PEPPER

Q4FY20 *Hospice PEPPER* Review

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Agenda

- Review the Q4FY20 *Hospice Program for Evaluating Payment Patterns Electronic Report (PEPPER).*

- Review additional resources.

PEPPER Details

To learn more about PEPPER:

Review percents and percentiles.

Learn how hospice episodes of care are identified, and review a demonstration PEPPER.

Access the recorded training sessions available in the Hospice "Training and Resources" section of the PEPPER website at 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 developed PEPPERs for short-term acute care hospitals (STACHs) 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 partial hospitalization programs (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.

Q4FY20 *Hospice PEPPER* Release

Summarizes statistics for three federal fiscal years:
- 2018
- 2019
- 2020

Statistics for all time periods are refreshed with each release.

The oldest fiscal year rolls off as the new one is added.

Hospice Improper Payment Risks

Hospices are reimbursed through the Medicare Hospice Benefit (MHB).

Hospices can be at risk for inappropriate beneficiary enrollment in the MHB.

Target areas were identified based on a review of the MHB, a review of oversight agency reports, an analysis of claims data, and in coordination with CMS subject matter experts.

PEPPER Target Areas

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

- Reported as either a:
  - Ratio (numerator/denominator different units) or
  - Percent (numerator/denominator same units).

- A target area is constructed as a ratio:
  - Numerator = episodes/claims/days identified as potentially problematic
 - Denominator = larger reference group

Hospice PEPPER **Target Areas**

- *Live Discharges No Longer Terminally Ill*
- *Live Discharges – Revocations*
- *Live Discharges LOS 61 – 179 Days*
- *Long Length of Stay*
- *Continuous Home Care Provided in an Assisted Living Facility*
- *Routine Home Care in Assisted Living Facility*

- *Routine Home Care in Nursing Facility*
- *Routine Home Care in Skilled Nursing Facility*
- *Claims with Single Diagnosis Coded*
- *No General Inpatient Care or Continuous Home Care*
- *Long General Inpatient Stays*
- *Average Number of Part D Claims per Hospice Episode* (Note: New as of Q4FY20 release)

Example *Hospice PEPPER* Target Areas

| Target Area	Target Area Definition
Live Discharges No Longer Terminally Ill	*Numerator (N):* count of beneficiary episodes discharged alive (patient discharge status code not equal to 40 (expired at home), 41 (expired in a medical facility) or 42 (expired place unknown)), excluding beneficiary: • transfers (patient discharge status code 50 or 51) • revocations (occurrence code 42) • discharged for cause (condition code H2) • who moved out of the service area (condition code 52) *Denominator (D):* count of all beneficiary episodes discharged (by death or alive) during the report period (obtained by considering all claims billed for a beneficiary by that hospice)
No General Inpatient Care or Continuous Home Care	*N:* count of beneficiary episodes that had no amount of general inpatient care (revenue code = 0656) or continuous home care (revenue code = 0652) D: count of all beneficiary episodes discharged (by death or alive) by the hospice during the report period (obtained by considering all claims billed for a beneficiary by that hospice)

Percentiles in PEPPER

93%

85% ← 80th percentile

41%

20%

18%

7%

6%

5%

4%

2%
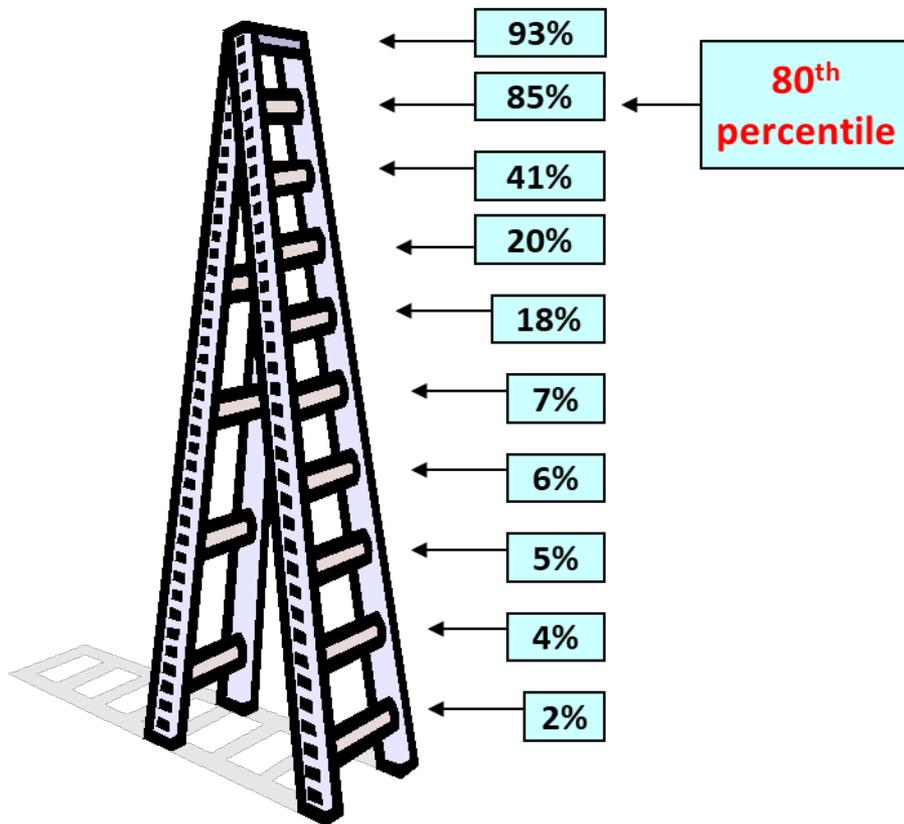
- The percentile tells us the percentage of hospices that have a lower target area percent.

- Target area percents at/above the national 80th percentile are identified as "outliers" in PEPPER.

Comparison Groups

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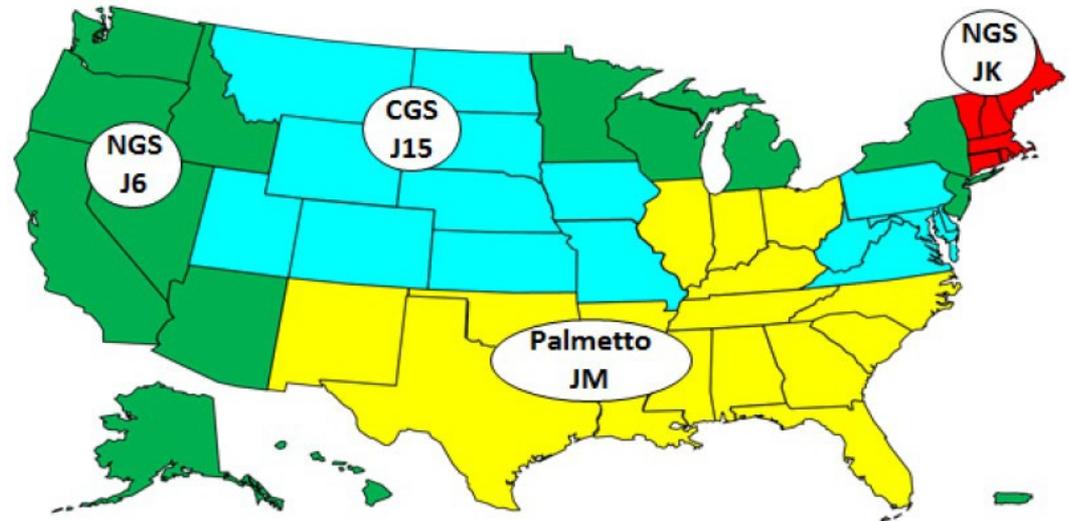
How does PEPPER apply to providers?

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

Providers are not required to use PEPPER or to 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.
  — Links to the portal can be found on the PEPPER homepage: PEPPER.CBRPEPPER.ORG.

Required Information to Access PEPPER via the PEPPER Portal

- Six-digit CMS Certification Number (also referred to as the provider number or Provider Transaction Access Number [PTAN]).
  - Not the same as the tax ID or National Provider Identifier (NPI) number.
  - The third digit of this number will be a "1."

Required Information to Access PEPPER via the PEPPER Portal, cont'd

- A patient control number (found at form locator 03a on the UB-04 claim form) or a medical record number (found at form locator 03b on the UB-04 claim form) for a traditional Medicare Part A Fee-for-Service patient who received services from July 1, 2020, through Sept. 30, 2020.

- Contact from the Provider Enrollment, Chain, and Ownership System (PECOS) will be sent an email with a validation code. The validation code may be shared with others in the hospice as deemed appropriate.

- The validation code is updated for each release.

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? Health care environment? Verify by:
    - Sampling claims and reviewing documentation in medical record.
    - Reviewing the 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 terminal diagnoses
  - Live discharges by type

- This data is updated annually following each report release.

Peer Groups

- Allows comparison of PEPPER statistics to providers' peers.

- For each of the target areas, the peer group bar charts identify the 20th, 50th, and 80th national percentile for hospices in three categories:
  - Size (i.e., number of episodes)
  - Location (i.e., urban or rural)
  - Ownership type (i.e., profit/physician-owned, nonprofit/church, or government)

Peer Group Bar Charts
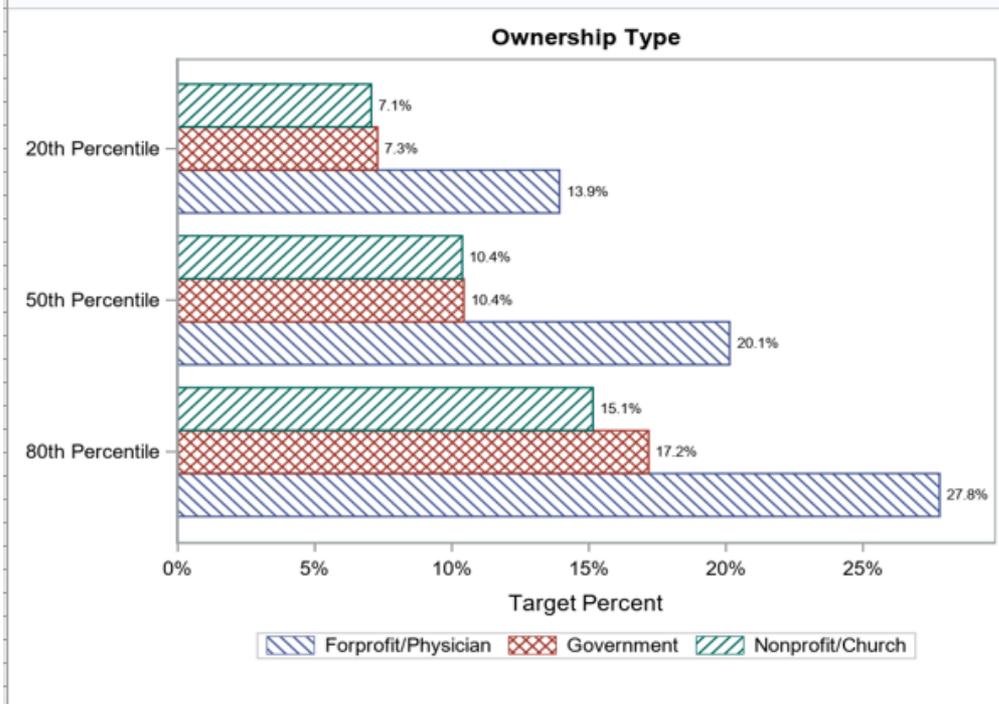
- Updated annually

- Refer to "Methodology" and "Hospices by Peer Group" files for additional details

- Disagree with your ownership type or location?
  - Contact your CMS Regional Office Coordinator with any updates/corrections

Example: *Long Length of Stay,* Ownership Type

Percentiles by Peer Group - Hospice Q4FY19

Target Area: Long Length of Stay

Demographic Group	20th Percentile	50th Percentile	80th Percentile
Forprofit/Physician	13.9%	20.1%	27.8%
Government	7.3%	10.4%	17.2%
Nonprofit/Church	7.1%	10.4%	15.1%

Ownership Type

20th Percentile — 7.1% / 7.3% / 13.9%
50th Percentile — 10.4% / 10.4% / 20.1%
80th Percentile — 15.1% / 17.2% / 27.8%

Target Percent

Forprofit/Physician   Government   Nonprofit/Church

Note: A peer group must have at least 11 providers with reportable data to be presented in the chart.
Statistics are based on providers with at least 11 in the numerator.
Data source: Medicare Fee-for-Service episodes ending between Oct. 1, 2018 and Sep. 30, 2019.

PEPPER.CBRPEPPER.org
"Training and Resources" Page

- ☑ *Hospice PEPPER User's Guide*

- ☑ Jurisdictions spreadsheet

- ☑ Recorded PEPPER training sessions

- ☑ Sample *Hospice PEPPER*

- ☑ History of target area changes and impact

- ☑ CMS *Medicare Learning Network* (*MLN) Matters* article and National Government Services (NGS) job aid (site of service codes)

- ☑ 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.

CARES Act

Please note: Policy guidance cited in published CBRs and PEPPERs are based on non-public health emergency Medicare rules. Please check with your Medicare Administrative Contractor to determine if a particular service or supply is impacted by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act, published in March 2020, addresses Medicare flexibilities related to the COVID-19 crisis.

Success stories: How your peers have used their PEPPER **Go to Success Stories**

SHORT-TERM ACUTE CARE HOSPITALS

- User's Guide (PDF, 32nd Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

CRITICAL ACCESS HOSPITALS

- User's Guide (PDF, 9th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of CAH PEPPER Retrievals by State

HOME HEALTH AGENCIES

- User's Guide (PDF, 5th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of HHA PEPPER Retrievals by State

HOSPICES

- User's Guide (PDF, 9th 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
- Map of IPF PEPPER Retrievals by State

INPATIENT REHABILITATION FACILITIES

- User's Guide (PDF, 10th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of IPF PEPPER Retrievals by State

LONG-TERM ACUTE CARE HOSPITALS

- User's Guide (PDF, 14th 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
- Map of PHP PEPPER Retrievals by State

SKILLED NURSING FACILITIES

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

This website is developed and maintained by RELI Group, under contract with the Centers for Medicare & Medicaid Services to provide comparative data reports to providers and to Medicare Administrative Contractors in support of efforts to reduce Medicare fee-for-service improper payments.

Questions?

- Visit the Help Desk at PEPPER.CBRPEPPER.org.