May 16, 2012

Marilyn B. Tavenner, Acting Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Room 445-G, Hubert H. Humphrey Building
200 Independence Avenue, SW
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; RIN 0938-AQ13

Dear Ms. Tavenner:

On behalf of more than 6,500 physician and medical student members of the Medical Association of Georgia (MAG), I am pleased to submit the following comments on the Centers for Medicare & Medicaid Services’ (CMS) proposed rule to postpone the compliance date for the transition to the International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10-CM) for diagnosis coding – including the Official ICD-10-CM Guidelines for Coding and Reporting and the International Classification of Diseases, 10th Revision, Procedure Coding System (ICD-10-PCS) for inpatient hospital procedure coding, including the Official ICD-10-PCS Guidelines for Coding and Reporting – from October 1, 2013 until October 1, 2014.

A delay notwithstanding, physicians will be overwhelmed with the tremendous administrative and financial burdens that will be associated with moving to ICD-10, which has 68,000 codes. Keep in mind that the federal government is already subjecting physicians to a number of expensive, inadequately-aligned programs – including EHR, e-prescribing and PQRS. This is compounded by the flawed Medicare sustainable growth rate (SGR), including a 31 percent pay cut and a two percent deficit reduction sequester that are selected to go into effect in January 2013.

MAG ideally believes that CMS should extend the ICD-10 deadline until October 1, 2015. Of course, a two-year delay until October 1, 2014 is an important first step. This would provide CMS with some time to conduct a much needed ICD-10 cost-benefit analysis. At the same time, CMS should institute a process to engage physicians and other stakeholders to assess alternatives to ICD-10. A number of countries have implemented ICD-10, but they have done so using a modified version of the code set – often with strong government support. A one-year delay simply does not give CMS enough time to examine the effects of ICD-10 on physician practices in a full and comprehensive way. If the key stakeholders cannot reach consensus on this matter during this two-year delay period, MAG believes that the move to ICD-10 should be postponed indefinitely.
Implementing ICD-10 will require physicians and their office staff to contend with 68,000 codes – a five-fold increase from the 13,000 codes that are used today. This is a massive undertaking that will require education, software, coder training, and testing with payers. Depending on the size of a medical practice, the total cost of implementing ICD-10 has been estimated to range from about $80,000 to more than $2.7 million. In addition to the significant administrative and financial challenges associated with the move to ICD-10, there also is clearly no consensus that ICD-10 is an appropriate replacement for ICD-9. Moreover, there is a very real chance that ICD-10 will result in claims processing and payment disruptions.

MAG is also concerned that ICD-10 is not compatible with today’s electronic health record (EHR) systems. Physicians are overwhelmed with the prospect of implementing multiple health IT programs – including the value-based modifier, penalties under the e-prescribing program, physician quality reporting system (PQRS), and EHR meaningful use incentive and penalty programs – on parallel tracks. Physicians are effectively penalized if they decide to participate in one program over the other and in light of this fact the programs include financial penalties for noncompliance. As a result, MAG is calling on CMS to better align the disparate program requirements to reduce the financial and administrative burdens that are placed on physicians.

In closing, MAG urges CMS to extend the ICD-10 deadline until at least October 1, 2015.

Please contact MAG Executive Director Donald J. Palmisano, Jr., at 678-303-9251 or dpalmisano@mag.org in the event you have questions or comments.

Respectfully submitted,

Sandra B. Reed, M.D.
President

SBR:CG:TK/dg

cc: Donald J. Palmisano, Jr., MAG Executive Director