Thank you for joining us!

• We will start at 3 p.m. ET.
• You will hear silence until the session begins.
• Handout: Available at PEPPER.CBRPEPPER.org in the HHA “Training and Resources” section.
• A recording of today’s session will be posted at the above location within two weeks.

Please listen in by either:

– Using your computer speakers (recommended): You automatically join the audio broadcast when entering the meeting (remember to increase speaker volume; make sure you are not muted).
– Dialing 1-415-655-0001, passcode: 731 623 633 (limited to 500 callers)
About Today’s Presentation

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

Submit questions 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.CBRPEPPPER.org in the HHA “Training and Resources” section.
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.
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 Q4CY18 HHA PEPPER.
  – There were no revisions to the target areas.
  – Discuss future potential changes following transition to a Patient-Driven Groupings Model (PDGM).

• Review other resources.
  – National- and state-level data
  – Peer group bar charts
## PEPPER Details

*To learn more about PEPPER*

| Review percents and percentiles. | Review a demonstration PEPPER. | Access the updated recorded training sessions available in the HHA “Training and Resources” section of PEPPER.CBRPEPPER.org. |
What is PEPPER?

**Program for Evaluating Payment Patterns Electronic Report (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, MAC jurisdiction, and the state.

PEPPER cannot identify improper Medicare payments!
<table>
<thead>
<tr>
<th>Year</th>
<th>Event Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>TMF developed for short-term acute care and later long-term acute care hospitals; it was provided by Quality Improvement Organizations (QIOs) through 2008.</td>
</tr>
<tr>
<td>2010</td>
<td>TMF began distributing PEPPERs to all providers in the nation, and it developed PEPPERs for other provider types: CAH, IPF, IRF (2011), Hospice, PHP (2012), SNF (2013), HHA (2015).</td>
</tr>
<tr>
<td>2018</td>
<td>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.</td>
</tr>
</tbody>
</table>
Why are providers receiving 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.
Q4CY18 HHA PEPPER Release

Available by July 8, 2019

Summarizes statistics for three calendar years:
  – 2016
  – 2017
  – 2018

Statistics for all time periods are refreshed with each release.

The oldest calendar year rolls off as the new one is added.
HHAs are reimbursed through the HHA prospective payment system (PPS).

HHAs can be at risk for improper payments.

Target areas were identified based on a review of the HHA PPS, review of studies related to improper payments, analysis of claims data, and coordination with CMS subject matter experts.
Patient-Driven Grouping Model (PDGM)

- Replaces the current Home Health Resource Groups (HHRG) system
- Goes into effect Jan. 1, 2020
- PEPPER with statistics for CY2020 (estimated release July 2021) will reflect PDGM statistics
- [https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HomeHealthPPS HH-PDGM.html](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HomeHealthPPS HH-PDGM.html)
- Will impact HHA PEPPER target areas
PEPPER Target Areas

• Areas identified as potentially at risk for improper payments (e.g., coding or billing errors, unnecessary services)

• Calculated using a numerator and a denominator
  – 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)
HHA Target Areas

<table>
<thead>
<tr>
<th>Target Area</th>
<th>Target Area Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average Case Mix</strong></td>
<td><em>Numerator (N)</em>: sum of case mix weight for all episodes paid to the HHA during the report period, excluding LUPAs (identified by Part A NCH HHA LUPA code) and PEPs (identified as patient discharge status code equal to ‘06’)*</td>
</tr>
<tr>
<td></td>
<td><em>Denominator (D)</em>: count of episodes paid to the HHA during the report period, excluding LUPAs and PEPs</td>
</tr>
<tr>
<td></td>
<td>Note: reported as a rate, not a percent</td>
</tr>
<tr>
<td><strong>Average Number of Episodes</strong></td>
<td><em>N</em>: count of episodes paid to the HHA</td>
</tr>
<tr>
<td></td>
<td><em>D</em>: count of unique beneficiaries served by the HHA</td>
</tr>
<tr>
<td></td>
<td>Note: reported as a rate, not a percent</td>
</tr>
<tr>
<td>Target Area</td>
<td>Target Area Definition</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Episodes with 5 or 6 Visits</td>
<td>$N$: count of episodes with five or six visits paid to the HHA</td>
</tr>
<tr>
<td></td>
<td>$D$: count of episodes paid to the HHA</td>
</tr>
<tr>
<td>Non-LUPA Payments</td>
<td>$N$: count of episodes paid to the HHA that did not have a LUPA payment</td>
</tr>
<tr>
<td></td>
<td>$D$: count of episodes paid to the HHA</td>
</tr>
<tr>
<td>High Therapy Utilization Episodes</td>
<td>$N$: count of episodes with 20+ therapy visits paid to the HHA (first digit of HHRG equal to ‘5’)</td>
</tr>
<tr>
<td></td>
<td>$D$: count of episodes paid to the HHA</td>
</tr>
</tbody>
</table>
HHA Target Areas, 3

<table>
<thead>
<tr>
<th>Target Area</th>
<th>Target Area Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outlier Payments</td>
<td>$N$: dollar amount of outlier payments (identified by the amount where Value Code equal to ’17’) for episodes paid to the HHA</td>
</tr>
<tr>
<td></td>
<td>$D$: dollar amount of total payments for episodes paid to the HHA</td>
</tr>
</tbody>
</table>
Percentiles in PEPPER

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

- Nation
- Medicare Administrative Contractor (MAC) jurisdiction
- State
How does PEPPER apply to providers?

PEPPER is a roadmap to help you identify potentially vulnerable or improper payments.

Providers are not required to use PEPPER or to take any action in response to their PEPPER statistics.

But: Why not take advantage of this free comparative report provided by CMS?
Obtaining Your PEPPER

• PEPPER is distributed annually in electronic format.

• PEPPER Resources Portal:
  – Visit PEPPER.CBRPEPPER.org
  – Click on the “PEPPER Distribution – Get Your PEPPER” link.
  – Review instructions and access portal.

• Each release of PEPPER will be available for approximately two years from its original release date.

• PEPPER cannot be sent via email.
Required Information to Access PEPPER via the PEPPER Portal

• Six-digit CMS Certification Number (also referred to as the provider number or PTAN).
  – Not the same as the tax ID or NPI number.

• Patient Control Number (form locator 03a) or Medical Record Number (form locator 03b) from claim of traditional fee-for-service Medicare beneficiary receiving services between Oct. 1 – Dec. 31, 2018.

• Validation code is updated for each release.
Strategies to Consider

• Do not panic!
  – Outlier status does not necessarily mean that compliance issues exist.

• But: Determine why you are an “outlier.”
  – Do the statistics reflect your operation? Patient population? Referral sources? 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 and state-level data are available at PEPPER.CBRPEPPER.org on the “Data” page.
  – Target areas
  – Top diagnoses
  – Top therapy episodes

• The data are updated annually following each report release.
Peer Groups

- Allows comparison of PEPPER statistics to “peers”
- For each of the target areas, identifies the 20th, 50th, and 80th national percentile for HHAs in three categories:
  - Size (number of episodes)
  - Location (urban vs. rural)
  - Ownership type (profit/physician owned vs. nonprofit/church vs. government)
Peer Group Bar Charts

• Updated annually

• Refer to “Methodology” and “HHAs by Peer Group” files for additional details.

• Disagree with your ownership type or location?
  – Contact your CMS Regional Office Coordinator with any updates/corrections: https://www.cms.gov/About-CMS/Agency-Information/RegionalOffices/index.html
Example: “Outlier Payments”
PEPPER.CBRPEPPER.org
“Training and Resources” Page

- PEPPER User’s Guide
- Jurisdictions spreadsheet
- Recorded PEPPER training sessions
- Sample HHA PEPPER
- Success Stories
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
Questions?

• “Help Desk” at PEPPER.CBRPEPPER.org