



## New Owner of Louisiana Home Health Agency Tackles High Number of Episodes

### *PEPPER validated improvement, identified potential new concerns*

The new owners of a home health agency (HHA) are thankful they attended a conference not long after their purchase, where a speaker told them “you really need to know what your PEPPER says about your agency.” They followed that advice, reviewed their PEPPER, discovered several areas of concern regarding compliance, and immediately began a corrective action plan.

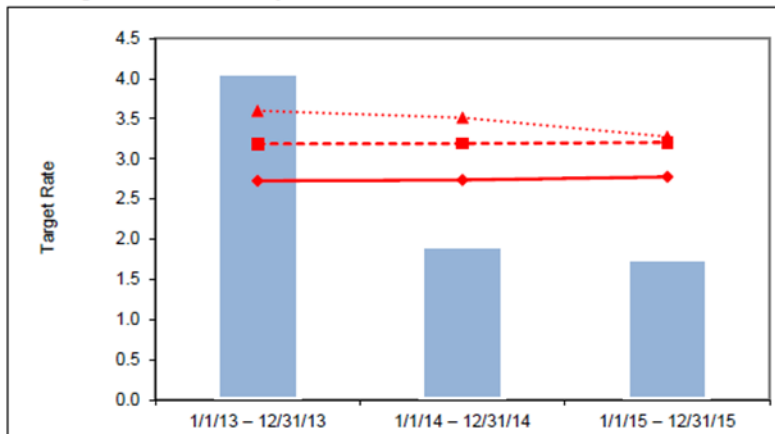
The Program for Evaluating Payment Patterns Electronic Report (PEPPER) is an annual comparative data report that summarizes an HHA’s Medicare claims data statistics for areas prone to abuse/improper Medicare payments.

Amie Falgout, a nurse practitioner, and her husband purchased Divinity Home Health Services in Thibodaux, Louisiana in October of 2013. Mrs. Falgout is the chief executive officer.

“When we first purchased this agency, I knew that too many episodes was a compliance concern in the home health area, and that overuse of home health services could be construed as fraudulent,” Mrs. Falgout said.

The first PEPPER they reviewed in 2015 confirmed the high number of episodes for 2013 for the agency they purchased that year. The data showed the agency as an outlier in comparison to other agencies across the nation. However, the PEPPER also reflected their highly successful efforts to reduce episodes for the years 2014 and 2015. See the PEPPER graph below.

**Average Number of Episodes**



“That’s a testament to our efforts to run an honest, ethical agency that complies with federal guidelines,” Mrs. Falgout said. “Our PEPPER also alerted us to potential concerns with therapy utilization and case mix. We are relatively high in both of those areas and were unaware of this before our PEPPER.

“We have implemented an extensive corrective action plan as a result of our PEPPER. We’ve taken a number of steps by educating all therapy staff on Medicare requirements and hiring an external auditor to perform a review of our high therapy utilization records. The findings of this audit have been used to guide staff education and to ensure that the therapists' documentation supports the services they are providing to beneficiaries. The staff was very receptive and I give credit to the PEPPER for this, since the data is so clearly written and easily understandable.”

What advice does Mrs. Falgout offer to someone just starting to review PEPPER? – “I cannot stress how invaluable this tool has been to our very young agency of only just-over-three-years. I look forward to watching our PEPPER results improve with time. Don’t be afraid of the data. Involve people who would best understand the data from different viewpoints, including your staff, compliance officer, referral sources. Keep an open mind.”

For more information on PEPPER, please visit [PEPPERresources.org](http://PEPPERresources.org).

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