



***Q4CY21 Partial  
Hospitalization Program  
PEPPER Review***

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# About Today's Presentation



Phone lines will be muted the entire duration of the training.



Submit questions pertinent to the webinar using the Q&A panel.



Questions will be answered verbally, as time allows, at the end of the session.

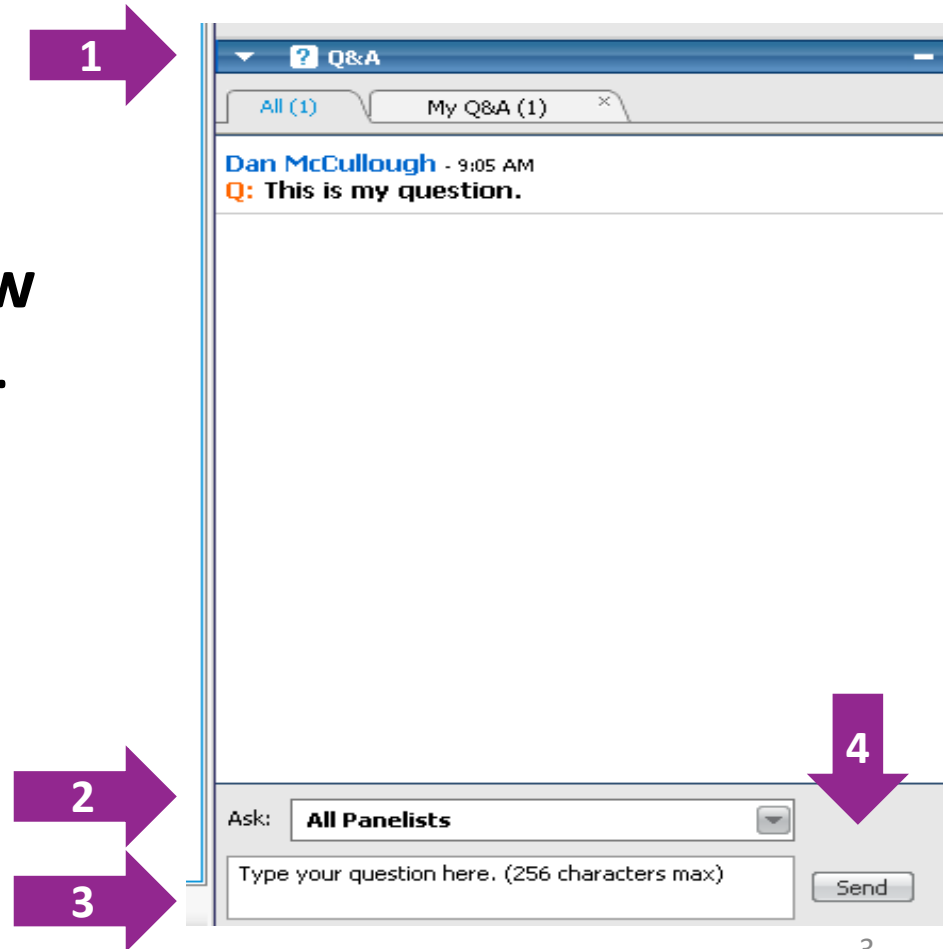


A “Q&A” document will be developed and posted at [PEPPER.CBRPEPPER.org](https://PEPPER.CBRPEPPER.org).

# To Ask a Question in Split Screen

*Ask your question in Q&A as soon as you think of it.*

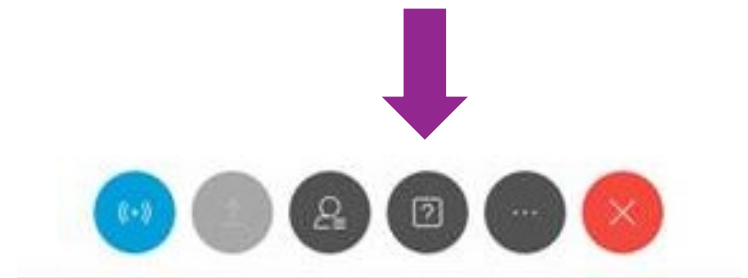
1. Go to the **“Q&A”** window located on the right side.
2. In the **“Ask”** box, select **“All Panelists.”**
3. Type in your question.
4. Click the **“Send”** button.



The screenshot shows a web browser window titled "Q&A" with two tabs: "All (1)" and "My Q&A (1)". The main content area displays a question from "Dan McCullough" at 9:05 AM: "Q: This is my question." Below the question is an "Ask:" section with a dropdown menu set to "All Panelists", a text input field containing "Type your question here. (256 characters max)", and a "Send" button. Purple arrows with numbers 1 through 4 point to the Q&A window, the dropdown menu, the text input field, and the Send button, respectively.

## To Ask a Question in Full Screen

1. Click on the “Q&A” button to bring up the Q&A window.
2. Type in your question (as in the previous slide).
3. Click the “**Send**” button.
4. Click “-” to close window to see full screen again.



## Agenda

- Review the Q4CY21 *Partial Hospitalization Program (PHP) Program for Evaluating Payment Patterns Electronic Report (PEPPER)*.
  - There were no revisions to the target areas.
- Review other resources:
  - National aggregate data

# PEPPER Details

*To learn more about PEPPER:*

Review percents  
and percentiles.

Review a  
demonstration  
PEPPER.

Access the training  
resources available  
in the PHP  
“Training and  
Resources” section  
of the PEPPER  
website at  
[PEPPER.CBRPEPPER.org](http://PEPPER.CBRPEPPER.org).

# What is PEPPER?



PEPPER summarizes Medicare claims data statistics for one provider in “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, jurisdiction, and the state.



PEPPER cannot identify improper Medicare payments!

# History of PEPPER

2003

TMF Health Quality Institute developed PEPPERS for short-term acute care hospitals and, later, long-term acute care hospitals; they were provided by Quality Improvement Organizations (QIOs) through 2008.

2010

TMF began distributing PEPPERS to all providers in the nation, and TMF developed PEPPERS for other provider types: critical access hospitals, inpatient psychiatric facilities, and inpatient rehabilitation facilities (2011); hospices and PHPs (2012); skilled nursing facilities (2013); and home health agencies (2015).

2018

The Centers for Medicare & Medicaid Services (CMS) combined the Comparative Billing Report (CBR) and the PEPPER programs into one contract; RELI Group and its partners, TMF and CGS, began producing CBRs and PEPPERS.



# 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.

# Q4CY21 *PHP* PEPPER Release

*Available on and after July 11, 2021*

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.

## What is an “episode of care” (EOC)?

- An EOC represents an episode of treatment for a beneficiary.
- All claims submitted by a PHP for a beneficiary are sorted from the earliest “claim from” date to the latest.
- The difference between the “through date” of one claim and the “from date” of the next claim is less than or equal to seven days. If the difference is eight or more days, a new EOC begins.
- An EOC is counted in the time period (i.e., calendar year) in which it ends.

Bene	Claim Number	From Date	Through Date	Days Between Claims	EOC	Episode Length of Stay
Bene A	1	10/26/17	10/29/17	n/a	1	
Bene A	2	11/1/17	11/30/17	3	1	
Bene A	3	12/1/17	12/30/17	1	1	
Bene A	4	1/3/18	1/20/18	4	1	86
Bene A	5	4/25/18	4/30/18	95	2	
Bene A	6	5/2/18	5/30/18	2	2	
Bene A	7	6/1/18	6/30/18	2	2	
Bene A	8	7/1/18	7/15/18	1	2	
Bene A	9	7/16/18	7/31/18	1	2	
Bene A	10	8/1/18	8/15/18	1	2	
Bene A	11	8/17/18	8/26/18	2	2	123

# PHP Improper Payment Risks

PHPs are reimbursed on a per-diem basis through the Outpatient Prospective Payment System (OPPS).

PHPs can be at risk for improper payments.

Target areas were identified based on a review of the PHP reimbursement methodology, oversight agency studies, claims data analysis, and coordination with CMS subject matter experts.

# Office of Inspector General Report

- *Questionable Billing by Community Mental Health Centers, August 2012, OEI-04-11-00100*
  - This report identified nine questionable billing characteristics for community mental health center (CMHC) PHP services.
  - This report is available at <http://oig.hhs.gov/oei/reports/oei-04-11-00100.pdf>.

## 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 identified as potentially problematic
  - Denominator = larger reference group
- Reported as a percent

## PHP PEPPER Target Areas

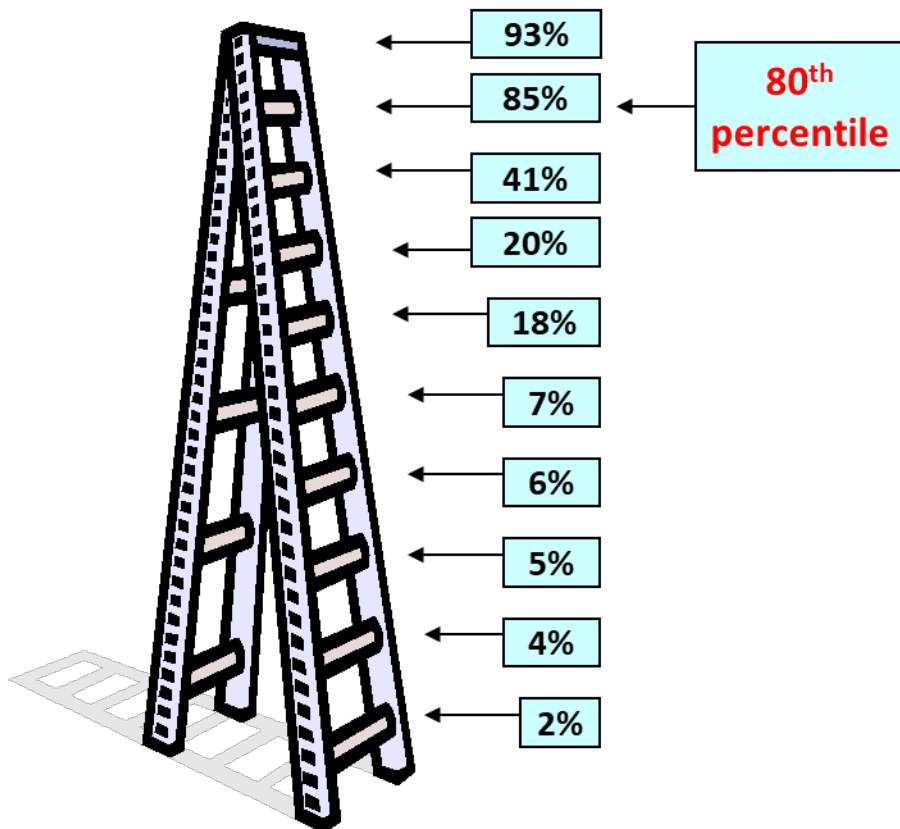
Target Area	Target Area Definition
<b><i>Group Therapy</i></b>	<p><i>Numerator (N):</i> count of EOC ending in the report period with only group therapy (Healthcare Common Procedure Coding System [HCPCS] codes G0410 or G0411) billed</p> <p><i>Denominator (D):</i> count of all EOC ending in the report period</p>
<b><i>No Individual Psychotherapy</i></b>	<p><i>N:</i> count of EOC ending in the report period with no units of individual psychotherapy (HCPCS codes 90785, 90832, 90833, 90834, 90836, 90837, 90838, 90845, 90865, or 90880)</p> <p><i>D:</i> count of all EOC ending in the report period</p>



# PHP PEPPER Target Areas

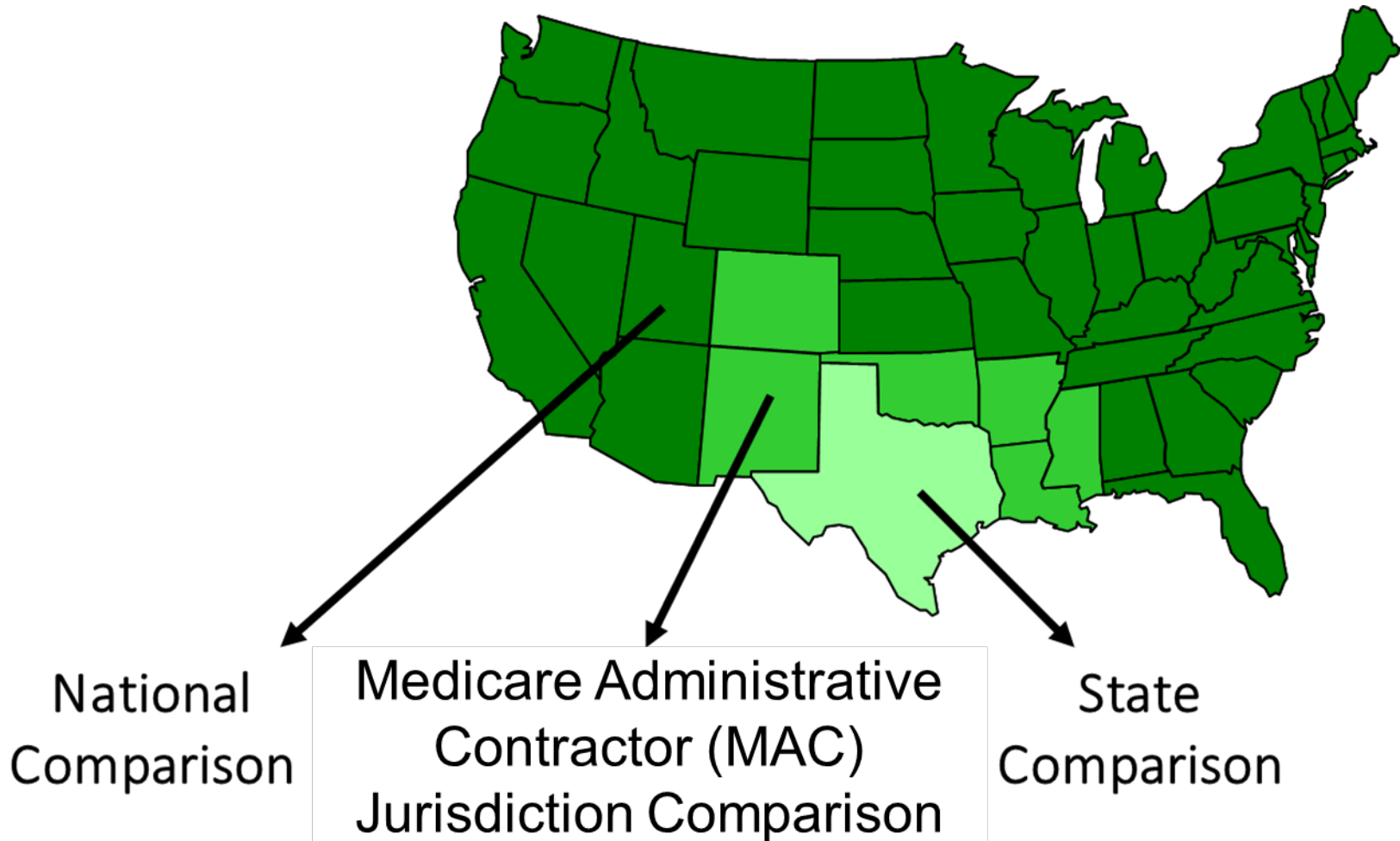
Target Area	Target Area Definition
<b><i>60+ Days of Service</i></b>	<p><i>N</i>: count of EOC ending in the report period with greater than or equal to 60 days of service provided by the PHP</p> <p><i>D</i>: count of all EOC ending in the report period</p>
<b><i>30-Day Readmissions</i></b>	<p><i>N</i>: count of all index (first) EOC ending in the report period for which a resumption of care occurred within 30 days to the same or to another PHP</p> <p><i>D</i>: count of all EOC ending in the report period</p>

# Percentiles in PEPPER



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

# Comparison Groups



# 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 take any action in response to their PEPPER statistics.



Why not take advantage of this free comparative report provided by CMS?

## 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](http://PEPPERFILE.CBRPEPPER.org).
  - Links to the portal can be found on the PEPPER homepage: [PEPPER.CBRPEPPER.org](http://PEPPER.CBRPEPPER.org).

## Who has access to PEPPER?

- PEPPER is only available to the individual provider.
- PEPPER is not publicly available; it cannot be released to consultants or any unauthorized recipients.
- PEPPERs are not sent to recovery auditors (RAs) or Medicare Administrative Contractors (MACs).
- An access database that contains the PEPPER statistics for providers in their respective jurisdiction/region is shared with MACs and RAs.

## Access PEPPER via the PEPPER Portal

- Refer to the “Portal Access Instructions” link at <https://pepper.cbrpepper.org/About-PEPPER/Distribution-Schedule-Get-Your-PEPPER>.
- The validation codes are emailed to the contact listed for each facility in the Provider Enrollment, Chain, and Ownership System (PECOS).

# 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, or health care environment? Verify by:
    - Sampling claims or reviewing documentation in the medical record.
    - Reviewing a 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.



## Aggregate Target Area Data

- National-level data is available at [PEPPER.CBRPEPPER.org](http://PEPPER.CBRPEPPER.org) on the “Data” page.
  - Target areas
  - Top diagnoses
- This data is updated annually following each report release.

# PEPPER.CBRPEPPER.org

## “Training and Resources” Page

- PHP PEPPER User’s Guide*
- Jurisdictions spreadsheet
- Recorded PEPPER training sessions
- Sample *PHP PEPPER*

## 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.

# 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.



Success stories: How your peers have used their PEPPER

[Go to Success Stories](#)

## SHORT-TERM ACUTE CARE HOSPITALS

- User's Guide (PDF, 27th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

## CRITICAL ACCESS HOSPITALS

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

## HOME HEALTH AGENCIES

- User's Guide (PDF, 4th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of HHA PEPPER Retrievals by State

## HOSPICES

- User's Guide (PDF, 8th 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

## INPATIENT REHABILITATION FACILITIES

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

## LONG-TERM ACUTE CARE HOSPITALS

- User's Guide (PDF, 13th 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

## SKILLED NURSING FACILITIES

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

# Questions?

- Visit the Help Desk at [PEPPER.CBRPEPPER.org](https://PEPPER.CBRPEPPER.org).