Emerson Hospital, a full-service medical center in Concord, Massachusetts, was alerted to a spike in three-day SNF-qualifying admissions when reviewing their PEPPER, which prompted a more focused review.

The Program for Evaluating Payment Patterns Electronic Report (PEPPER) is a quarterly comparative data report that summarizes a hospital’s Medicare claims data statistics for areas prone to abuse/improper Medicare payments.

As a regional medical center, Emerson has a large elderly population, many of whom are transferred to a skilled nursing facility (SNF) after discharge. As a result, Emerson expects to have a higher proportion for this PEPPER target area (three-day SNF-qualifying admissions) than most hospitals.

Margaret Foley, RN, MSN is the director of case management at Emerson. She uses PEPPER during their monthly utilization review (UR) committee meetings and has educated the committee on what each report in the PEPPER means. As a result, they now understand what outlier status means (at/above the national 80th percentile, represented as the solid red trend line in the graph). So, when they saw the spike in SNF admissions, as shown in the graph below, they moved to corrective action.

Their review of three-day SNF-qualifying admissions ensured that all patients met criteria for admission and continued inpatient status. After review, no specific concerns were identified, although the rate of
admissions decreased over the following quarters. The results of the audit were shared with the hospital staff, along with a refresher on Medicare payment policy.

“One strategy we recently implemented is an early ambulation program, which is intended to reduce the need for SNF care following discharge and improve patient outcomes,” Ms. Foley said. “We are pleased that our most recent PEPPER shows a positive impact in three-day SNF-qualifying admissions.”

The PEPPER also guides clinical documentation improvement efforts. For example, while the hospital’s statistics for “Medical DRGs with CC/MCC” looked as expected in regard to the hospital’s case mix index, the statistics for “Surgical DRGs with CC/MCC” were lower than expected. This led to a review of documentation in surgical cases; and educational efforts with the medical staff are ongoing.

“The PEPPER is shared with nursing, physicians, admissions, medical records; these departments are accountable for monitoring and reporting back to the UR committee,” Ms. Foley said.

What advice does Ms. Foley offer to someone just starting to review PEPPER? – “Study and learn about the report. Remember that just because you are above the 80th percentile or below the 20th percentile it doesn’t necessarily mean anything is good or bad, but you need to verify why the numbers appear as they do. The PEPPER provides a snapshot of trends, of what we are doing as compared to the Nation, MAC jurisdiction and state.”

For more on PEPPER, visit PEPPERresources.org.

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