

# Health Information Compliance Alert

## Transactions: GAO WEIGHS CODE SET OPTIONS

While the code sets the **Department of Health and Human Services** has adopted as Health Insurance Portability and Accountability Act standard transactions aren't perfect, they were pragmatic selections given their widespread use, the **General Accounting Office** says in an Aug. 9 report.

The GAO points out that both the International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM) used for inpatient hospital procedures and the Current Procedural Terminology (CPT) used for physician services aren't as specific as would be ideal under HIPAA.

On the other hand, the oversight agency points out in "HIPAA Standards: Dual Code Sets Are Acceptable for Reporting Medical Procedures" (GAO-02-796), the two code sets "meet almost all of the criteria recommended for HIPAA standard code sets" and represent "practical options for HIPAA code set standards given their widespread use in the health care industry."

The GAO also suggests that it's not clear that converting to a single code set that would apply to both hospital and physician services, as some in the industry advocate, would be worth the trouble. Some groups argue that a single code set standard will make the system more efficient and make it easier to analyze health data across sites of service.

But the GAO avers that "it is unknown if the benefits of moving to a single procedural code set would justify the transition costs, or how long it would take for the benefits to recoup these costs because the theoretical merits of a single procedural code set have yet to be demonstrated empirically."

To see the report, go to <http://www.gao.gov/new.items/d02796.pdf>.