

Congress Declines to Extend ICD-10 Transition Deadline... For Now

Article By:

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Stakeholders are divided over the current October 1, 2015 deadline for ICD-10 implementation, with some asking Congress to again delay the deadline and others pressing to stick with a 2015 transition. Both sides have raised cost as one justification for their positions: implementation may cost individual small providers up to \$227,000, while further delays could cost larger commercial

entities a combined \$1 to \$7 billion.

The Department of Health and Human Services (HHS) finalized regulations in 2009 to require health plans and providers to transition from the older ICD-9 code set for diagnoses and procedures, to the

newer and more detailed ICD-10 set. The original transition deadline of October 2013 has now been delayed twice. Most recently, Congress prohibited HHS from adopting the ICD-10 code sets before October 1, 2015. HHS issued an [interim final rule](#) on July 31, 2014 setting that date as the new compliance deadline.

In recent weeks, as Congress has wound down the current legislative session, groups sent competing requests regarding the October 2015 deadline. Medical groups pushed the House to include a two-year delay in must-pass spending legislation. The American Healthcare Information Management Association (AHIMA) responded by pushing to keep the status quo deadline. The delay was not ultimately included in the “Cromnibus” spending bill that the President signed on December 16.

Stakeholders disagree about the likely cost of conversion to ICD-10 as well as the cost of further delays. For example, a 2014 report to the American Medical Association suggests that pre-compliance implementation will cost small physician practices between \$22,000 and \$106,000 (with the total cost between \$56,000 and \$227,000). (The report is available [here](#).) A November 2014 article in the [Journal of AHIMA](#) disputes this estimate and calculates the transition cost at roughly \$2,000 to \$5,900 for small practices.

Delays in the compliance date are also costly for larger entities that have already invested significant time and money into transition plans. [HHS estimates](#) that the one-year delay Congress enacted earlier this year will cost commercial entities between \$1 and \$7 billion due to their need to continue training and testing, retain relevant personnel, and renegotiate contracts. HHS estimates the delay will also cost State Medicaid Agencies between \$169 and \$182 million.

The debate over implementation is sure to continue into the next Congress. Provider groups will likely continue to seek legislative relief and members of Congress have already indicated they will hold hearings on transition efforts.

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