

Part B Insider (Multispecialty) Coding Alert

Coding: Is a New Era of Coding on the Horizon?

Influential HHS panel to call for abandoning ICD-9-CM

The world of medical coding could be in for a major upheaval.

The National Center for Vital Health Statistics on Nov. 5 voted to recommend that the Department of Health and Human Services adopt ICD-10-CM and ICD-10-PCS in place of the familiar ICD-9-CM coding system now the standard under the Health Insurance Portability and Accountability Act.

The American Hospital Association, Federation of American Hospitals, Advanced Medical Technology Association (AdvaMed), and American Health Information Management Association are pushing for the change.

"The 23-year-old ICD-9-CM coding classification system has severely limited reporting capability for today's needs and growth capacity for future needs, making it an unacceptable classification system for the future for both hospital inpatient and outpatient diagnosis," write AHA and FAH in a Nov. 5 letter urging NCVHS Chairman John Lumpkin to recommend adoption of ICD-10.

A study conducted by RAND for NCVHS estimates the cost of conversion between \$475 million and \$1.15 billion, plus between \$5 million and \$40 million a year in lost productivity, according to AHA. The study finds benefits to the tune of between \$700 million and \$7.7 billion in more accurate payment, fewer fraudulent claims, and clinically improved care including better disease management.

An analysis by the Robert E. Nolan Company for the Blue Cross and Blue Shield Association is much gloomier, finding a \$5.5 billion to \$13.5 billion implementation cost, plus a total long-term productivity loss of between \$115 million and \$380 million. (See **PBI**, Vol. 4, No. 30, p. 198.)