMS will promulgate regarding the revised compliance date. This final rule should be issued as soon as possible. Providers, health plans, and other affected organizations have paused to one extent or another, waiting to hear CMS' intention. The continued delay in announcing the actual compliance date is increasing the cost of implementation and slowing momentum. There are plenty of tools and education materials available from CMS, AHIMA, and other organizations on how to proceed with implementation, but until CMS announces its final decision affected parties will wait with the hope of an even longer extension or stoppage of implementation.

The implementation of ICD-10-CM or PCS comes at a time when there are many other HIT/HIM related implementations as well. As AHIMA looks at the environment, we don't see this ending in the near future. Accordingly, AHIMA has called upon the Department of Health and Human Services (HHS) as well as CMS and ONC to provide not only a firm compliance date for the classification systems, but also an integrated plan taking into account federal efforts to expand the use of EHR systems, HIT/HIM programs, and CMS reimbursement and quality measurement programs. Doing so will ensure that the industry can strategically plan.

The NCVHS is the prime federal FACA advisory committee with regard to data and data integrity and through its HIPAA charges the implementation of many required transaction, terminology, and classification systems. AHIMA suggests that this subcommittee and the full NCVHS should also call upon the Secretary to produce such a plan and organized implementation recognizing both the investments that have already been made in the healthcare industry as well as those remaining to be made and the costs in the current healthcare economy that will be incurred especially by healthcare providers.

Following a final CMS announcement and hopefully a full industry-wide strategic plan from HHS, a variety of milestones are needed related to individual affected entities, communities, and national initiatives already in process or planned. The individual milestones will relate to both where the entity already is on the spectrum of implementation as well as the milestones established by CMS. So, the entity must look at what is coming from federal requirements or participation in optional programs, local requirements, and its own status. From that review a strategic plan can be developed with regard to gap analysis systems requirements, process change requirements, documentation requirements and training, systems implementation and testing, coder training on ICD-10-CM/PCS classifications as needed, ancillary clinician training, and involved systems training. Obviously, AHIMA and others have published more detail on this process and AHIMA is working on additional tools to assist in this process.

At the local level – or more likely the state level– conformance testing is a significant issue since for many health plans or payers it is a many-to-one situation. A common example is related to

testing with the local Medicaid bureau or intermediary. These more integrated tests (along with trading partner testing) will have to be determined and these coordination meetings should already be underway. With the addition of an additional year, calendars (setting up further milestones) should be completed within the next six months.

In other (outside) meetings many private health plans and providers have indicated an ability to test or set up testing milestones by this fall. Testing has been an Achilles heel to several HIPAA related projects and is again a place where this subcommittee could make recommendations to the healthcare industry as well as the Secretary. AHIMA and many of our state HIM organizations are especially concerned about the readiness for compliance and testing by state Medicaid programs. We encourage CMS' continued work with the states to insure Medicaid readiness. To assist in this process, a number of state HIM organizations have undertaken or joined state efforts to work with Medicaid and other health plans to provide assistance towards the Medicaid or health plan readiness or testing progress.

Associations like AHIMA have been active in preparing our members and their employers for the ICD-10-CM or PCS conversion. To date AHIMA has trained over 3,600 individuals in open and corporate sessions. Most of this training has been directed at training individuals who are in turn expected to train others within their state association, community or organization. Updates and on-going reviews are part of this program and we are in the process of revising the schedule on the basis of CMS' final decision. AHIMA has continually noted that coders and others should not be trained so far in advance of the actual compliance date so as to obligate retraining; however we are aware that some organizations plan to begin using ICD-10-CM or ICD-10-PCS internally before a compliance date for their own purposes.

Besides classification training for coders and other users of classification systems, AHIMA has engaged in education and training regarding the adoption and implementation process required for successful use of the new code sets. We believe this effort should have begun some time ago but can be started today for a variety of organizations dealing with process change. AHIMA established a monthly electronic newsletter as well as a web page (www.ahima.org/icd10) and both communication channels have been very popular. AHIMA is also engaged with a number of other associations and CMS to support their training efforts and education.

We tend to think of implementation as affecting providers, plans and clearinghouses as well as vendors, but let us not forget that we have a variety of other stakeholders that also must be engaged in change management. A good example is the development and use of quality measures and other reporting of data which rely on classifications and coding. We are aware that upgrades to these measures and other data are under conversion, but along with the healthcare industry we are not aware of where their implementation stands or how revised measures will be incorporated for programs like Medicare at the time of compliance. This becomes part of the road map and milestones that are so crucial to a successful transformation, and it is up to HHS and the healthcare industry to make all stakeholders aware of these changes as well and how they fit into the overall picture.

Momentum

Anyone that has watched the trade press or AHIMA directly, knows that we have continually urged the healthcare industry not to stop their momentum in implementing the classification code set changes in spite of rumors, press releases, or even the HHS delay process and proposed rule. We have been pleased to see CMS and other industry associations and organizations do likewise. We have encouraged our members to carry this message internally, and we and our state affiliates have done so across the country. Of note, a number of our state HIM associations have undertaken reaching out to sectors of the healthcare industry that we realize need assistance in implementation. So in states like Tennessee we are now seeing the state association (THIMA), providing education and training sessions with state and local medical associations or societies. These associations have found this helpful, and as I mentioned other states have projects with Medicaid, and other health plans and associations. All reports from these effort and those of CMS have indicated that understanding is a boon to implementation. We encourage the NCVHS and CMS to continue to promote such assistance.

Until there is a very clear and direct statement by HHS and the Administration there will continue to be healthcare entities that will stop any progress to compliance with new ICD requirements. Such a statement must:

- Indicate that there will be no further discussion or delay on the intention of the federal government to implement and use the ICD-10-CM or ICD-10-PCS, as appropriate. Public discussion has occurred for two decades and CMS and the CDC/NCHS have maintained the two classification systems waiting for implementation and use.
- Be clear on a compliance date and in asserting that no further delays will be extended. Unfortunately, HIPAA rules have a history of being extended so any statement must leave no doubt as to reaching a compliance date.

Further education is also necessary to overcome the decade of debate in which urban myths have arisen, and often HHS has attempted to be neutral. It is time for the government and physician groups that initiated the clinical modifications now in ICD-10-CM, as well as other healthcare data users to explain the value of the ICD-10-CM and PCS classifications rather than allow these myths to continue. AHIMA has been very clear on this issue in past testimonies and public statements.

AHIMA provided its members with information on the value of coding and classification data within organizations to stress the value of both the information and undertaking to complete implementation as soon as possible. The Association views several stages in implementation and believes that implementation and testing should be completed by early next spring, so now a new target is needed. At the same time, organizations need to establish a calendar for training coders and other users both on the appropriate classification system(s) and how it is used in the organization's electronic systems.

Testing

Essentially, there are two efforts that should highlight the Subcommittee's concerns regarding testing:

- Enhanced education directly and through associations like AHIMA on the need for and value of testing as well as setting a reasonable timetable. We should use the recent testing lessons learned and best practices associated with the Version 5010 conversion to promote early ICD-10-CM or PCS testing, and recommendations for community (state) wide cooperation in setting up testing among groups and partners.
- HHS should work through CMS (especially Medicaid) and its contractors to promote testing on a local and partner basis, and ensure that the industry is aware of what it is doing and the progress being made.
- HHS should clearly indicate how it will handle providers and plans that are not compliant with the final compliance data, including HIPAA fines or payment delays for unqualified HIPAA transactions.

ICD-10-CM and ICD-10-PCS Compliance Delay Impacts

AHIMA is aware of a variety of federal programs that are affected by a delay in the ICD-10-CM and ICD-10-PCS conversion.

- HHS announced the incorporation of ICD-10-CM in Stage 2 of the Meaningful Use Incentive Program established by the ARRA-HITECH Act. AHIMA and many others urged for a delay in Stage 2 to accommodate the ICD-10-CM and PCS implementations which was accommodated in the Stage 2 notice of proposed rulemaking. Now, CMS has proposed that ICD-10-CM or PCS will not be in place until after a year in to Stage 2. We do not know what this impact will be at this date, but we do know that classification codes are an important part of reporting under Meaningful Use and affect health record systems.
- Programs associated with quality care and measures of quality care will only be effective when the more granular data is available. Otherwise, the data used in the quality measurement will continue to rely on the current vagueness of ICD-9-CM. This gets back to our concern for how these data sets will convert in the future as well as how these programs will deal with vertical integration of data. I must mention that the current conversion of quality measures must continue for completion as soon as possible so that users and vendors can accommodate the revised codes in their systems.
- Similarly, value based purchasing programs scheduled to start in 2013, will have to be shelved or initially use ICD-9-CM and then be converted to the new codes. There are a host of other CMS and HHS projects and pilots that need the more detailed data provided by ICD-10-CM or PCS coding.
- One pressing need for coordinated data management is public health reporting. Since most reporting is at a local level, AHIMA members and EHR implementers are looking at how coded data can be used and the detail offered by ICD-10-CM/PCS will be a significant improvement once initiated.

- Researchers and groups like the CDC will also have to continue to build their own mapping processes when working on data collection that is world-wide.
- In testimony to this subcommittee, workers compensation insurers indicated that they saw value in using ICD-10-CM and PCS classifications for their employee insurance programs. The ability to use codes, rather than the process of collecting additional information at the provider site and analysis at the insurer side is significant and offers benefits to both. AHIMA believes that similar benefits will accrue to providers and regular health plans and other collectors of “attachment data” used in today’s reimbursement system.
- Delay in ICD-10-CM or ICD-10-PCS represents a lost value that the coding system could offer an organization no matter what its size. While ICD encoded data is not designed to express clinical concepts as efficiently as terminologies such as SNOMED-CT, it provides a level of detail that can assist internal quality improvement efforts and other data analysis that can be conducted by the organization or an external contractor.
- National and international efforts continue on the mapping of terminologies like SNOMED-CT with classification systems like ICD-9-CM. AHIMA has pointed out on several occasions over the last decade the complementary link between SNOMED-CT for clinical use and ICD-10-CM, and ICD-10-PCS for secondary use representation. As the momentum to incorporate SNOMED-CT into electronic health records systems, continues, the ability to create functional linkage is limited due to the inability of ICD-9-CM to carry the level of detail required for health information storage and sharing. This limits the value of the systems to provide both better information for patient and secondary uses identified in EHR implementation programs and other health integration programs such as accountable care organizations.

The bottom line is that ICD-10-CM and ICD-10-PCS are a lynchpin for the value of healthcare systems and the revolution now occurring in the United States for creating more efficient and effective tools for managing health information across all provider settings. Delay in ICD-10-CM and PCS will delay the benefits of this revolution in all but the most sophisticated health systems or plans.

Data Governance

Both AHIMA and the American Medical Informatics Association (AMIA) have noted that the United States is lacking a public-private organization to govern and coordinate the various terminologies and classifications or that are used in the US. Such governance is necessary, especially as the US continues to assume an electronic health records and information exchange. The white paper that was put forth jointly illustrated the need for uniform vocabularies to maximize the value of electronic health records and improve the integrity of health data. Today we continue the call for a national policy and process on data but also for similar activities to take place in provider organizations. AHIMA and AMIA encourage the NCVHS to re-examine the initial recommendations and seek an update from these organizations and others. The

implementation of ICD-10-CM and PCS are a step toward the application and use of vocabularies that will interact in the EHR and HIE systems. These systems rapidly growing in this country and action needs to be swift. As we call for an integrated implementation of federal programs the need for data governance becomes more important.

Conclusion

AHIMA continues to urge all healthcare information stakeholders to continue their work to ensure compliance with the ICD-10-CM and ICD-10-PCS requirements in spite of any delay. AHIMA also lends its expertise to those who need assistance to complete their implementation. To that point, the Association urges the NCVHS, our healthcare colleagues and the federal government to provide a strategic plan. It is imperative to educate and provide assistance to ensure our nation's healthcare information and data systems are using 21st century terminologies and classifications to improve our healthcare knowledge and our healthcare systems.

The implementation of ICD-10-CM or ICD-10-PCS is both an individual and community endeavor; we are all in this together as we also work to implement and use health information technology. There are opportunities to make implementation easier as we consider requirements such as testing. The delay in ICD-10-CM and ICD-10-PCS implementation is a fact. Therefore, we urge the NCVHS and the ICD-10-CM and PCS stakeholders to work together to ensure a firm and final compliance date which is needed to secure the integrity of our patient's health information.