



July 23, 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:

The Medical Group Management Association (MGMA) is extremely concerned with the Medicare announcement that it will not be conducting ICD-10 end-to-end testing with external trading partners, including physician practices. We strongly urge that you immediately reverse this policy and expedite Medicare ICD-10 end-to-end testing. This action would decrease the potential of a catastrophic back-log of Medicare claims following the Oct. 1, 2014 compliance date. Failure to do so could result in significant cash flow disruption for physicians and their practices, and serious access to care issues for Medicare patients.

MGMA-ACMPE is the premier association for professional administrators and leaders of medical group practices. Since 1926, the Association has delivered networking, professional education and resources, advocacy and certification for medical practice professionals. The Association represents 22,500 members who lead 13,200 organizations nationwide in which some 280,000 physicians provide more than 40 percent of the healthcare services delivered in the United States.

ICD-10 will be one of the most significant changes the physician practice community has ever undertaken—impacting both the clinical and administrative sides of every care delivery organization. End-to-end testing between trading partners is absolutely critical to measure operational predictability and readiness, and also to identify any roadblocks well in advance of the compliance date. In addition, commercial health plans traditionally 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. Again, this could result in practitioners not being paid for their services and disruption to healthcare service delivery.

Historically, Medicare has committed to testing with external trading partners for all significant coding and HIPAA-related transaction requirements. These partnerships with providers, clearinghouses and vendors was very successful in identifying issues and unintended consequences well in advance of full implementation. Most recently, Medicare conducted end-to-end testing with external trading partners for the industry-wide transition from HIPAA Version 4010 to Version 5010. In its outreach effort to providers, the Centers for Medicare & Medicaid Services (CMS) even held a highly successful “National HIPAA 5010 Testing Week,” encouraging providers to test directly with Medicare. This national testing initiative not only resulted in large numbers of providers testing transactions with their Medicare contractors, but many commercial health plans also took the opportunity to encourage providers to test with them during that week. This testing week, occurring some six months prior to the compliance date, also significantly increased the visibility of the Version 5010 issue, especially with small and rural providers.

We also note that on September 28, 2012 CMS contracted with National Government Services (NGS) to develop the “End-to-End Testing Pilot of the Administrative Simplification Requirements,” with the goal of setting industry wide best practices for the testing of ICD-10 and other standards. The NGS recommendations specifically designated Medicare as an entity that providers should test ICD-10 with and named Medicare as a health plan that should be testing with all external trading partners. Further, at the July 15 CMS “ICD-10 Listening Session,” a senior Department official outlined the CMS policy that requires all state Medicaid agencies to test with their external trading partners, including providers.

This deviation from the traditional Medicare testing policy and inconsistent messaging have sharply increased the apprehension that physician practices already feel regarding the implementation of ICD-10.

We believe it is imperative that you address this concern without delay and direct Medicare to conduct ICD-10 end-to-end testing with all external trading partners. It is critical that ICD-10 be adopted in such a manner that practices can continue to provide care to the patients they serve. Testing is clearly an essential step in that implementation process. Thank you for the opportunity to bring this issue to your attention. Should you have any questions please contact Robert Tennant at tennant@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