Delay the ICD-10 Coding System
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The House of Representatives recently passed H.R 4302, a temporary "fix" to the Medicare payment system that would prevent a 24 percent cut in Medicare payments this year. The bill would also delay the Obama Administration's implementation of the new ICD-10 coding system, which is scheduled to take effect on October 1, 2014.

Congress should recognize the enormous impact the ICD-10 would have on the medical profession and stop—or, at the very least, delay—its implementation.

Background on ICD. The International Statistical Classification of Diseases (ICD) is the central international tool for coding and classifying diagnoses and diseases. Maintained by the World Health Organization, it is widely used in international health systems. Today, the Centers for Medicare and Medicaid Services (CMS) uses the ICD-9 coding system for clinical and procedural classifications and payment. For the past several years, CMS has been meeting with representatives of industry, hospitals, and physician organizations, conducting surveys and analyses in preparation for the transition from the old to the new system.

The ICD-10 will replace existing coding for medical diagnoses and inpatient procedures. It will apply not only to Medicare and Medicaid but also to all health plans and providers governed by the Health Insurance Portability and Accountability Act of 1996, so the scope of compliance with the federal rule will be enormous.

Bureaucratic Nightmare. With the adoption of the ICD-10 coding system, the number of medical codes for various diagnoses and disease conditions will increase from about 18,000 to about 155,000 entries.[1] A number of them have been highlighted in popular journalistic accounts, including codes for injuries sustained in a collision with a bicycle, while knitting and crocheting or gardening and landscaping, or in a collision with a balloon.[2] Codes are also assigned to cases where a patient has been bitten by a parrot, injured in a spacecraft collision, or sucked into a jet engine.

As Steven Syre of *The Boston Globe* observes, "The new medical code book also demands highly specific details about where the injury took place. It's not good enough that it happened at a cultural event. There are separate codes for injuries at museums, art galleries, music halls theaters, and opera houses."[3]

For physicians alone, who already spend about 22 percent of their time on non-clinical paperwork, coding for diagnoses and procedures will jump from 7,600 codes to approximately 69,000.[4] Not surprisingly, many independent practicing physicians are aghast at the prospect of complying with the ICD-10 requirements. Jason D. Fodeman, M.D., assistant professor of medicine at the University of Arizona, summarizes the sentiments of doubtlessly many American physicians:

> These billing changes epitomize the problems facing our nation's hospitals and physicians trying to navigate a top-down regulatory climate that

increasingly forces health care providers to divert more and more scarce resources away from patient care to tend to bureaucratic whims. To satisfy these mandates, hospitals and physicians will have to devote valuable time, money and energy learning and implementing this new billing system. This time would be better spent treating sick patients.[5]

Divided Industry. The ICD-10 issue is divisive within the health care industry. Federal and private-sector officials favoring the adoption of the new system, such as the American Health Information Management Association, say that it will provide for greater accuracy in identifying disease conditions and appropriate treatment, secure greater accuracy in claims payments, provide a powerful base of data for research and policy, and improve the quality of clinical analysis and thus medical decision-making.[6] They also claim that it will improve auditing and adjudication and the accuracy of medical reimbursement. In short, "They say the old version is too basic to capture data crucial to modern reform efforts in public health, medical business and public policy."[7]

On the other hand, independent physicians and medical professionals say that the transactional costs of adopting the ICD-10 system will be prohibitive, particularly for doctors, hospitals, and other medical professionals in private practice. The same is true for large systems. Blue Cross and Blue Shield of Massachusetts, for example, is spending an estimated $45 million to incorporate the new code.[8] Inova Health System, based in Virginia, expects to spend between $20 million and $25 million to comply with the new coding requirements.[9]

The American Medical Association and the Medical Group Management Association argue that for many medical practices, ICD-10 preparations fall short of the level necessary for a smooth transition, and they call for more time and a more aggressive testing of the program.[10] Medical professionals must upgrade their information technology systems, including software, for recording data and meeting current and pending reporting requirements under federal law, including many new requirements being imposed under Obamacare.

Congressional Responsibility. This rule will have enormous implications for the health care system. Thus far, the House of Representatives has enacted, as part of the temporary Medicare "doc fix," a delay of at least one year in CMS imposition of the new coding system. In separate legislation (H.R. 1701/S. 972), Representative Ted Poe (R–TX) and Senator Tom Coburn (R–OK) would block implementation of the ICD-10 and require the comptroller general of the United States to conduct a study on the impact of a transition from ICD-9 to ICD-10 and make legislative recommendations.

Congress has a grave responsibility to reduce the burdens being imposed on an increasingly demoralized medical profession. Stopping or delaying implementation of ICD-10 is one way to do it.

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1. Ben Fischer, "Code Dread," *Washington Business Journal*, August 5, 2011, p. 20.

2. David Pittman, "ICD-10 Follies: Bug Bites," *MedPage Today*, March 26, 2014, http://www.medpagetoday.com/PracticeManagement/InformationTechnology/44945 (accessed March 28, 2014); see also Stephen Hayes, "Code Chaos," *The Weekly Standard*, March 10, 2014, http://www.weeklystandard.com/articles/code-chaos_783576.html (accessed March 28, 2014).

3. Steven Syre, "Code Book Changes Put Hospitals in Bureaucratic Bind," *Boston Globe*, Match 25, 2014, http://www.bostonglobe.com/business/2014/03/25/bird-bite-there-code-for-that-for-hospitals-bureaucratic-code-blue/jrYQi92XEJGMFwZ72afVQP/story.html (accessed March 28, 2014).

4. Press release, "The Physician Foundations Releases 2014 Watch List," Physicians Foundation, December 13, 2013, http://www.physiciansfoundation.org/news/the-physicians-foundation-releases-2014-watch-list/ (accessed March 28, 2014).

5. Jason D. Fodeman, "Congress Should Stop the Coming Medical Billing Fiasco," *Washington Examiner*, November 27, 2014.

6. See, for example, Michael C. Daconta, "Stop the Fear Mongering over ICD-10: It's Just Another Taxonomy," GCN, March 19, 2014, http://gcn.com/blogs/reality-check/2014/03/icd10-codes.aspx (accessed March 28, 2014).

7. Fisher, "Code Dread."

8. Syre, "Code Book Changes Put Hospitals in Bureaucratic Bind."

9. Fisher, "Code Dread."

10. Joseph Conn, "House 'Doc Fix' Bill Delays ICD-10 by at Least a Year," *Modern Healthcare*, March 26, 2014, http://www.modernhealthcare.com/article/20140326/NEWS/303269956 (accessed March 28, 2014).