William Jefferson Terry Sr, M.D.

on behalf of the

American Urological Association

American Medical Association

Medical Association of the State of Alabama

Written Testimony for the Record

Before the House Committee on Ways and Means

Hearing Entitled

"Obamacare Implementation and the Department of Health and Human Services FY16 Budget request"

Wednesday, June 10, 2015

Chairman Ryan, Ranking Member Levin, members of the Committee on Ways and Means, my name is Dr. William Jefferson Terry, Sr. and I am submitting this written testimony for you today as a member of the American Urological Association, the American Medical Association, the Medical Association of the State of Alabama, and as a practicing urologist in Mobile, Alabama at Urology & Oncology Specialists, PC. I have been intimately involved with organized medicine's response to the

implementation of ICD-10 and I testified to the House Energy and Commerce Subcommittee on Health during a hearing entitled "Examining ICD-10 Implementation" on Wednesday, February 11, 2015. I am actually speaking for myself and the hundreds of thousands of physicians across this country that are working too hard taking care of their patients to realize that they could be put out of business by a coding system referred to as ICD-10 which is mandated by our government. This is a coding system designed for statistics and epidemiological data and will not help take care of patients in the doctor's office. Even though I speak for myself, my testimony represents the policy of the organizations listed on the cover sheet. I am an active member of these organizations and helped to from their policy.

I am testifying with my concern about the implementation of the ICD-10 coding system on October 1, 2015. I feel strongly that this will have serious consequences for both patients and physicians. The vast majority of physicians are in medicine to provide excellent medical care to their patients and not to become experts in medical information technology. The substantial impact of this all in one day implementation of ICD-10 with its intimate coupling to our billing system will be devastating for many physicians in small practices, rural health care centers and most likely some state Medicaid programs who have lacked the financial resources, staff expertise and time to make the necessary changes especially with regards to technology.

Physicians are the true patient advocates in the health care system, and there is serious concern for maintaining the high quality and standards of our medical profession. We feel that it is now time to forge a compromise that all should be able to accept. The American Medical Association passed new policy on June 8, 2015 which says that they now will accept implementing ICD-10 on October 1, 2015 if CMS and other payers will allow a two-year transition (grace) period during which time physicians will not be penalized for errors, mistakes, and/or malfunctions of the system. We cannot sit idly by and watch a coding system actually destroy the practice of many physicians. For every physician that retires

early or is put out of business there will be thousands of patients looking for a new physician.

I would like to ask the members of Ways and Means to support H. R. 2652 by Congressman Gary Palmer (AL-6). It will allow for ICD-10 to be implemented as planned on October 1st and it will give physicians a two year transition (grace) period during which time they will not be penalized. This legislation also sets up a study by the GAO to be completed by April 1, 2016 to look at the entire process. The important part of this legislation is that it will not delay ICD-10 implementation and it will protect both patients and physicians. It is also important to have this two year transition period apply to all payers and not just Medicare.

I understand that H. R. 2652 will be scored as if it will cost the government money and therefore will need a pay for. It is a shame that ICD-10 will save the government money by denying care to patients because the new coding system will make doctors less efficient and see fewer patients, and also by taking away payments to physicians for care given based on coding errors and increased audits. By scoring the bill in this manner the government is admitting that the implementation of this new ICD-10 coding system will make money off the physicians of America by increasing denial of payments for services rendered, and will make money off the patients by decreasing care since the physicians will not be able to see the same number of patients. A conservative estimate is that there will be 1,500,000 fewer patient visits a day with a savings of $30,000,000,000 per year to the government and insurance companies. It is a sad day for our profession when we have to direct all of our energies on this new coding system and away from patient care.

There are also several other very important items that CMS needs to address in order to make the ICD system function appropriately. I have summarized these on the last page of this testimony. With good communication between the CMS and the AMA all of these issues can be worked out. We must remember that the final objective is to not disrupt patient care.

Thank you for your attention to this matter. October 1, 2015 is less than 4 months away and Congress does not meet in August. Please communicate these ideas to CMS and to others in Congress. CMS should be asked to do these things with or without passage of H. R. 2652. This is truly a bipartisan issue which all can be united behind. I am also submitting as an attachment a joint resolution passed by both houses of our Alabama State Legislature and signed by Governor Robert Bentley because they understand the serious consequences of this flawed ICD-10 implementation on the citizens of Alabama.

Sincerely,

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Brief Summary of Important Items for Successful Transition to ICD-10

1) Implementation date to be October 1, 2015
2) Two year transition (grace) period by CMS and all payers during which time physicians will not be penalized for errors, mistakes, and/or malfunctions of the system.
3) Some type of study during implementation to look at unintended consequences that may develop such as: 1) impact on reporting of quality measures and subsequent penalties, 2) how ICD-10 implementation affects patients' access to care, 3) how it changes physician practice patterns, such as early retirement and leaving private practice for academic or employed settings, 4) physicians' productivity, and many others.
4) Payers must publish their ICD-9 to ICD-10 crosswalks so physicians can better understand the payer's rules and the ICD system does not turn into a guessing game.
5) ICD-10 documentation requirements should be loosened such that a competent coder can clinically interpret the medical record within reasonable parameters and assign an appropriate and defendable code thus preventing a payer or Recovery Auditor from denying payment when the circumstances are obvious.
6) Future meetings of the Clinical Coding Advisory Committee should be made public.
7) Add a 5th "Cooperating Party" to consist of physicians appointed by the AMA with equal power of the current four Cooperating Parties (CMS, CDC, AHIMA, AHA) in the planning, interpretation and deployment of present and future ICD coding systems.
8) Work with a designated group of individuals set up by the AMA to further develop this transition plan, further improve the ICD system, and communicate with American medicine the best way to take care of our patients in this new environment.