

PEPPER Update:

Long-term Acute Care Hospitals, Inpatient
Rehabilitation Facilities, Skilled Nursing
Facilities, Hospices, Home Health Agencies

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Kimberly Hrehor

Agenda

- ▶ Updates to the Q4FY14 PEPPER release for:
 - Hospices
 - Inpatient Rehabilitation Facilities (IRFs)
 - Long-term (LT) acute care hospitals
 - Skilled Nursing Facilities (SNFs)
- ▶ Preview new Home Health Agency (HHA) PEPPER

PEPPER Basics

- ▶ To learn the basics of PEPPER, review percents and percentiles and review a demonstration PEPPER, please access the updated recorded training sessions, which are available in the respective Training and Resources section of PEPPERresources.org.

What is PEPPER?

- ▶ **P**rogram for **E**valuating **P**ayment **P**atterns **E**lectronic **R**eport (PEPPER) summarizes Medicare claims data statistics for one provider in areas (“target areas”) that may be at risk for improper Medicare payments.
- ▶ PEPPER compares the provider’s Medicare claims data statistics with aggregate Medicare data for the nation, MAC jurisdiction and state.

History of PEPPER

- ▶ 2003: Developed by TMF for short-term (ST) acute care and later long-term (LT) acute care hospitals; was provided by Quality Improvement Organizations (QIOs) through 2008.
- ▶ 2010: TMF began distributing PEPPER to all providers in the nation, began development of PEPPER for:
 - 2011: Critical access hospitals (CAHs), inpatient psychiatric facilities (IPFs), IRFs.
 - 2012: PHPs and hospices.
 - 2013: SNFs.
 - 2015: HHAs.

Why are Providers Receiving PEPPER?

- ▶ CMS is tasked with protecting the Medicare Trust Fund from fraud, waste and abuse.
- ▶ The provision of PEPPER supports CMS' program integrity activities.
- ▶ PEPPER is an educational tool that is intended to help providers assess their risk for improper Medicare payments.

Q4FY14 PEPPER Release

- ▶ Summarizes statistics for three fiscal years: 2012, 2013, 2014.
- ▶ Distributed in April 2015.
- ▶ Updated PEPPER user's guides and recorded training sessions.

Hospice PEPPER Changes

Target Area	Target Area Definition
<p>Continuous Home Care Provided in an Assisted Living Facility <i>*new as of the Q4FY14 release</i></p>	<p><i>N</i>: count of beneficiary episodes discharged (by death or alive) by the hospice during the report period where at least eight hours of Continuous Home Care (revenue code = “0652”) were provided while the beneficiary resided in an Assisted Living Facility (HCPCS code = “Q5002”)</p> <p><i>D</i>: count of all beneficiary episodes ending in the report period that indicate the beneficiary resided in an assisted living facility (HCPCS code = “Q5002”) for any portion of the episode</p>

Hospice Report Changes, 2

Target Area	Target Area Definition
Routine Home Care Provided in an Assisted Living Facility <i>*new as of the Q4FY14 release</i>	<i>N:</i> count of Routine Home Care days (revenue code = “0651”) provided on claims ending in the report period that indicate the beneficiary resided in an assisted living facility (HCPCS code = “Q5002”) <i>D:</i> count of all Routine Home Care days (revenue code = “0651”) provided by the hospice on claims ending in the report period

Hospice Report Changes, 3

Target Area	Target Area Definition
Routine Home Care Provided in a Nursing Facility <i>*new as of the Q4FY14 release</i>	<i>N:</i> count of Routine Home Care days (revenue code = "0651") provided on claims ending in the report period that indicate the beneficiary resided in a nursing facility (HCPCS code = "Q5003") <i>D:</i> count of all Routine Home Care days (revenue code = "0651") provided by the hospice on claims ending in the report period

Hospice Report Changes, 4

Target Area	Target Area Definition
<p>Routine Home Care Provided in a Skilled Nursing Facility <i>*new as of the Q4FY14 release</i></p>	<p><i>N:</i> count of Routine Home Care days (revenue code = “0651”) provided on claims ending in the report period that indicate the beneficiary resided in a skilled nursing facility (HCPCS code = “Q5004”)</p> <p><i>D:</i> count of all Routine Home Care days (revenue code = “0651”) provided by the hospice on claims ending in the report period</p>

IRF PEPPER Changes

Target Area	Target Area Definition
STACH Admissions following IRF Discharge	<p><i>N</i>: count of beneficiaries discharged from the IRF during the 12-month time period that were admitted to a short-term acute care hospital within 30 days of discharge from the IRF; excluding beneficiaries who were transferred to a STACH, LTCH or IRF within one day of discharge as evidenced by a subsequent claim; excluding patient discharge status codes 07 (left against medical advice), 20 (expired)</p> <p><i>D</i>: count of all discharges excluding beneficiaries who were transferred to a STACH, LTCH or IRF within one day of discharge as evidenced by a subsequent claim; and excluding patient discharge status codes 07, 20</p>

LT PEPPER Change

Target Area	Target Area Definition
STACH Admissions following LT Discharge	<p><i>N</i>: count of beneficiaries (identified using the Health Insurance Claim number) discharged from the LTCH during the 12-month time period that were admitted to a short-term acute care hospital within 30 days of discharge from the LTCH; excluding transfers to a short-term acute care hospital or a long-term acute care hospital within one day of discharge as evidenced by a subsequent claim; excluding patient discharge status codes 07 (left against medical advice), 20 (expired)</p> <p><i>D</i>: count of all discharges excluding transfers to a short-term acute care hospital or a long-term acute care hospital within one day of discharge as evidenced by a subsequent claim; and excluding patient discharge status codes 07, 20</p>

SNF PEPPER Change

- ▶ No changes to target areas implemented in this release.

Home Health Agency PEPPER

- ▶ To be distributed around July 20, 2015.
- ▶ PEPPER will be in same format as other PEPPERS released on an annual basis (aggregated into three 12-month time periods).
- ▶ Statistics reported on calendar year basis (not fiscal year basis).

Home Health Agency PEPPER, cont.

- ▶ Will include six target areas.
- ▶ Will include two “top” reports:
 - Top diagnoses for episodes in most recent year
 - Top diagnoses for therapy episodes (early/late 0-13, early/late 14-19, 20+) in most recent year
- ▶ Will be distributed via PEPPER Resources Portal around July 20, 2015.



HHA Target Areas

Target Area	Target Area Definition
Average Case Mix	<i>N</i> : sum of case mix weight for all episodes paid to the HHA during the report period, excluding LUPAs (identified by Part A NCH HHA LUPA code) and PEPs (identified as patient discharge status code equal to '06') <i>D</i> : count of episodes paid to the HHA during the report period, excluding LUPAs and PEPs
Average Number of Episodes	<i>N</i> : count of episodes paid to the HHA <i>D</i> : count of unique beneficiaries served by the HHA
Episodes with 5 or 6 Visits	<i>N</i> : count of episodes with 5 or 6 visits paid to the HHA <i>D</i> : count of episodes paid to the HHA

HHA Target Areas, cont.

Target Area	Target Area Definition
Non-LUPA Payments	<p><i>N</i>: count of episodes paid to the HHA that did not have a LUPA payment</p> <p><i>D</i>: count of episodes paid to the HHA</p>
High Therapy Utilization Episodes	<p><i>N</i>: count of episodes with 20+ therapy visits paid to the HHA (first digit of HHRG equal to '5')</p> <p><i>D</i>: count of episodes paid to the HHA</p>
Outlier Payments	<p><i>N</i>: dollar amount of outlier payments (identified by the amount where Value Code equal to '17') for episodes paid to the HHA</p> <p><i>D</i>: dollar amount of total payments for episodes paid to the HHA</p>



Review a Sample PEPPER

How does PEPPER apply to Providers?

- ▶ PEPPER is a roadmap to help you identify potentially vulnerable or improper payments.
- ▶ Providers are not required to use PEPPER or to take any action in response to their PEPPER statistics.
- ▶ But: Why not take advantage of this free comparative report provided by CMS?

Why is the PEPPER available only once a year?

- ▶ The PEPPER statistics are reported in three 12-month periods. The reports are updated annually, with the oldest time period rolling off as the new time period is added. Many providers would not have sufficient data to report if the reporting periods were smaller (three or six months) and the reports were distributed more frequently. Providers may consider monitoring their own statistics internally between report distribution; use the same claims inclusion criteria and numerator/denominator definitions.

Why are the statistics in PEPPER so old?

- ▶ TMF must wait four months after the most recent month in a reporting time period before downloading the claims data to analyze for inclusion in the report. Data for the fiscal year ending September 30 are downloaded at the end of the following January. Data processing, quality checks, report production and distribution require an additional three months.

How can I get my PEPPER?

Provider Type	Distribution Method
Hospices	PEPPER Resources Portal
Inpatient Rehabilitation Facilities	<p><u>Free-standing IRFs: PEPPER Resources Portal</u></p> <p><u>IRF Distinct Part Units of short-term acute care and critical access hospitals: QualityNet Portal</u></p>
Long-term Acute Care Hospitals	PEPPER Resources Portal
Partial Hospitalization Programs	<p><u>PHPs administered through Community Mental Health Centers, IRFs, LTCHs and children’s hospitals: PEPPER Resources Portal</u></p> <p><u>PHPs administered through short-term acute care hospitals and inpatient psychiatric facilities: QualityNet Portal</u></p>

How can I get my PEPPER? (cont.)

Provider Type	Distribution Method
Skilled Nursing Facilities	<u>SNFs/swingbeds that are part of a short-term acute care hospital:</u> QualityNet Portal <u>Free-standing SNFs and SNFs that are part of another type of hospital:</u> PEPPER Resources Portal
Home Health Agencies	PEPPER Resources Portal

Strategies to Consider....

- ▶ Do Not Panic!
 - Outlier status does not necessarily mean that compliance issues exist.
- ▶ But: Determine Why You are an “Outlier”
 - Do the statistics reflect your operation? Patient population? Referral sources? Healthcare environment? Verify by:
 - Sampling claims, reviewing documentation in medical record.
 - Reviewing claim; was it coded and billed appropriately based upon documentation in medical record?
- ▶ Ensure following best practices, even if not an outlier.

For assistance with PEPPER:

- ▶ Visit PEPPERresources.org for the PEPPER User's Guide and training materials.
- ▶ If you have questions or are in need of individual assistance, click on "Help/Contact Us," and submit your request through the Help Desk. Complete the form and a TMF staff member will respond promptly to assist you.
- ▶ Please do **not** contact your QIO or any other organization for assistance with PEPPER.



Program for Evaluating Payment Patterns Electronic Report

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Welcome to PEPPER Resources

PEPPERresources.org is the official site for information, training and support related to the Program for Evaluating Payment Patterns Electronic Report (PEPPER).

PEPPER provides provider-specific Medicare data statistics for discharges/services vulnerable to improper payments. PEPPER can support a hospital or facility's compliance efforts by identifying where it is an outlier for these risk areas. This data can help identify both potential overpayments as well as potential underpayments.

SHORT-TERM ACUTE CARE HOSPITALS

- [User's Guide \(PDF, 16th Edition\)](#)
- [Training & Resources](#)
- [PEPPER Distribution - Get Your PEPPER](#)

CRITICAL ACCESS HOSPITALS

- [User's Guide \(PDF, 4th Edition\)](#)
- [Training & Resources](#)
- [PEPPER Distribution - Get Your PEPPER](#)

HOME HEALTH AGENCIES

- [Training & Resources](#)
- [PEPPER Distribution - Get Your PEPPER](#)
- [Coming July 2015!](#)

HOSPICES

- [User's Guide \(PDF, 4th Edition\)](#)
- [Training & Resources](#)
- [PEPPER Distribution - Get Your PEPPER](#)

INPATIENT PSYCHIATRIC FACILITIES

- [User's Guide \(PDF, 5th Edition\)](#)
- [Training & Resources](#)
- [PEPPER Distribution - Get Your PEPPER](#)

INPATIENT REHABILITATION FACILITIES

- [User's Guide \(PDF, 5th Edition\)](#)
- [Training & Resources](#)
- [PEPPER Distribution - Get Your PEPPER](#)

LONG-TERM ACUTE CARE HOSPITALS

- [User's Guide \(PDF, 9th Edition\)](#)
- [Training & Resources](#)
- [PEPPER Distribution - Get Your PEPPER](#)

PARTIAL HOSPITALIZATION PROGRAMS

- [User's Guide \(PDF, 4th Edition\)](#)
- [Training & Resources](#)
- [PEPPER Distribution - Get Your PEPPER](#)

SKILLED NURSING FACILITIES

- [User's Guide \(PDF, 3rd Edition\)](#)
- [Training & Resources](#)
- [PEPPER Distribution - Get Your PEPPER](#)



Questions?

Hospice and SNF Target Areas

Hospice Target Areas:

- Live Discharges
- Long LOS
- CHC in ALF
- RHC in ALF
- RHC in NF
- RHC in SNF

Skilled Nursing Facility Target Areas:

- Therapy RUGs with High ADL
- Nontherapy RUGs with High ADL
- COT Assessment
- Ultrahigh Therapy RUGs
- Therapy RUGs
- 90+ Day Episodes of Care

LT Target Areas

- Septicemia
- Excisional Debridement
- Short Stays
- Short Stays for Resp. Syst. Diagnoses
- Outlier Payments
- 30-Day Readmissions
- STACH Admissions following LT discharge

IRF and PHP Target Areas

Inpatient Rehabilitation

Facility Target Areas:

- Miscellaneous CMGs
- CMGs at Risk for Unnecessary Admission
- Outlier Payments
- STACH Admissions following IRF Discharge

Partial Hospitalization

Program Target Areas:

- Days of Service with 4 Units Billed
- Group Therapy
- No Individual Psychotherapy
- 60+ Days of Service
- 30-day Readmissions