

AMERICAN COLLEGE OF PHYSICIANS
INTERNAL MEDICINE | *Doctors for Adults*

June 26, 2006

The Honorable Joe Barton
Chairman
House Energy & Commerce Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Nathan Deal
Chairman
House Energy & Commerce Health Subcommittee
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Barton and Chairman Deal:

The American College of Physicians (ACP), representing 119,000 internal medicine physicians and medical students, greatly appreciates your efforts to advance the Committee's legislation, H.R. 4157, "the "Better Health Information System Act of 2006," to improve quality through the widespread adoption and use of health information technology. We share your concerns regarding the elimination of the International Classification of Diseases, 9th edition, Clinical Modification (ICD-9-CM) diagnosis and procedure billing codes and the rapid adoption of the replacement ICD-10-CM/PCS codes. We strongly believe that, at this time, movement toward a new coding system is premature and would result in a significant and unnecessary cost to physician practices.

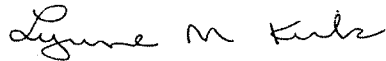
As this legislation moves forward, ACP strongly urges Congress to carefully consider the cost to physicians, claims processors and others that would result from a conversion to ICD-10. The Congressional Budget Office (CBO) confirmed in its June 15th letter that these costs "will be substantial." Physician practices would have to undertake a complete retraining of their coding and billing staff. Practices would also be faced with the costly prospect of upgrading their practice management systems for billing, coding, and scheduling operations. For some practices, this would necessitate buying a completely new practice management system. While it is difficult to estimate a cost per-practice due to the wide variety of software options and physician practices, it could be anywhere from \$5,000 to \$30,000 to purchase a new system. Physicians would also be faced with increased administrative work and significant loss of productivity as the result of the transition.

All of these costs and administrative hassles would come at a time when physicians have already seen the overall costs of doing business rise and Medicare reimbursement for professional services drop. Many physician practices are struggling to conform to the requirements of the

Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations and voluntarily move toward the adoption of electronic health records. The significant resource cost to transition to ICD-10 codes at this time will have a negative impact on physician practices.

In conclusion, the College is opposed to ICD-10 conversion. We believe that moving in this direction will result in massive and unnecessary costs for the government, physician practices, claims processors and private health care programs. It is for these reasons that ACP urges you to resist any legislative mandate for conversion to ICD-10.

Sincerely,

A handwritten signature in cursive script that reads "Lynne M. Kirk".

Lynne M. Kirk, MD, FACP
President

cc: The Honorable John Boehner, House Majority Leader