



**American Hospital
Association**

Liberty Place, Suite 700
325 Seventh Street, NW
Washington, DC 20004-2802
(202) 638-1100 Phone
www.aha.org

May 15, 2012

Submitted Electronically

Marilyn Tavenner
Acting Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
200 Independence Avenue, S.W., Room 445-G
Washington, DC 20201

Re: Administrative Simplification: Change to the Compliance Date for ICD-10-CM and ICD-10-PCS Medical Data Code Sets - CMS 0040 P; Pages 22950 – 23005 FR DOC # 2012-8718

Dear Ms. Tavenner:

On behalf of our more than 5,000 member hospitals, health systems and other health care organizations, and our 42,000 individual members, the American Hospital Association (AHA) appreciates the opportunity to comment on the proposed rule to revise the compliance date from October 1, 2013 to October 1, 2014 for the International Classification of Diseases 10th Edition (ICD-10) for the Clinical Modification (CM) and Procedure Coding System (PCS) sections of the ICD-10 code list.

The AHA supports the proposed one-year delay and urges the Centers for Medicare & Medicaid Services (CMS) to finalize its proposal soon. We strongly recommend that CMS move forward with both coding systems (CM and PCS) at the same time, and that the extra time be used to conduct extensive testing. Please note that we will submit separate, detailed comments on other elements of the proposed rule, including adoption of a standard for a unique health plan identifier and changes to the national provider identifier requirements.

While the transition to ICD-10 is challenging, there are significant benefits to the change. ICD-9 was developed more than 30 years ago, is outdated, and cannot keep up with rapidly changing advances in medical treatment and technology. Moving to ICD-10 will allow accurate classification and payments for new treatments and allow coding to better track the severity of illness. The greater detail provided by ICD-10 will also reduce the administrative burdens providers face in producing detailed follow-up paperwork and other documentation needed to process claims. From a policy perspective, greater specificity in coding will support more



accurate payment and improve quality measurement, especially in new payment models such as value based purchasing, readmissions reduction, accountable care organizations, and bundling.

In the proposed rule, CMS indicates that it considered other options before proposing a one-year delay. They included:

1. retaining the October 1, 2013 date;
2. maintaining the date for ICD-10-PCS only, but delaying ICD-10-CM for diagnosis codes only;
3. forgoing ICD-10 altogether and wait for ICD-11; and
4. mandating a uniform delay for ICD-10-CM and ICD-10-PCS.

In February, the AHA conducted a member survey to assess ICD-10 readiness to which almost 1,000 hospitals responded. Results of the survey are attached. We also consulted widely with hospitals across the country to understand the implications of a delay for their budgets and planning processes. Given the many competing initiatives currently underway, including health reform implementation and the adoption of electronic health records, 70 percent of the responding hospitals thought a short delay in ICD-10 implementation would be helpful, citing that such a delay would give them a chance to attend to many competing priorities.

Of those responding in favor of a delay, the majority preferred a delay of no more than 12 months. Respondents also indicated that a decision about the date should be finalized as soon as possible, so that hospitals can adjust their implementation plans with confidence.

Uncertainty and multiple delays can only raise implementation costs further. In the short term, the costs associated with a one-year delay would be manageable, but a longer delay would escalate the costs of maintaining the current level of readiness considerably, as training and system upgrades are subjected to repeated refinements. These respondents indicated that they could not support a delay of more than a year. We agree; a longer delay would send the wrong message about the importance of maintaining the momentum toward ICD-10 implementation. Consequently, a delay of more than one year would not only complicate any progress that had been made, but also put off the work that remains to be done by others.

Hospital leaders also emphasized the importance of having both diagnosis and procedure (ICD-10-CM and ICD-10-PCS) codes implemented at the same time. Moving to these coding systems at different intervals would create greater confusion, extra work and additional costs.

The hospitals that were the least confident in their ability to meet the October 2013 date were smaller in size (fewer than 100 beds), and many are designated as critical access hospitals. The AHA will continue to work closely with all of our members – especially smaller hospitals – to support their ICD-10 implementation efforts. We also welcome any additional support that CMS, and others, can provide to further expand outreach efforts to emphasize the importance of meeting the new October 1, 2014 date. Many of these smaller hospitals, as well as physician practices, are heavily dependent on the installation of vendor products for coding solution upgrades. It is important that the vendor community not overlook the timely delivery of updated products capable of supporting ICD-10 reporting to the smaller provider sector.

Marilyn Tavenner

May 15, 2012

Page 3 of 3

The proposed rule also calls for the adoption of a national Health Plan ID (HPID) as well as identifiers for other entities. The AHA will submit additional comments to address these items. However, we are very concerned about establishing the same compliance date for ICD-10 and the HPID. We recommend that the date for the HPID be one year later than the revised October 1, 2014 date for ICD-10-CM and ICD-10-PCS. Delaying the HPID by one year is needed to isolate the cause of any processing problems that might occur.

The AHA appreciates the opportunity to comment. Should you have any additional questions or concerns please contact me or George Arges, senior director, health data management group, at (312) 422-3398 or garges@aha.org.

Sincerely

/s/

Rick Pollack
Executive Vice President

Attachment

AHA Survey of Hospitals on ICD-10 Readiness



The current compliance date for ICD-10 is October 1, 2013.

The final rule calling for the adoption of ICD-10 was issued in January 2009 and provided four years to transition from ICD-9. The 4-year time frame recognizes that the transition to ICD-10 is one of the most significant undertakings that a hospital, hospital system, or other health care entity will confront to date, involving information system changes, workflow changes, documentation changes, and staff training.

In February 2012, the AHA surveyed the hospital field to determine the progress that hospitals are making toward ICD-10 readiness and whether an implementation delay is needed. Shortly after we began this survey, a CMS spokesperson announced that the agency was considering a delay.

Survey methods. Nearly 1,000 respondents participated in the survey. The responses came from all types of facilities, ranging in bed size from 25 beds or less for Critical Access Hospitals (CAH) to larger hospitals with 300 or more beds. A good cross section was achieved with a representative sample from each bed size category. The results were organized by bed size categories with Critical Access Hospital (CAH) separated from the other hospitals with fewer than 100 beds. What follows are the results of the survey.

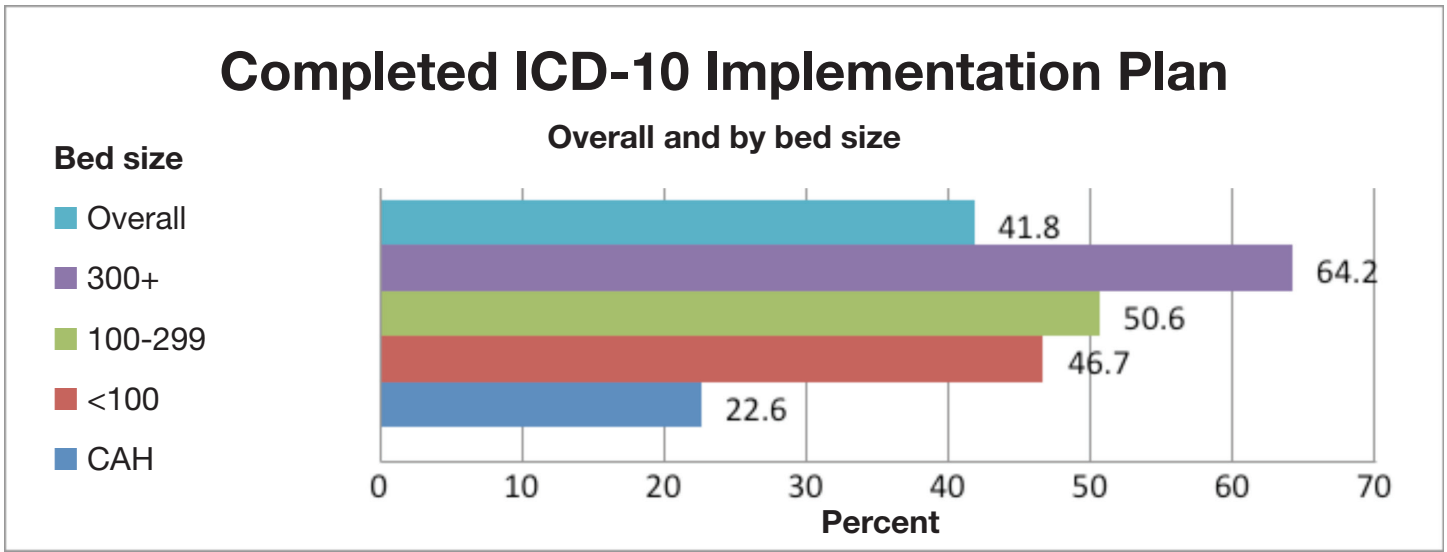
Findings in Brief. While the majority of hospitals are making progress in their plans to convert from ICD-9 to ICD-10, 70 percent of the responding hospitals thought a short delay in ICD-10 implementation would be helpful, citing that such a delay would give them a chance to attend to many competing priorities, including health reform implementation and the adoption of electronic health records. Of those responding in favor of a delay, the majority preferred a delay of no more than 12 months.



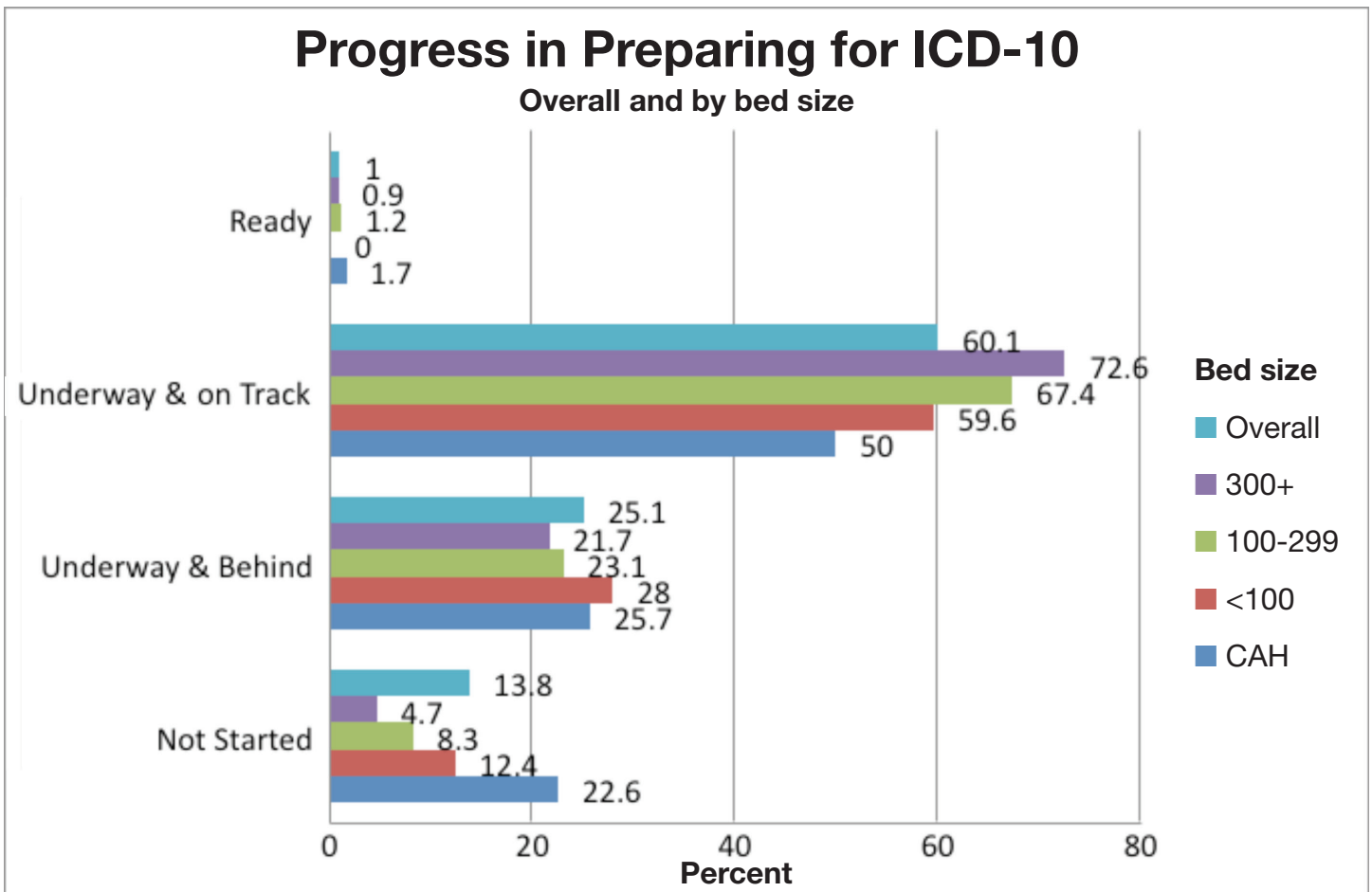
Survey highlights:

Q: Has your hospital completed an ICD-10 implementation plan?

Yes responses

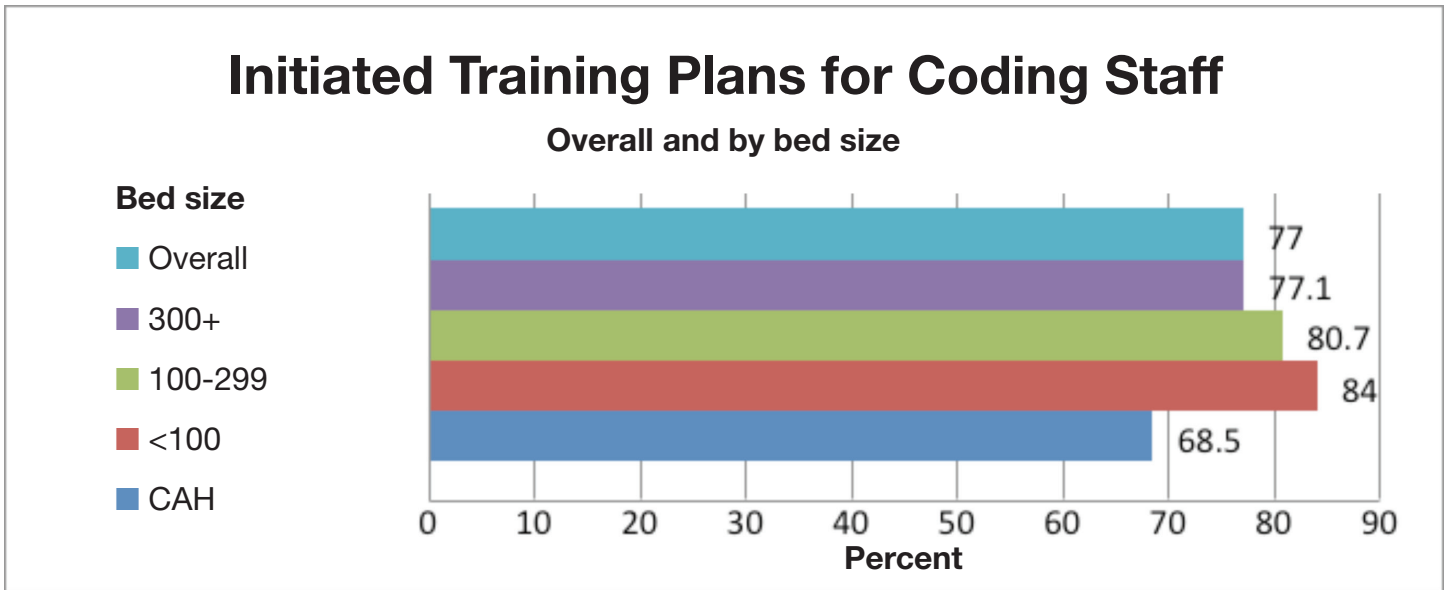


Q: Where is your hospital in preparing your information systems for ICD-10 Implementation?

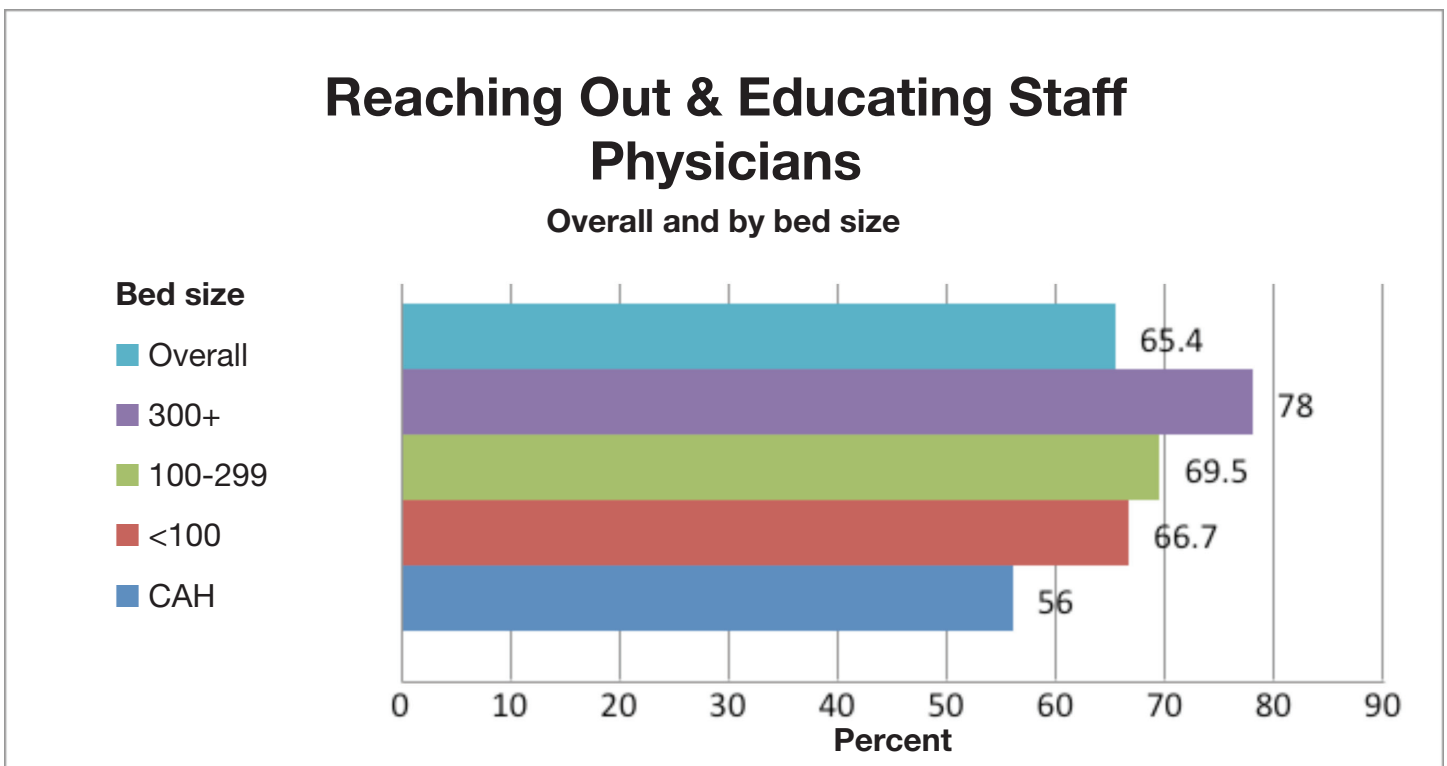


Q: Has your hospital initiated ICD-10 Training plans for Coding Staff?

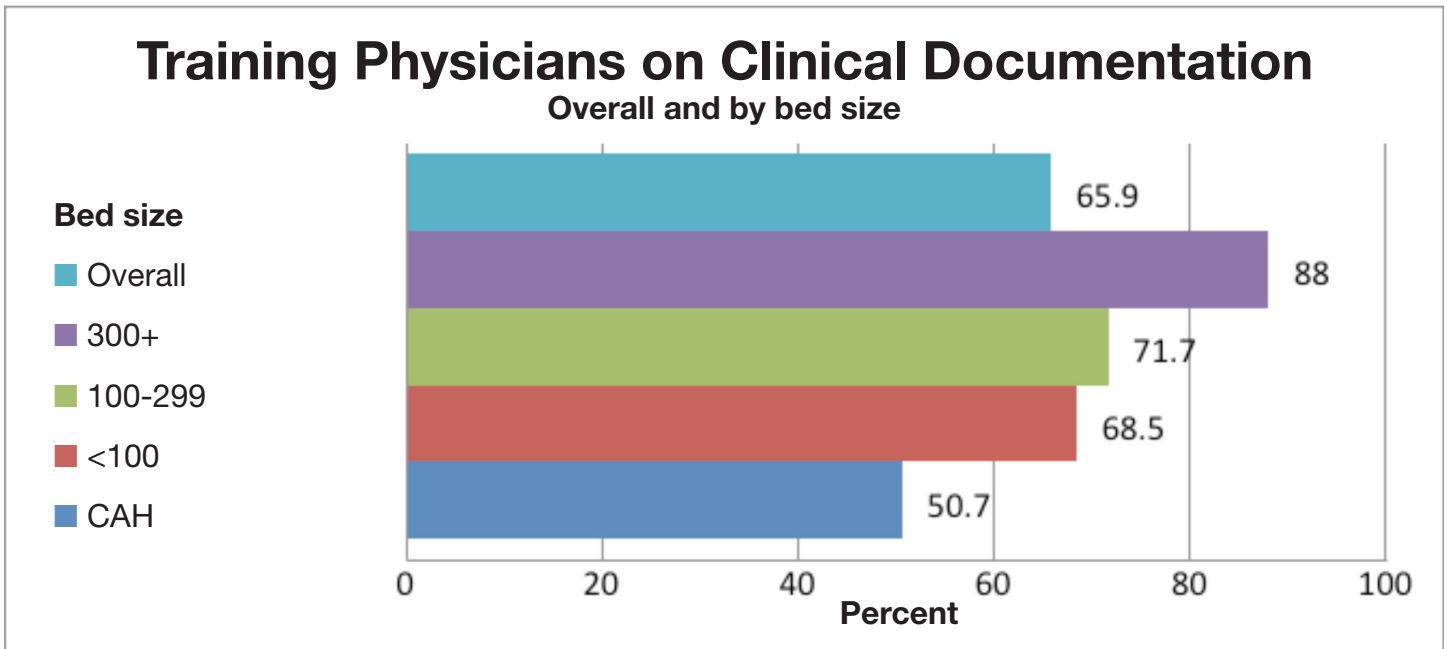
Yes responses



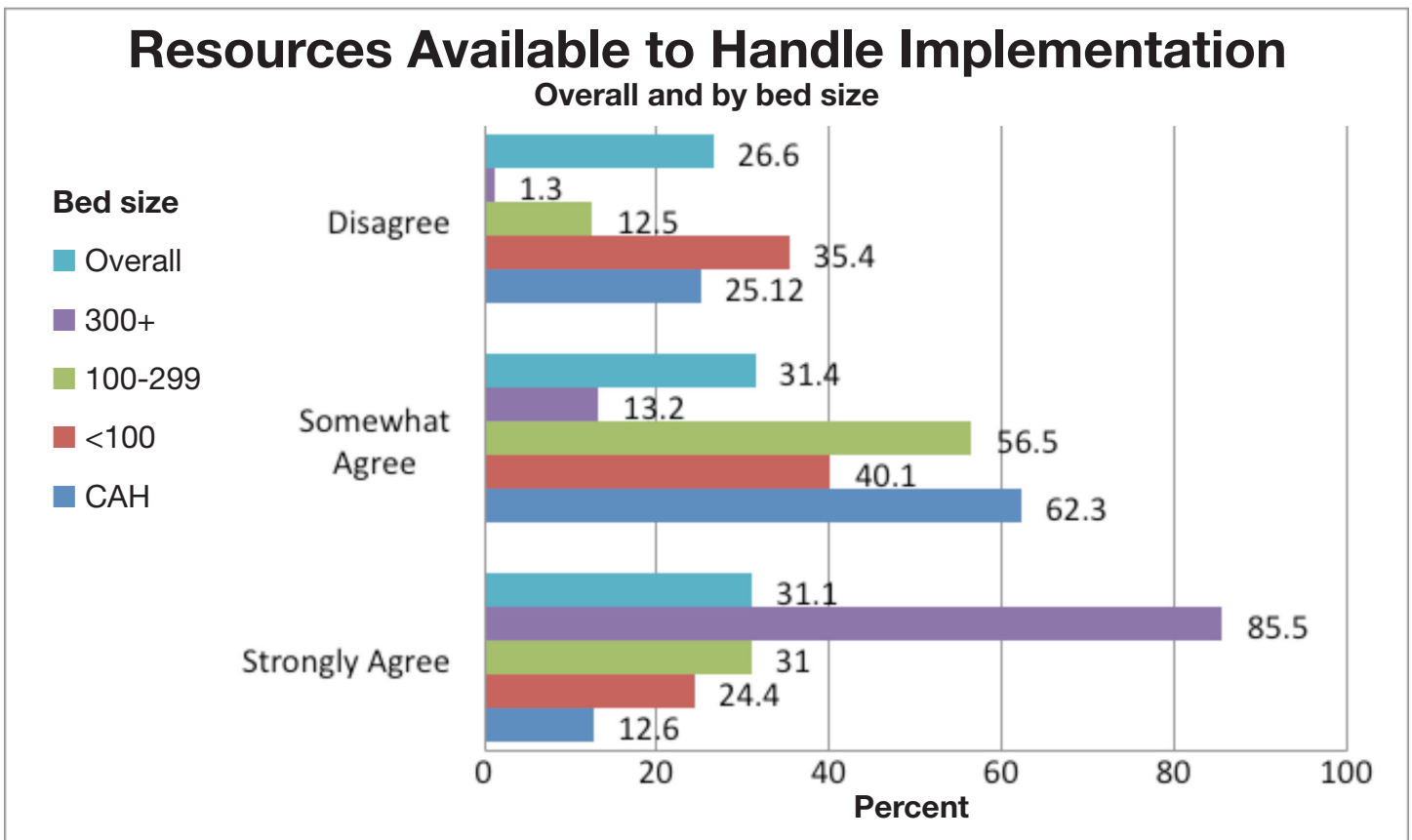
Q: Is your facility reaching out to staff physicians to educate them on changes needed to support ICD-10? **Yes responses**



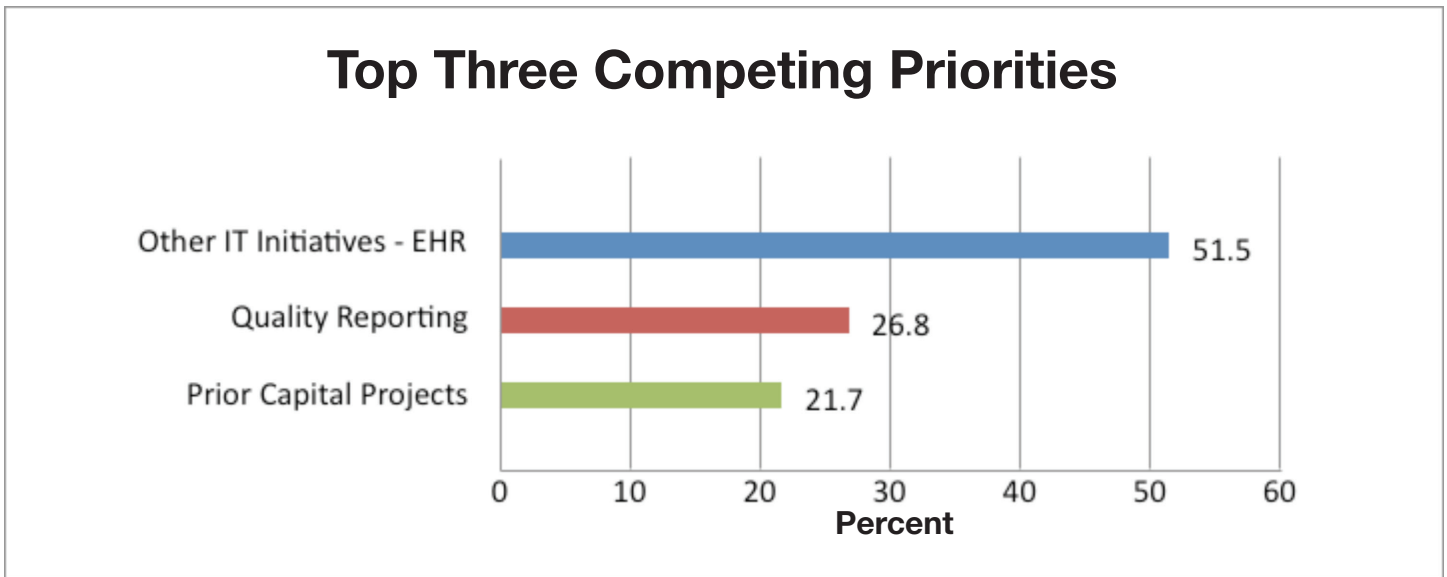
Q: Is your hospital training physicians to improve Clinical Documentation as part of ICD-10 transition? **Yes responses**



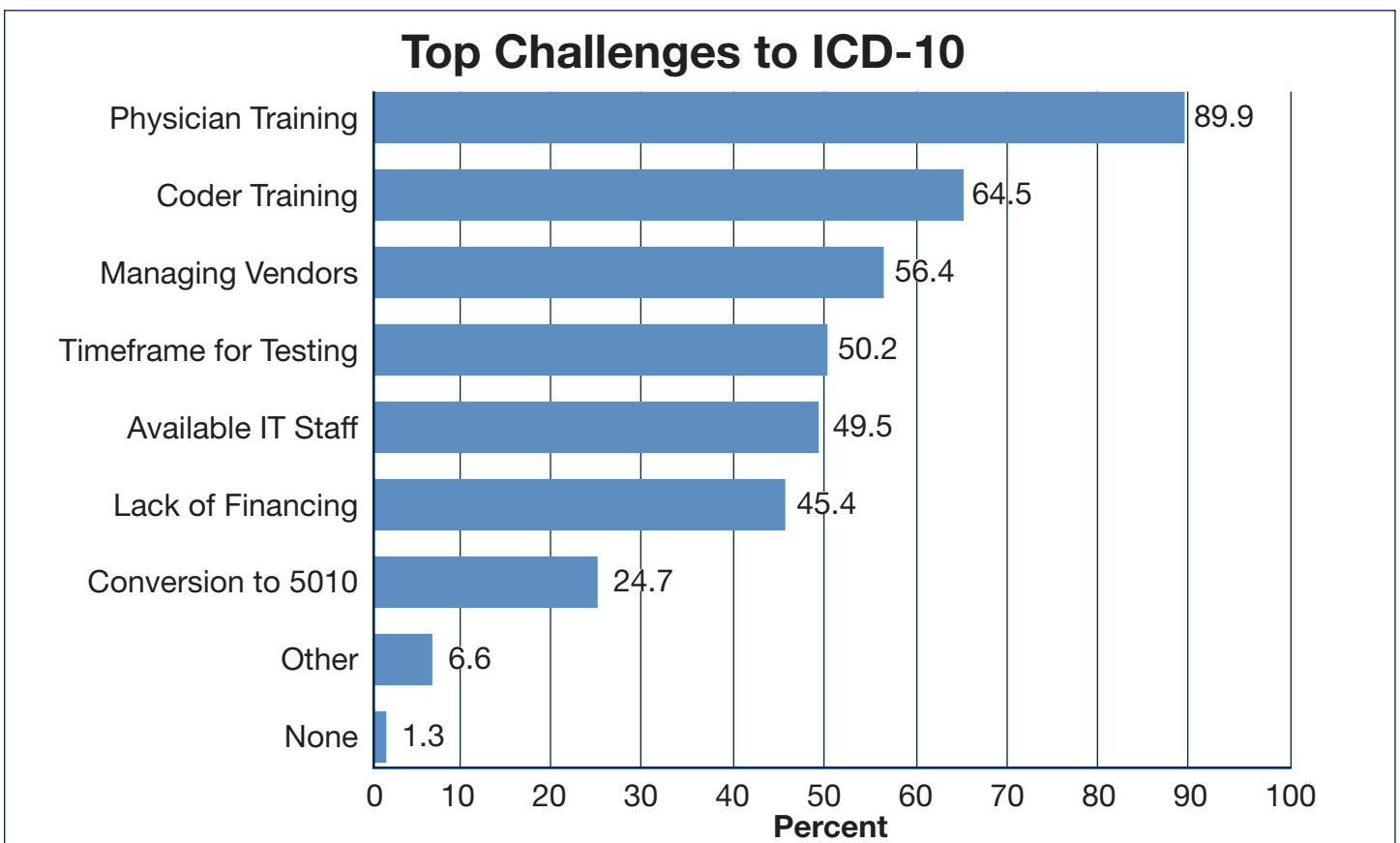
Q: My organization has the trained staff and financial resources to handle the implementation of ICD-10.



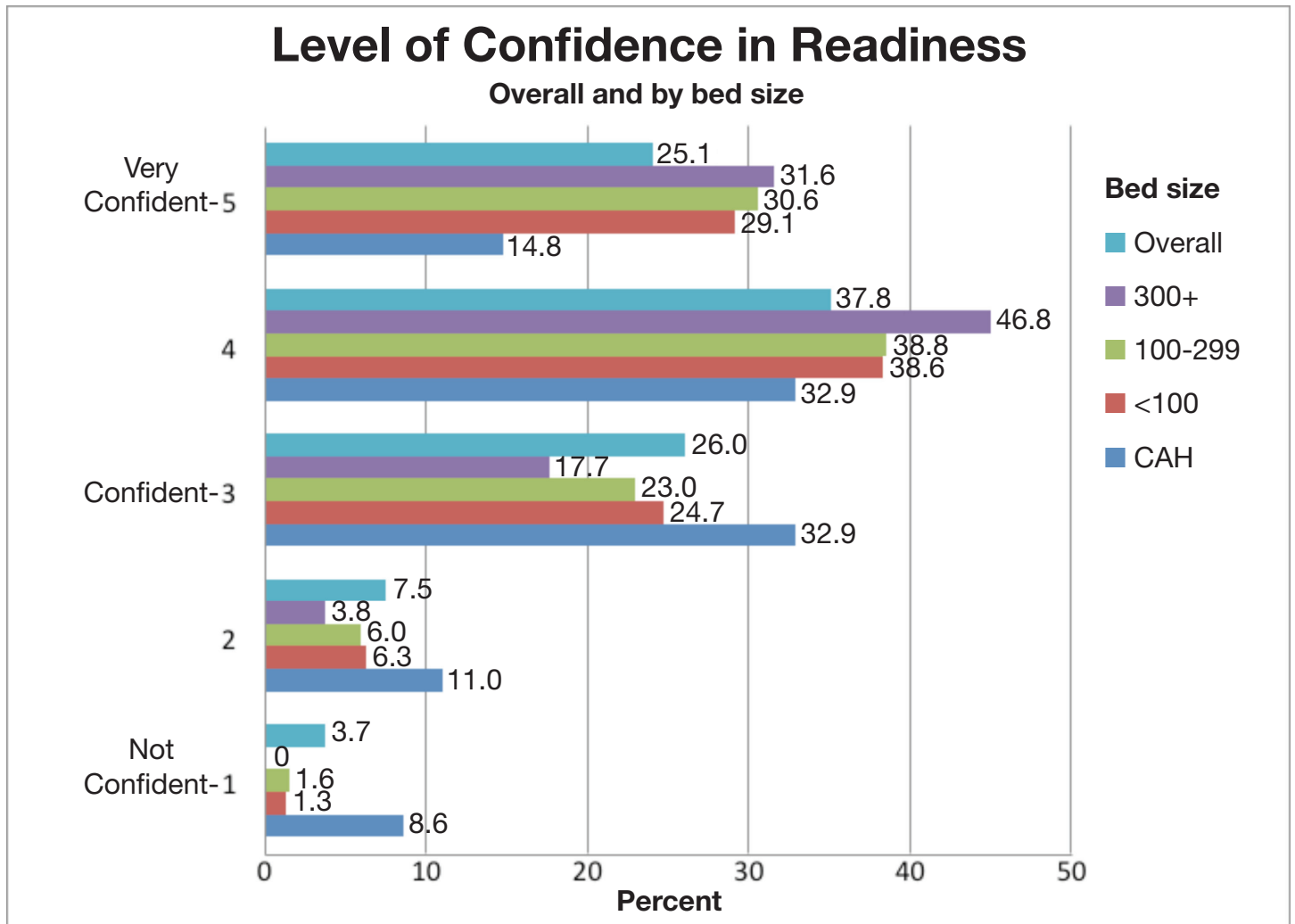
Q: Select the top three competing priorities that make the transition to ICD-10 tougher.



Q: Identify the ICD-10 implementation challenges that are of significant concern to your hospital.

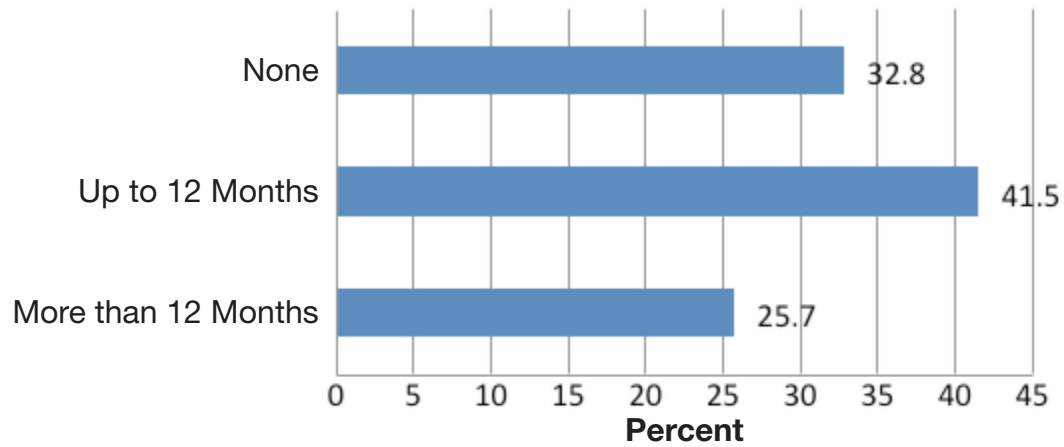


Q: How confident are you that your organization is going to be ready by October 1, 2013?



Q: Do you think a delay in ICD-10 is needed, and if so, how long of a delay would be helpful?

Preferred Length of ICD-10 Delay



Chicago Office:

155 N. Wacker Drive
Suite 400
Chicago, IL 60606-1725

Washington Office:

Liberty Place
325 Seventh Street, NW
Washington, DC 20004-2802

www.aha.org

