

Committee on Ways and Means

Medicare Prescription Drug and Modernization Act of 2003

Talking Points on ICD-10 Coding Issues

Provision

The provision in the Medicare Regulatory Reform bill provides one year for the National Committee on Vital and Health Statistics (NCVHS) to make a recommendation to the Secretary of Health and Human Services on whether to adopt or reject ICD-10 as a coding standard. After the one year, the Secretary may adopt, reject or do nothing with regard to ICD-10.

- There is no mandate to adopt ICD-10, it simply allows the Secretary to make a decision.

Rationale for Provision

- ICD-9 has run out of codes for new technologies and procedures. ICD-10 has room for those procedures, which will improve accuracy in claims processing. This problem means inaccurate and delayed payments and increased upcoding. We need to expedite an alternative to the ICD-9 system.
- Every developed country in the world except the US and Israel has adopted ICD-10 as the standard coding system because it is superior to ICD-9.
- If there are problems associated with the adoption of ICD-10, NCVHS can highlight those in their recommendation. If the Secretary doesn't see merit in adopting ICD-10, there is no requirement to do so.
- Any group, including doctors, hospitals and consumers, can submit their concerns to NCVHS or to the Secretary about ICD-10. In addition, any group can submit comments during the rule-making process.

Background

The ICD-9 coding system was adopted in 1979, and remains in effect for diagnosis and procedure coding in hospital inpatient and outpatient settings.

ICD-9 has "run out" of codes for certain new procedures. For example, no code was available for the anthrax attack in 2001.

NCVHS began investigating adoption of an updated coding system -- ICD-10 -- in 1990. ICD-10 is more clinically accurate, and has available codes for new technologies and procedures.

In 1996, as part of the Health Insurance Portability and Accountability Act (HIPAA) of 1996, Congress required NCVHS to make a recommendation on adoption prior to Secretarial approval. To date, NCVHS still has not issued a recommendation.