PEPPER

Comparative Data for Home Health Agencies and Hospices

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RELI Group

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Agenda

- Review background and history of Program for Evaluating Payment Patterns Electronic Report (PEPPER).
- Review the Q4FY21 *Hospice PEPPER.*
- Review the Q4CY21 *Home Health Agency (HHA) PEPPER*
- Review additional resources.

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PEPPER Details

To learn more about PEPPER:

Review percents and percentiles.	Learn how hospice and home health target areas are created and review a demonstration PEPPER.	Access the recorded training sessions available in the "Training and Resources" section of the PEPPER website at PEPPER.CBRPEPPER .org.

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Why are providers receiving a 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.

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Q4FY21 *Hospice PEPPER* Release

Summarizes statistics for three federal fiscal years: – 2019 – 2020 – 2021	Statistics for all time periods are refreshed with each release.	The oldest fiscal year rolls off as the new one is added.

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Hospice Improper Payment Risks

Hospices are reimbursed through the Medicare Hospice Benefit (MHB).	Hospices can be at risk for inappropriate beneficiary enrollment in the MHB.	Target areas were identified based on a review of the MHB, a review of oversight agency reports, an analysis of claims data, and in coordination with CMS subject matter experts.

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Hospice PEPPER Target Areas

- Areas identified as potentially at risk for improper Medicare payments (e.g., coding or billing errors, unnecessary services).
- Reported as either a:
  - Rate (numerator/denominator different units) or
  - Percent (numerator/denominator same units).
- A target area is constructed as a ratio:
  - Numerator = episodes/claims/days identified as potentially problematic
  - Denominator = larger reference group

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Hospice PEPPER Target Areas

- *Live Discharges No Longer Terminally Ill*
- *Live Discharges – Revocations*
- *Live Discharges LOS 61 – 179 Days*
- *Long Length of Stay*
- *Continuous Home Care Provided in an Assisted Living Facility*
- *Routine Home Care in Assisted Living Facility*
- *Routine Home Care in Nursing Facility*
- *Routine Home Care in Skilled Nursing Facility*
- *Claims with Single Diagnosis Coded*
- *No General Inpatient Care or Continuous Home Care*
- *Long General Inpatient Stays*

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New *Hospice PEPPER* Target Areas

- *Average Number of Medicare Part D Claims for Beneficiaries Residing at Home*
  - New as of Q4FY21 release
- *Average Number of Medicare Part D Claims for Beneficiaries Residing in an Assisted Living Facility*
  - New as of Q4FY21 release
- *Average Number of Medicare Part D Claims for Beneficiaries Residing in a Nursing Facility*
  - New as of Q4FY21 release

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Example *Hospice PEPPER* Target Areas

Target Area	Target Area Definition
Live Discharges No Longer Terminally Ill	*Numerator (N):* count of beneficiary episodes discharged alive (patient discharge status code not equal to 40 (expired at home), 41 (expired in a medical facility) or 42 (expired place unknown)), excluding beneficiary: • transfers (patient discharge status code 50 or 51) • revocations (occurrence code 42) • discharged for cause (condition code H2) • who moved out of the service area (condition code 52) *Denominator (D):* count of all beneficiary episodes discharged (by death or alive) during the report period (obtained by considering all claims billed for a beneficiary by that hospice)
No General Inpatient Care or Continuous Home Care	*N:* count of beneficiary episodes that had no amount of general inpatient care (revenue code = 0656) or continuous home care (revenue code = 0652) *D:* count of all beneficiary episodes discharged (by death or alive) by the hospice during the report period (obtained by considering all claims billed for a beneficiary by that hospice)

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Q4CY21 *HHA PEPPER* Release

Available on July 11, 2022

Summarizes statistics for three calendar years: • 2019 • 2020 • 2021	Statistics for all time periods are refreshed with each release.	The oldest calendar year rolls off as the new one is added.

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HHA PEPPER Target Areas

- Areas identified as potentially at risk for improper Medicare payments (e.g., coding or billing errors, unnecessary services)
- A target area is constructed as a ratio:
  - Numerator = episodes/payments/etc. identified as potentially problematic
  - Denominator = larger reference group
- Reported as either a:
  - Rate (numerator/denominator different units) or
  - Percent (numerator/denominator same units).

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HHA PEPPER Target Areas

Target Area	Target Area Definition
Low Comorbidity (New as of Q4CY20 release)	*Numerator (N):* count of periods with a secondary diagnosis that qualifies as a low comorbidity adjustment (fourth position of Health Insurance Prospective Payment System [HIPPS] code equal to '2') paid to the HHA during the time frame *Denominator (D):* count of periods paid to the HHA during the time frame
High Comorbidity (New as of Q4CY20 release)	*N*: count of periods with two secondary diagnoses that qualify as a high comorbidity adjustment (fourth position of HIPPS code equal to '3') *D:* count of periods paid to the HHA during the time frame
Functional Impairment — Medium (New as of Q4CY1 release)	*N:* count of periods with a functional impairment level of medium (third position of HIPPS code equal to 'B') paid to the HHA during the time frame *D:* count of periods paid to the HHA during the time frame

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HHA PEPPER Target Areas

Target Area	Target Area Definition
Functional Impairment — High (New as of Q4CY21 release)	*N:* count of periods with a functional impairment level of high (third position of HIPPS code equal to 'C') paid to the HHA during the time frame *D:* count of periods paid to the HHA during the time frame
Average Case Mix	*N:* sum of case mix weight for all periods paid to the HHA during the time frame, excluding LUPAs (identified by Part A National Claims History [NCH] HHA LUPA code) and PEPs (identified as patient discharge status code equal to '06') *D:* count of periods paid to the HHA during the time frame, excluding LUPAs and PEPs Note: reported as a rate, not a percent

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HHA PEPPER Target Areas

Target Area	Target Area Definition
Average Number of Periods	*N*: count of periods paid to the HHA during the time frame *D*: count of unique beneficiaries served by the HHA during the time frame Note: reported as a rate, not a percent
Periods with Low Visits (Revised as of Q4CY20 release)	*N*: count of periods with the number of visits equal to the LUPA threshold or one visit more than the LUPA threshold, paid to the HHA during the time frame *D*: count of periods paid to the HHA during the time frame

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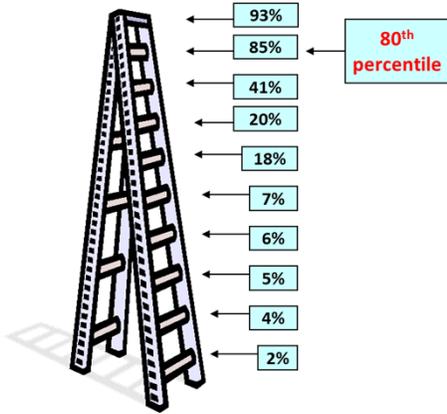
HHA PEPPER Target Areas

Target Area	Target Area Definition
Non-LUPA Payments	*N*: count of periods paid to the HHA that did not have a LUPA payment during the time frame *D*: count of periods paid to the HHA during the time frame
Outlier Payment	*N:* sum of dollar amount of outlier payments (identified by the amount where Value Code equal to '17') for periods paid to the HHA during the time frame *D:* sum of dollar amount of total payments for periods paid to the HHA during the time frame
Admission Source (New as of Q4CY20 release)	*N:* count of periods where admission source is institutional (first position of HIPPS code equal to '2' or '4') *D:* count of periods paid to the HHA during the time frame

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Percentiles in PEPPER

93%
85%
80th percentile
41%
20%
18%
7%
6%
5%
4%
2%

- The percentile tells us the percentage of hospices that have a lower target area percent.
- Target area percents at/above the national 80th percentile are identified as "outliers" in PEPPER.

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Comparison Groups

- Nation
- Medicare Administrative Contractor (MAC) jurisdiction
- State

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How does PEPPER apply to providers?

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

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PEPPER Distribution

- PEPPER is distributed in an electronic format.
- Each release of PEPPER will be available for approximately two years from its original date of release.
- PEPPER cannot be sent via email.
- It is available via the PEPPER Portal:
  - Visit PEPPERFILE.CBRPEPPER.org.
  - Links to the portal can be found on the PEPPER homepage: PEPPER.CBRPEPPER.ORG.

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Required Information to Access PEPPER via the PEPPER Portal

- Six-digit CMS Certification Number (also referred to as the provider number or Provider Transaction Access Number [PTAN]).
  - Not the same as the tax ID or National Provider Identifier (NPI) number.

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Strategies to Consider

- Do not panic!
  - Outlier status does not necessarily mean that compliance issues exist.
- If you are an "outlier," determine why that may be.
  - Do the statistics reflect your operation? Patient population? Referral sources? Health care environment? Verify by:
    - Sampling claims and reviewing documentation in medical record.
    - Reviewing the claim. Was it coded and billed appropriately, based upon documentation in the medical record?
- Ensure you are following best practices, even if you are not an outlier.

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PEPPER.CBRPEPPER.org "Training and Resources" Page

- ☑ *Hospice PEPPER User's Guide*
- ☑ Jurisdictions spreadsheet
- ☑ Recorded PEPPER training sessions
- ☑ Sample *Hospice PEPPER*
- ☑ History of target area changes and impact
- ☑ CMS *Medicare Learning Network* (*MLN) Matters* article and National Government Services (NGS) job aid (site of service codes)
- ☑ Success Stories

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For Assistance with PEPPER

If you have questions or need individual assistance, click on "Help/Contact Us," and submit your request through the Help Desk.

Complete the form, and a member of the PEPPER team will respond promptly to assist you.

Please do **not** contact any other organization for assistance with PEPPER.

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CARES Act

Please note: Policy guidance cited in published CBRs and PEPPERs are based on non-public health emergency Medicare rules. Please check with your Medicare Administrative Contractor to determine if a particular service or supply is impacted by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act, published in March 2020, addresses Medicare flexibilities related to the COVID-19 crisis.

Success stories: How your peers have used their PEPPER [Go to Success Stories]

SHORT-TERM ACUTE CARE HOSPITALS
- User's Guide (PDF, 32nd Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

CRITICAL ACCESS HOSPITALS
- User's Guide (PDF, 9th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of CAH PEPPER Retrievals by State

HOME HEALTH AGENCIES
- User's Guide (PDF, 5th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of HHA PEPPER Retrievals by State

HOSPICES
- User's Guide (PDF, 9th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of Hospice PEPPER Retrievals by State

INPATIENT PSYCHIATRIC FACILITIES
- User's Guide (PDF, 9th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of IPF PEPPER Retrievals by State

INPATIENT REHABILITATION FACILITIES
- User's Guide (PDF, 10th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of IPF PEPPER Retrievals by State

LONG-TERM ACUTE CARE HOSPITALS
- User's Guide (PDF, 14th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of LT PEPPER Retrievals by State

PARTIAL HOSPITALIZATION PROGRAMS
- User's Guide (PDF, 7th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of PHP PEPPER Retrievals by State

SKILLED NURSING FACILITIES
- User's Guide (PDF, 8th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of SNF PEPPER Retrievals by State

This website is developed and maintained by RELI Group, under contract with the Centers for Medicare & Medicaid Services to provide comparative data reports to providers and to Medicare Administrative Contractors in support of efforts to reduce Medicare fee-for-service improper payments.

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Questions?

- Visit the Help Desk at PEPPER.CBRPEPPER.org.

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