



Kentucky Hospice Monitors Compliance Risk Areas

PEPPER validates, helps prioritize resources

Bluegrass Care Navigators follows the old adage “trust but verify” and uses its PEPPER as a reliable tool for validating that endeavor. Bluegrass offers hospice as well as other services. It uses PEPPER to monitor its performance in the PEPPER’s specific target areas, allowing the organization to conduct focused monitoring in other areas of performance.

“We’ve opted to allocate our monitoring resources to other areas related to compliance and quality of care, such as oxygen safety,” said Eugenia Smither, vice president of compliance and quality improvement at Bluegrass, located in Lexington, Kentucky. “Our agency performs well in the areas identified in the PEPPER. Our performance has not fallen within those areas to require or consider an audit. This allows us to use our resources to conduct focused monitoring rather than continuous monitoring of our performance in these (PEPPER) target areas.”

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

Ms. Smither has been using PEPPER since 2012, when hospice PEPPERs were first introduced. She said she is responsible for analyzing it, distributing it internally to each office and reviewing it with staff at each facility’s office. They use PEPPER to compare themselves to their Medicare Administrative Contractor (MAC) state and nation profiles. They also compare the PEPPER for each of their provider numbers, internally.

“I also use PEPPER as a compliance tool to report findings to our board of directors,” Ms. Smither said. “I developed a [dashboard to summarize the information](#), which is presented to the board, and I also share it with each office.”

The dashboard includes each provider’s statistics for the target areas as well as the percentile information for the three comparison groups (nation, MAC jurisdiction and state).

“We find the state comparison most helpful for us,” she said. “It reflects the regional differences in patient population better than the MAC jurisdiction comparison group.”

What advice does Ms. Smither offer to someone just starting to review PEPPER? – “Read the report in its entirety, then go back to each section to study it in detail. Understand how the numerator and denominator are defined so that questions can be answered and you can explain differences in the

statistics if needed. For example, recently we consolidated two provider numbers into one; as a result, for that time period, the live discharges statistics were a little higher than usual. But it was expected given the consolidation.”

For more on PEPPER, visit [PEPPERresources.org](https://pepperresources.org).

To contact Ms. Smither: esmith@bgcarenav.org. Learn more about Bluegrass Hospice Care and Bluegrass Care Navigators and the change from Hospice of the Bluegrass at bgcarenav.org.