

May 7, 2012

Centers for Medicare & Medicaid Services
Department of Health and Human Services
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 45 CFR Part 162 [CMS-0040-P] RIN 0938-AQ13

Dear Acting Administrator,

I appreciate the effort and objective thoughts put into this proposed rule on a change to the Compliance Date for ICD-10-CM. I would like to take this opportunity to focus CMS on page 22989 where alternative options to ICD-10 are considered. Our current pathway to ICD-11 use is to first implement ICD-10. Option 3 proposes an alternative pathway to ICD-11 by forgoing ICD-10. However, in three sentences this option is summarily dismissed from further consideration because:

1. The World Health Organization, which creates the basic version of the medical code set from which all countries create their own specialized versions, is not expected to release the basic ICD-11 medical code set until 2015 at the earliest
2. It would be more difficult for industry
3. It would take anywhere from 5 to 7 years for the United States to develop its own ICD-11-CM and ICD-11-PCS versions

I am very concerned that this dismissal of ICD-11 is done with minimal discussion and with no comparative data on the total cost of each option. There are compelling reasons to consider implementing ICD-11 as soon as feasible. In a recent Health Affairs article (May 2012 Vol. 31 No. 5) entitled "There Are Important Reasons for Delaying Implementation of the New ICD-10 Coding System", the authors (C Chute, S Huff, J Ferguson, J Walker and J Halamka) delineate the benefits of ICD-11 and shortcomings of ICD-10. The authors contend that "the ICD-10-CM conversion is expensive, arduous, disruptive, and of limited direct clinical benefit". In their analysis they discuss:

1. One study which found ICD-10 codes failed to outperform ICD-9 codes when it comes to capturing clinical data.
2. Another analysis of ICD-10 codes that found a lower percent of codes (as compared to ICD-9 codes) is dedicated to diseases.
3. Significant deficiencies in the ICD-10 code set including a lack of genomic information such as family history.
4. Reasons why SNOMED-CT, which ICD-11 is based upon, is a much superior clinical coding language
5. That ICD-10 is already nearing obsolescence

The authors conclude that that adopting ICD-10 for reimbursement will be disruptive and costly with little material improvement over the current system. Although they do not directly address forgoing ICD-10, they do recommend that policymakers begin planning now to facilitate a tolerable transition to ICD-11.

Analyses such as these from reputable authors should compel us to implement ICD-11 as soon as is tolerable. One pathway to ICD-11 is through ICD-10, the other is by forgoing ICD-10. To determine the "tolerability" of forgoing ICD-10 we need to compare the estimated total cost and resource utilization of both pathways to ICD-11. There is no data provided in this proposed rule on the estimated total cost of Option 3 other than the estimated cost of delaying ICD-10. In addition, there is no estimate on the cost of delaying ICD-11.

We need to first determine the earliest date by which ICD-11 could be implemented under each pathway. According to information provided in the proposed rule on page 22989, CMS believes ICD-11 could be implemented as early as 2020-2022 if we decide to forgo ICD-10.

For comparison, what is the earliest date we could implement ICD-11 if we implement ICD-10 first? The proposed rule does not address this question. But authors Richard Averill and Susan Bowman wrote in "There Are Critical Reasons for Not Further Delaying the Implementation of the New ICD-10 Coding System" (J AHIMA July 2012 Vol. 83 No.7) that it took the US eight years to adapt to the WHO version of ICD-10 and create ICD-10-CM for this country, two years to get through the HIPAA rulemaking process and three years for the industry to convert systems to ICD-10. Assuming the industry immediately starts working on ICD-11 in 2016 after the ICD-10 implementation and WHO's release of ICD-11, these historical facts suggest that 2028 may be the earliest date by which ICD-11 could be implemented. Some experts point to another fact that the US took over twenty years to implement ICD-10 after

WHO released it, and suggest that the industry would not be able to implement ICD-11 until after 2030. This means we could potentially end up using an increasingly obsolete ICD-10 system for 13+ years after 2015.

Next we need to determine the total cost of both pathways to ICD-11 use instead of relying solely on a general, anecdotal reference made in the proposed rule that it would be too costly to convert from ICD-9 to ICD-11. What is the estimated total cost to complete the ICD-10 implementation, then convert to ICD-11? For comparison, what is the total cost of stopping the ICD-10 implementation today and proceeding immediately with ICD-11, including the sunken costs of work already done on ICD-10?

It is also critical know what value ICD-11 use will add over ICD-10. This value is needed in order to analyze the cost of using ICD-10 for 13 or more years until ICD-11 is implemented. Similar estimates were done to estimate the cost to the industry for using ICD-9 codes for another 5-7 years while ICD-11 is implemented. How does the total cost to the industry for using ICD-9 codes another 5-7 years compare to the total cost to the industry for using ICD-10 codes instead of ICD-11 for 13+ years?

And finally, we need an analysis to determine what the impact will be from the burden imposed on providers by requiring two code system conversions over the next 15 years. What will the impact be on resource utilization within the industry? What are the capital costs physicians and small hospitals will incur under both pathways? What other potential impacts could there be on physicians and small hospitals? Will it drive an increasing number of physicians into early retirement? Will some small hospitals be forced to close? Will it drive a decision by increasing number of physicians to convert to a concierge or cash-only practices? These and other potential impacts have not been fully assessed by CMS.

In conclusion, I am very concerned that CMS has prematurely dismissed the option to forgo ICD-10 without adequate analysis. Implementing ICD-10 has been compared to buying a Betamax instead of a VHS recorder in terms of pending obsolescence. Informatics experts are in agreement that ICD-11 is superior to ICD-10 and that we need to get to it as soon as is tolerable. Perhaps the optimal pathway to ICD-11 really is through the ICD-10, but we need a more comprehensive analysis to make a better-informed decision. Let's put on the table the total costs and impact of both pathways and then decide.

Thank you very much.

Sincerely,

Matt Murray, M.D.
Physician
Texas Christian University
Brown Lupton Health Center

Board Chairman, North Texas Regional Extension Center
Member of Statewide HIE Collaboration Council, Texas Health Services Authority