

November , 2014

The Honorable John A. Boehner
Speaker, the United States House of Representatives
The Capitol H-232
Washington, DC 20515

Dear Speaker Boehner:

On September 19th 2014 physician representatives from state medical associations and the National Physicians' Council for Healthcare Policy (NPCHP) visited with Neal Bradley, Deputy Chief of Staff for Policy, Gary Andres, Staff Director for Energy and Commerce, Robert Horne, Staff Director for the Health Subcommittee on Energy and Commerce to discuss important issues related to the ICD-10 conversion that will impact all healthcare providers from a coding and billing perspective.

The National Physicians' Council for Healthcare Policy and physicians from innumerable state and national medical organizations and specialty societies have come together to ask for a 2 year delay in the implementation of ICD-10 until October, 2017 in order to allow for physicians to work thru the myriad of new government regulations that face us. The costs of the new ICD-10 coding and billing mandates scheduled for October of 2015 will force financial disruptions and chaos. Patients will lose their doctors!

The onerous penalties tied to these mandates add to the hysteria that is running through physicians' offices and is generating many early retirements. For healthcare providers, there are about 68,000 diagnostic codes under the new ICD-10-CM (clinical modification) which is five times more than are in use today under ICD-9-CM. An even more complex matrix of 87,000 new codes for hospital-based procedures awaits in the ICD-10-PCS (procedural coding system) which is 29 times more codes than are used in ICD-9- PCS. The United States is the only country in the world that ties the coding system to a billing system and experts including CMS tell physicians that we might not be paid for 3-6 months. If every entity in the complex medical payment pyramid does not function perfectly on October 1, 2015 then physicians' income goes to zero which is a steep price to pay for a new imperfect coding system.

The costs of shifting to ICD-10 are significant. According to the economic impact statement accompanying the first federal rule proposing the change, the transition is expected to cost \$1.64 billion over 15 years, with more than 43% of that coming from the cost of upgrading IT systems. That cost is spread across multiple participants – government (\$315 million), payers (\$164 million), providers (\$137 million) and software developers (\$96 million).

Physicians will be the hardest hit for much of the remaining 57% of costs, with \$356 million to be spent on training, and \$571 million in costs resulting from expected productivity losses. For hospitals and health systems those upfront costs add to the stress of the confluence of changes in IT infrastructure.

We are asking for you to please work with Chairman of the House Energy and Commerce Committee, Fred Upton and Chairman of the Rules Committee, Pete Sessions **to have this added to a must pass piece of legislation during the upcoming Lame Duck Session in 2014**. Both Chairmen have been fully briefed on the importance of this request.

Sincerely yours,

CC:
Chairman Fred Upton, Energy and Commerce Committee
2125 Rayburn HOB
Washington, DC 20515

Chairman Pete Sessions, Rules Committee
2233 Rayburn HOB
Washington, DC 20515-4332