



Q4FY19 Inpatient Rehabilitation Facility PEPPER Review

Spring 2020

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Agenda

- Review the Q4FY19 *Inpatient Rehabilitation Facility (IRF) Program for Evaluating Payment Patterns Electronic Report (PEPPER)*.
 - Two new target areas were added:
 - *Short Stays*
 - *3- to 5-Day Readmissions*
- 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 recorded training sessions available in the IRF “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 (LTCH); 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 IRFs (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.

Q4FY19 *IRF PEPPER* Release

Summarizes statistics for three federal fiscal years:

- 2017
- 2018
- 2019

Statistics for all time periods are refreshed with each release.

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

IRF Improper Payment Risks

IRFs are reimbursed through the IRF prospective payment system (PPS).

IRFs can be at risk for improper Medicare payments due to coding errors or unnecessary admissions.

IRF PEPPER target areas were identified based on a review of the IRF PPS, coordination with CMS IRF subject matter experts, and analysis of national claims data.

PEPPER Target Areas

- Areas identified as potentially at risk for Medicare improper payments (e.g., coding or billing errors, unnecessary services)
- A target area is constructed as a ratio:
 - Numerator = discharges identified as potentially problematic (likely to be miscoded or admitted unnecessarily)
 - Denominator = larger reference group that contains the numerator

IRF PEPPER Target Areas

Target Area	Target Area Definition
<p><i>Miscellaneous CMGs</i></p>	<p><i>N</i>: count of discharges for Case-Mix Groups (CMGs) 2001 (Miscellaneous M>49.15), 2002 (Miscellaneous M>38.75 and M<49.15), 2003 (Miscellaneous M>27.85 and M<38.75) or 2004 (Miscellaneous M<27.85)</p> <p><i>D</i>: count of all discharges</p>
<p><i>CMGs at Risk for Unnecessary Admissions</i></p>	<p><i>N</i>: count of discharges with no tier group assignment for CMGs 0101 (Stroke M>51.05), 0501 (Non-traumatic Spinal Cord Injury M>51.35), 0601 (Neurological M>47.75), 0801 (Replacement of Lower Extremity Joint M>49.55), 0802 (Replacement of Lower Extremity Joint M>37.05 and M<49.55), 0901 (Other Orthopedic M>44.75), 1401 (Cardiac M>48.85) or 1501 (Pulmonary M>49.25)</p> <p><i>D</i>: count of all discharges</p>

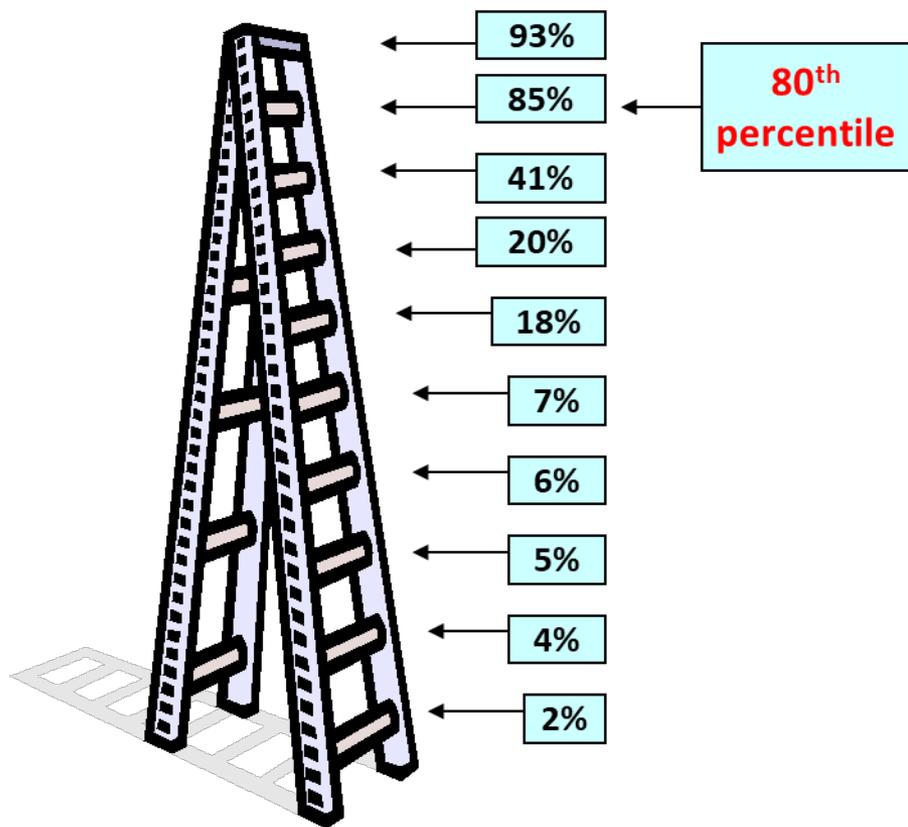
IRF PEPPER Target Areas, 2

Target Area	Target Area Definition
<p><i>Outlier Payments</i></p>	<p><i>N</i>: count of discharges with an outlier approved amount greater than \$0</p> <p><i>D</i>: count of all discharges</p>
<p><i>STACH Admissions following IRF Discharge</i></p>	<p><i>N</i>: count of beneficiaries discharged from the IRF during the 12-month time period that were admitted to a short-term acute care hospital within 30 days of discharge from the IRF; excluding beneficiaries who were transferred to a STACH, LTCH or IRF within one day of discharge as evidenced by a subsequent claim; excluding patient discharge status codes 07 (left against medical advice) and 20 (expired)</p> <p><i>D</i>: count of all discharges excluding beneficiaries who were transferred to a STACH, LTCH or IRF within one day of discharge as evidenced by a subsequent claim; and excluding patient discharge status codes 07 and 20</p>

IRF PEPPER Target Areas, 3

Target Area	Target Area Definition
<p>Short Stays *new as of the Q4FY19 release</p>	<p><i>N</i>: count of discharges with LOS less than or equal to three days, excluding discharge status code 20</p> <p><i>D</i>: count of all discharges excluding discharge status code 20</p>
<p>3- to 5-Day Readmissions *new as of the Q4FY19 release</p>	<p><i>N</i>: count of index (first) admissions during the 12-month time period for which a readmission occurred within three to five calendar days (four to six consecutive days) to the same IRF for the same beneficiary (identified using the Health Insurance Claim number)</p> <p><i>D</i>: count of all discharges excluding patient discharge status code 20</p>

Percentiles in PEPPER



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

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?

Obtaining Your PEPPER

PEPPER is distributed annually in electronic format.

The distribution method for hospital-based IRFs is different than it is for free-standing IRFs.

PEPPER cannot be sent via email.

IRF Units of Hospitals

- PEPPER is distributed via QualityNet to the hospital QualityNet administrators, as well as those with basic user accounts and the PEPPER recipient role.
 - If there is no QualityNet administrator at your hospital, or if your hospital's QualityNet administrator needs assistance, contact the QualityNet Help Desk at www.qualitynet.org.

Free-Standing IRFs and Critical Access Hospital IRF Units

- PEPPER Portal
 - Visit PEPPER.CBRPEPPER.org.
 - Under the “About PEPPER” drop-down menu, click on the “PEPPER Distribution – Get Your PEPPER” tab.
 - Review instructions and access the portal.
 - Each release will be available for approximately two years from the original release date.

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
- A Patient Control Number (form locator 03a) or Medical Record Number (form locator 03b) from claims of traditional Medicare Fee-for-Service beneficiaries who received services between **July 1 – Sept. 30, 2019**
- The validation code is updated for each release.

Future Distribution of PEPPER

- QualityNet is being phased out in late 2020.
- In the future, PEPPER distribution may be completed via the PEPPER Portal:
 - Visit PEPPER.CBRPEPPER.org.
 - Under the “About PEPPER” drop-down menu, click on the “PEPPER Distribution – Get Your PEPPER” tab.
 - Review instructions and access the portal.
- The validation code to access the PEPPER may be emailed to the provider contact listed in:
 - [National Plan and Provider Enumeration System](https://nppes.cms.hhs.gov/#/) (NPPES):
<https://nppes.cms.hhs.gov/#/>
 - [Provider Enrollment, Chain, and Ownership System](https://pecos.cms.hhs.gov/pecos/login.do#headingLv1) (PECOS):
<https://pecos.cms.hhs.gov/pecos/login.do#headingLv1>
 - Please ensure the information is current in these systems.

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? Specialized programs/services? 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 Data

- National-level and state-level data is available at PEPPER.CBRPEPPER.org on the “Data” page.
 - Target areas
 - Top CMGs
 - Average length of stay (ALOS) by CMG tier and discharge destination
- This data is also available at the national level for all IRFs, including the following:
 - Free-standing IRFs
 - IRF distinct part units
- 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 IRFs in three categories:
 - Size (i.e., number of discharges)
 - Location (i.e., urban or rural)
 - Ownership type (i.e., profit/physician-owned, nonprofit/church, or government)

Peer Group Bar Charts

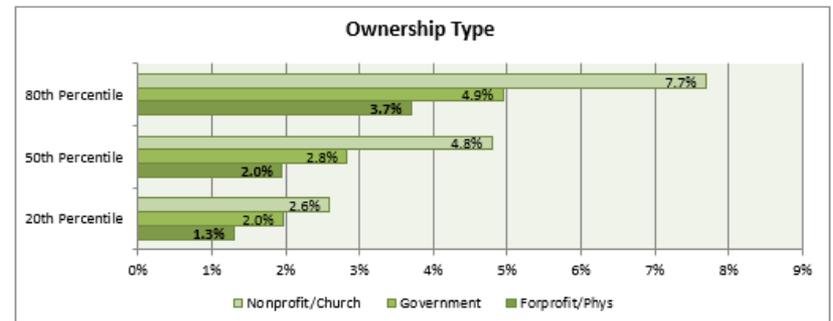
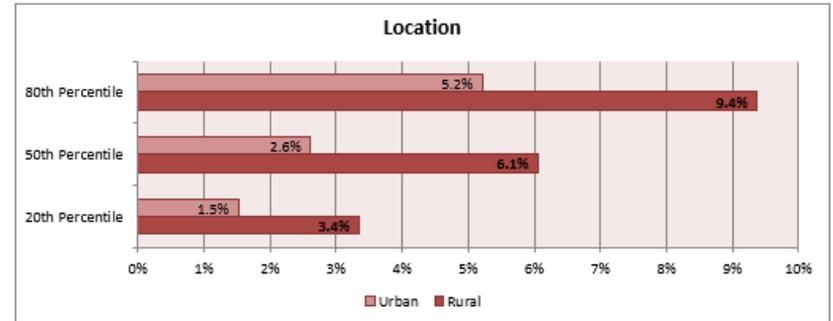
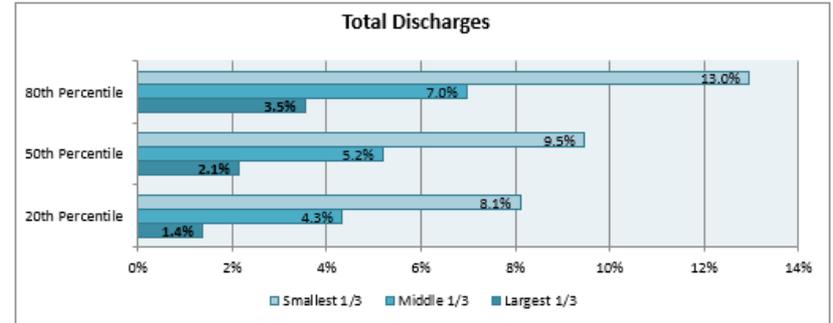
- Will be updated annually
- Refer to “Methodology” and “IRFs by Peer Group” files for additional details
- Disagree with your ownership type or location?
 - Contact your CMS Regional Office Coordinator with any updates/corrections

Example: CMGs at Risk for Unnecessary Admissions

Percentiles by Peer Group - Inpatient Rehabilitation Facility - Q4FY18

Based on discharges ending between 10/01/2017 to 09/30/2018

Target Area: CMGs at Risk for Unnecessary Admissions



Note : A peer group must have at least 11 providers with reportable data to be presented in the chart

PEPPER.CBRPEPPER.org

“Training and Resources” Page

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

For Assistance with PEPPER



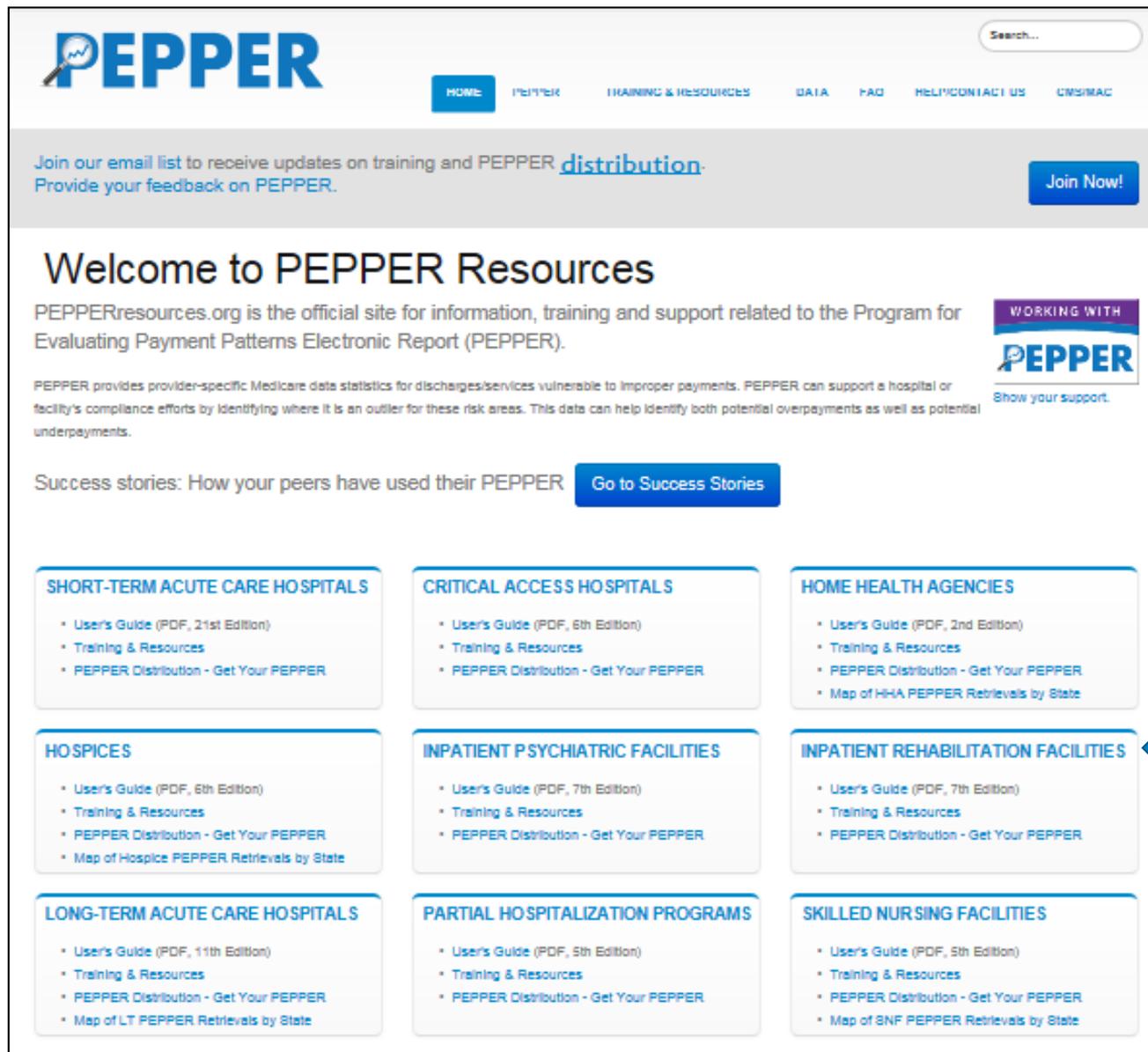
If you have questions or need individual assistance, click on “Help/Contact Us,” and submit your request through the Help Desk.



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.



The screenshot shows the PEPPER Resources website. At the top left is the PEPPER logo. To its right is a search bar. Below the logo is a navigation menu with buttons for HOME, PEPPER, TRAINING & RESOURCES, DATA, FAQ, HELP/CONTACT US, and CMS/MAC. A banner below the navigation asks users to join an email list for updates on training and PEPPER distribution, with a 'Join Now!' button. The main heading is 'Welcome to PEPPER Resources'. Below this is a paragraph explaining that the site is the official source for information, training, and support for the Program for Evaluating Payment Patterns Electronic Report (PEPPER). To the right of this text is a 'WORKING WITH PEPPER' logo with the tagline 'Show your support.' Below the main heading is a 'Success stories' section with a 'Go to Success Stories' button. The page features nine content boxes, each representing a facility type: Short-Term Acute Care Hospitals, Critical Access Hospitals, Home Health Agencies, Hospices, Inpatient Psychiatric Facilities, Inpatient Rehabilitation Facilities, Long-Term Acute Care Hospitals, Partial Hospitalization Programs, and Skilled Nursing Facilities. Each box lists available resources such as User's Guides, Training & Resources, and PEPPER Distribution materials. A large blue arrow points to the 'INPATIENT REHABILITATION FACILITIES' box.

PEPPER

Search...

HOME PEPPER TRAINING & RESOURCES DATA FAQ HELP/CONTACT US CMS/MAC

Join our email list to receive updates on training and PEPPER [distribution](#).
Provide your feedback on PEPPER. [Join Now!](#)

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](#)

WORKING WITH PEPPER
Show your support.

SHORT-TERM ACUTE CARE HOSPITALS

- User's Guide (PDF, 21st Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

CRITICAL ACCESS HOSPITALS

- User's Guide (PDF, 6th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

HOME HEALTH AGENCIES

- User's Guide (PDF, 2nd Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of HHA PEPPER Retrievals by State

HOSPICES

- User's Guide (PDF, 6th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of Hospice PEPPER Retrievals by State

INPATIENT PSYCHIATRIC FACILITIES

- User's Guide (PDF, 7th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

INPATIENT REHABILITATION FACILITIES

- User's Guide (PDF, 7th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

LONG-TERM ACUTE CARE HOSPITALS

- User's Guide (PDF, 11th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of LT PEPPER Retrievals by State

PARTIAL HOSPITALIZATION PROGRAMS

- User's Guide (PDF, 5th Edition)
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

SKILLED NURSING FACILITIES

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

Questions?

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