

Opening Statement
Health Subcommittee Hearing: “Examining ICD-10 Implementation”
Rep. Gene Green
February 11, 2015

Good morning and thank you all for being here today.

As we know, ICD-9 was adopted in the United States nearly 40 years ago. Congress included a requirement that providers transition to ICD-10 in the Health Insurance Portability and Accountability Act of 1996.

Since then, transition has been delayed twice to give covered entities time to prepare. ICD-10 transition is current set to take effect on October 1, 2015. It is time to move forward without further delay.

ICD-9 was developed in 1979, and there have been significant medical breakthroughs for which ICD-9 doesn't have codes. ICD-10 will include more accurate medical descriptions, and account for varying symptoms and levels of severity.

More precise and appropriate codes have a number of benefits to our health care system. Precise information will improve claims processing. Insurers will reject fewer claims and not have to ask providers for more information as often as they currently do.

The improved specificity of ICD-10 will help researchers. It will allow public health officials to better track disease and outbreaks.

The Affordable Care Act included provisions to move our health care system from one that rewards volume, instead of just value. There is still a lot of work to do to improve our system in this regard, and adopting ICD-10 without delay will help move this effort forward.

Providers are increasingly evaluated and held accountable based on patient outcomes, so more accurate codes can help providers improve their patient safety efforts.

RAND estimated that the cost of transitioning would be between \$475 million and \$1.5 billion over 10 years, but that the benefits to the system would be between \$700 million and \$7.7 billion in cost savings. According to their analysis, this is due to more accurate payments, improved disease management, less rejected claims, and fewer fraudulent claims.

The transition to ICD-10 is supported by the majority of the health care community. A broad-based coalition, including hospitals, health plans, medical device manufacturers, and the health information technology community opposes any further delay. Each has invested substantial time and resources, and further delay will be costly and wasteful.

I understand the medical community has had mixed reactions to the transition: many have invested time and resources to be ready on October 1, yet some tell us they are not ready. The Centers for Medicare and Medicaid Services says it

is ready for the transition. CMS has a technical assistance website that features resources to help providers and others with the transition to ICD-10 and is engaging in targeted outreach to facilitate the switch. Between CMS and the Coalition for ICD-10, the resources available to help with the transition are significant. Many of these are available online for free.

Each delay has been costly to the health care system. ICD-10 transition is an important part of bringing our health care system into the 21st Century. It is time to move forward.

Thank you Mr. Chairman and I yield back.