December 9, 2013

The Honorable Kathleen Sebelius
Secretary
U.S. Department of Health and Human Services
Hubert H. Humphrey Building, Room 445-G
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Sebelius:

While the Medical Group Management Association (MGMA) commends the decision by the Centers for Medicare & Medicaid Services (CMS) to reverse its previous policy and initiate ICD-10 testing, the type of "front end" testing to be conducted is simply insufficient. We strongly urge that the agency undertake full end-to-end testing with physician practices as soon as possible. Failure to appropriately test ICD-10 could result in operational problems similar to what the Department experienced with the rollout of healthcare.gov and will dramatically increase the potential of catastrophic cash flow disruption for practices following the Oct. 1, 2014 transition date.

MGMA helps create successful medical practices that deliver the highest-quality patient care. As the leading association for medical practice administrators and executives since 1926, MGMA helps improve members' practices and produces some of the most credible and robust medical practice economic data and data solutions in the industry. Through its national membership and 50 state affiliates, MGMA represents more than 33,000 medical practice administrators and executives in practices of all sizes, types, structures and specialties in which more than 280,000 physicians practice.

Complete end-to-end testing is critical for a number of reasons. First, this type of comprehensive testing permits software developers, such as those in the practice management system and electronic health record field, to ensure that software can be appropriately configured for physician practices. Second, end-to-end testing can identify critical problems well prior to the Oct.1, 2014 compliance date and permit trading partners to institute the appropriate modifications to systems and/or workflow. Finally, end-to-end testing is the only practical method practices will have to accurately predict and respond to Medicare coding edits and fully understand the impact that ICD-10 will have on reimbursement.

End-to-end testing between trading partners is absolutely critical to measure operational predictability and readiness. In addition, commercial health plans tradtionally take their direction on these types of operational issues directly from Medicare. With Medicare refusing to engage in end-to-end testing with their

physician practice partners it is likely that many of these commercial plans will also not test.

As the industry saw with the move to HIPAA Version 5010, failure to identify issues well before the compliance date will lead directly to a protracted industry implementation and significant disruption of cash flow for a large number of physician practices. With HIPAA Version 5010, more testing and better dissemination of the testing results could have averted many of the problems that practices, clearinghouses, health plans, and software vendors experienced prior to and immediately after their "go live" dates.

MGMA recommends that CMS take the following actions:

- Expand the current Medicare front-end "testing week" in March 2014 to permit complete end-to-end testing with any willing physician practice. This testing should include return of the remittance advice to allow practices to clearly determine how ICD-10 will impact their reimbursement rates. If you are unable to provide testing services for all willing providers, we urge you to conduct end-to-end testing with a sufficient number and breadth of specialties to facilitate the identification of the most common claim adjudication issues.

- While testing with Medicare should be permitted throughout the year, in an effort to increase industry awareness for the need to test, expand the number of national testing weeks in 2014 to a minimum of one per quarter.

- Publically disseminate the results of Medicare testing as soon as possible after the testing period, permitting providers and software vendors to identify issues and prepare for the changes associated with ICD-10.

- Expedite the release of Local Coverage Determinations and all other Medicare claim transaction edits associated with ICD-10.

- Publically disseminate the ICD-10 readiness levels of all Medicare Administrative Contractors and state Medicaid agencies on a monthly basis.

- Work with appropriate industry partners to ascertain the readiness level of commercial health plans. This will be a particularly critical issue for Medicare secondary and "cross-over" claims that automatically move from Medicare to commercial health plans or vice-versa for processing.

- Expand CMS provider education with a focus on providing specialty-specific coding and clinical documentation improvement instruction.

- Expand CMS outreach to practice management system and electronic

health record software vendors. Work with appropriate industry partners to ascertain the readiness levels of these vendors.

- Develop a policy of advance payments for all Medicare or Medicaid-credentialed providers that request them. This would be a critical component of a national contingency plan should provider reimbursements be negatively impacted after Oct. 1, 2014.

If the transition to ICD-10 results in wide-scale interruption to the nation's claims processing system, the ability of healthcare providers to continue operations could be significantly impacted. While end-to-end testing will not ensure that this disruption will not take place, it will provide increased assurance to physician practices and other industry stakeholders that claims will be processed and highlight well before the compliance date any additional steps necessary for implementation.

We strongly urge you to address this testing issue without delay and direct the MACs and state Medicaid agencies to conduct ICD-10 end-to-end testing. It is imperative that the implementation of ICD-10 not impede the ability of physician practices to provide care to the patients they serve.

Thank you for the opportunity to bring these important issues to your attention. Should you have any questions please contact Robert Tennant at rtennant@mgma.org or 202-293-3450.

Sincerely,

Susan L. Turney, MD, MS, FACMPE, FACP
President and CEO

CC: Jonathan Blum, Deputy Administrator and Director, CMS
      Robert Tagalicod, Director, Office of E-Health Standards and Services, CMS