June 4, 2004

Jonathan C. Javitt, MD, MPH
Co-Chair Health Care Delivery and IT Subcommittee
President's Information Technology Advisory Committee
C/o National Coordination Office for Information Technology Research and Development
4201 Wilson Boulevard, Suite II-405
Arlington, VA 22230

Dear Dr. Javitt:

The undersigned organizations are writing to express our concern with the recent draft recommendation of the President's Information Technology Advisory Committee (PITAC), Health Care Delivery and IT Subcommittee, calling for the adoption of SNOMED-CT as an alternative to ICD-10-CM. In particular, we call your attention to the draft recommendation calling for a "cost-benefit study" of upgrading the nation's diagnosis and procedure coding systems from ICD-9-CM directly to SNOMED-CT. We urge the PITAC Subcommittee to rework this recommendation.

The draft recommendation wrongly implies that SNOMED-CT is a viable alternative to ICD-10-CM and ICD-10-PCS (collectively referred to as ICD-10), or for that matter, CPT-4. We believe that ICD-10 must move forward first. SNOMED-CT is a reference terminology and ICD-10 is a classification system. Both can exist together. When ICD-10 is completed, it can be mapped to SNOMED-CT. ICD-10 is a preferred coding classification system for data analysis and reimbursement and can be implemented fairly quickly.

The National Committee on Vital and Health Statistics (NCVHS), the advisory body to the Secretary of HHS, has studied these coding issues since the 1980s, and in November 2003 recommended that the Secretary issue a proposed rule to replace the ICD-9-CM coding classification with ICD-10. This would not affect the use of other code sets for other purposes under HIPAA, such as CPT-4 and Level II HCPCS (Healthcare Common Procedure Coding System). During this period, the NCHVS had also considered SNOMED-CT as an alternative coding system and concluded, after numerous hearings, that the nation needs to move forward with the adoption of ICD-10. They recognized the importance of ICD-10 for statistical data analysis, such as epidemiological analysis or trending of disease incidence, as well as for reimbursement.

It became clear during the NCHVS hearings that SNOMED-CT, while well designed for the support of the electronic health record, contains too many terms to feasibly collapse them for
statistical analysis and reimbursement systems. Further, using SNOMED-CT to define all clinical concepts contained in the medical record - discharge summary, operative report, pages and pages of progress notes - can only lead to a cumbersome and inefficient process.

Reimbursement systems would be difficult to design using SNOMED-CT because of its extreme granularity that often lends itself to redundancy of codes. On the other hand, ICD-10-CM and ICD-10-PCS provide for a more precise selection of codes for summarizing the patient's record.

The NCVHS determined that the benefits of adopting ICD-10 far outweigh the costs. They also noted the following expected benefits: improvements to the quality of care and patient safety; fewer rejected or questionable reimbursements of claims; improved information for disease management; more accurate reimbursement rates for emerging technologies; and better understanding of the value of new procedures.

Initiating another cost-benefit study will only delay the implementation of ICD-10, and prolong the continuation of an obsolete ICD-9-CM coding system. No one system meets the complex needs of data capture and retrieval for the various uses outlined above. Together, these controlled terminologies provide the data structure required to move towards a fully functional electronic health record. We urge the PITAC subcommittee to recommend expedited implementation of ICD-10 and further research into making SNOMED-CT a functional language for the electronic medical record with mapping from ICD-10.

We look forward to working with you and the Secretary to resolve any remaining issues and to implement ICD-10-CM and ICD-10-PCS. If you have any questions, please contact Nelly Leon-Chisen at the American Hospital Association at 312-422-3396.

Advanced Medical Technology Association
American Hospital Association
American Medical Association
Federation of American Hospitals

Cc. Members of the PITAC
Members of the NCVHS
Tommy G. Thompson, Secretary, U.S. Department of Health and Human Services