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2014 | 2

Government delays ICD-10 implementation

On April 1, 2014—six months to the day before the health care industry’s much-anticipated Oct. 1, 2014, conversion to the 10th edition of the International Classification of Diseases code set (ICD-10)—President Barack Obama signed into law [H.R. 4302, the Protecting Access to Medicare Act](#), which includes a clause **delaying the adoption of ICD-10 code sets until at least Oct. 1, 2015.**

The act prohibits the Centers for Medicare and Medicaid Services (CMS) from enforcing any mandate to adopt the ICD-10 code sets as the national standard prior to Oct. 1, 2015. Many health care experts have expressed their disappointment about the decision to delay ICD-10, which was lumped in with legislation about the sustainable growth rate (SGR) payment formula for doctors treating Medicare patients. In fact, the U.S. House and Senate passed the bill without any debate whatsoever on the coding system.

Health care providers and payers, including Sedgwick, have collectively spent millions of dollars and hours preparing for the previously established Oct. 1, 2014, due date for introducing ICD-10, which is a significant overhaul of the diagnostic and procedural medical coding system mandated by the federal government for use in the health care industry in insurance processing, reimbursement and statistical data gathering. Early estimates put the national cost of delaying the code set conversion at more than \$1 billion.

Providers and payers alike are left with many questions about how to proceed. Thus far, CMS has provided no additional information regarding whether Oct. 1, 2015, will in fact be the new implementation date or if organizations that are ready to implement ICD-10 before the deadline may do so voluntarily. Some industry experts are also questioning whether CMS should skip ICD-10 altogether and instead wait to implement ICD-11, which is due to be released in 2017. We anticipate that updates from CMS will be posted shortly at cms.gov/ICD10.

We are closely monitoring the situation and will keep you apprised as we learn more. Additionally, we are continuing our internal efforts to ensure that our systems are ready for the conversion from approximately 15,000 ICD-9 codes to nearly 70,000 ICD-10 codes, whenever that may be.

Should you have any questions about the ICD-10 delay, please contact our dedicated ICD-10 task force at ICD10@sedgwick.com. Thank you for your continued support.

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