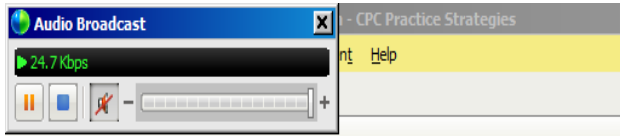
Thank you for joining us!

- We will start at 3 p.m. ET.
- You will hear silence until the session begins.
- Handout: Available at PEPPER.CBRPEPPER.org in the LT "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 not muted).



  - Dialing 1-240-454-0887, passcode: 739 004 839 (limited to 500 callers).

Q4FY18 Long-term (LT) Acute Care Hospital PEPPER Review

April 17, 2019

Kimberly Hrehor

About Today's Presentation

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

Submit questions using the Q&A panel.

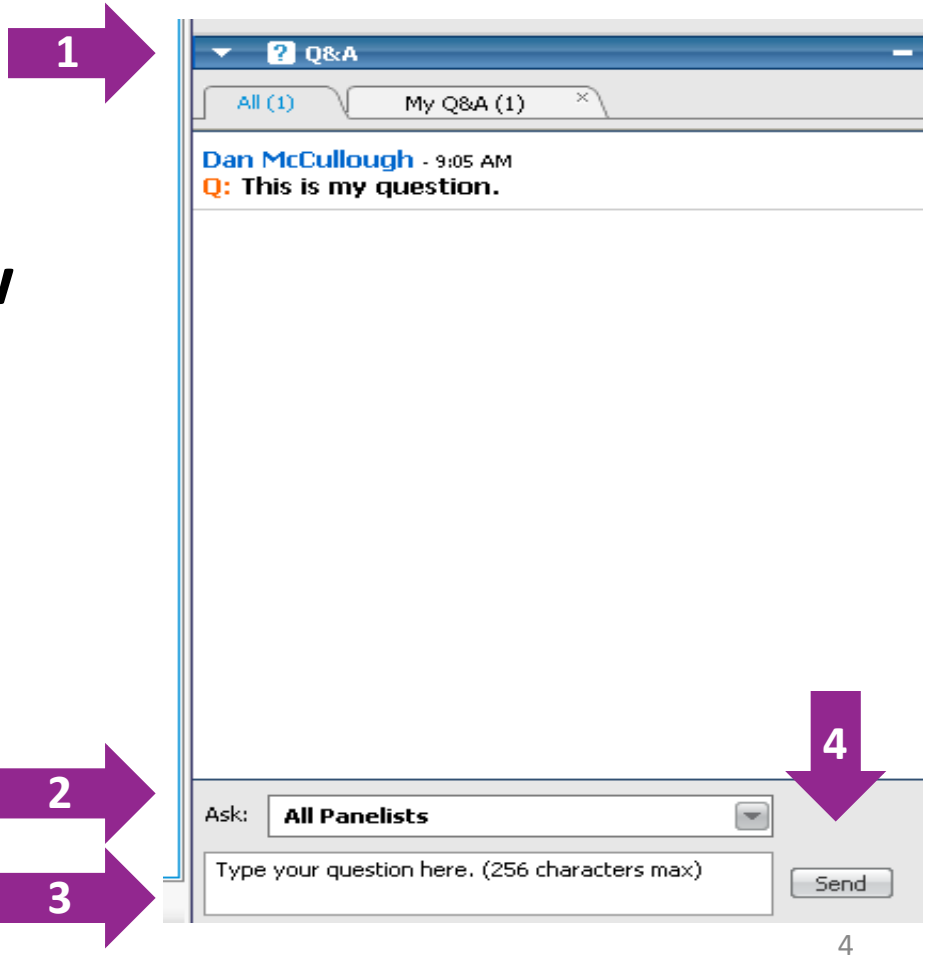
Questions will be answered verbally as time allows at the end of the session.

A "Q&A" document will be developed and posted at PEPPER.CBRPEPPER.org in the LT "Training and Resources" section.

To Ask a Question in Split Screen:

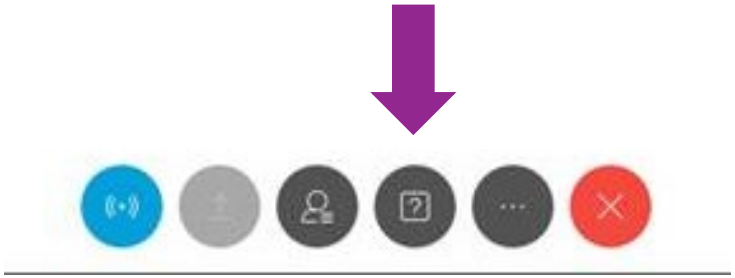
Ask your question in Q&A as soon as you think of it.

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 Q4FY18 LT PEPPER.
  - Revised the "Excisional Debridement" target area
    - Added procedure codes to the list of excisional debridement procedure codes
    - Added DRGs to the list of DRGs affected by the addition of an excisional debridement code
- Review other resources.

PEPPER Details

To learn more about PEPPER

Review percents and percentiles.

Review a demonstration PEPPER.

Access the recorded training sessions available in the LT "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!

History of PEPPER

2003

- TMF developed for short-term acute care and later long-term acute care hospitals; it was provided by Quality Improvement Organizations (QIOs) through 2008.

2010

- 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).

2018

- 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 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.

Q4FY18 LT PEPPER Release

Available April 5, 2019

Summarizes statistics for three federal fiscal years:

- 2016
- 2017
- 2018

Statistics for all time periods are refreshed with each release.

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

LT Improper Payment Risks

- Long-term care hospitals (LTCHs) are reimbursed through the LT prospective payment system (PPS).
- LTCHs can be at risk for improper Medicare payments.
- LT PEPPER target areas were identified based on medical record reviews conducted by Quality Improvement Organizations, a review of literature regarding payment vulnerabilities, a review of the LT PPS, and analysis of national claims data.

PEPPER Target Areas

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

LT PEPPER Target Areas, 1

Target Area	Target Area Definition
Septicemia **revised Q4FY17*	*Numerator (N):* count of discharges for DRGs 870, 871, 872 *Denominator (D):* count of discharges for DRGs 193, 194, 195, 207, 208, 689, 690, 870, 871, 872
Excisional Debridement	*N:* count of discharges for DRGs affected by ICD-10-PCS procedure codes for excisional debridement that have an excisional debridement procedure code on the claim *D:* count of discharges for the DRGs
Short Stays	*N:* count of discharges that were discharged on or the day after the short stay outlier threshold was met *D:* count of all discharges

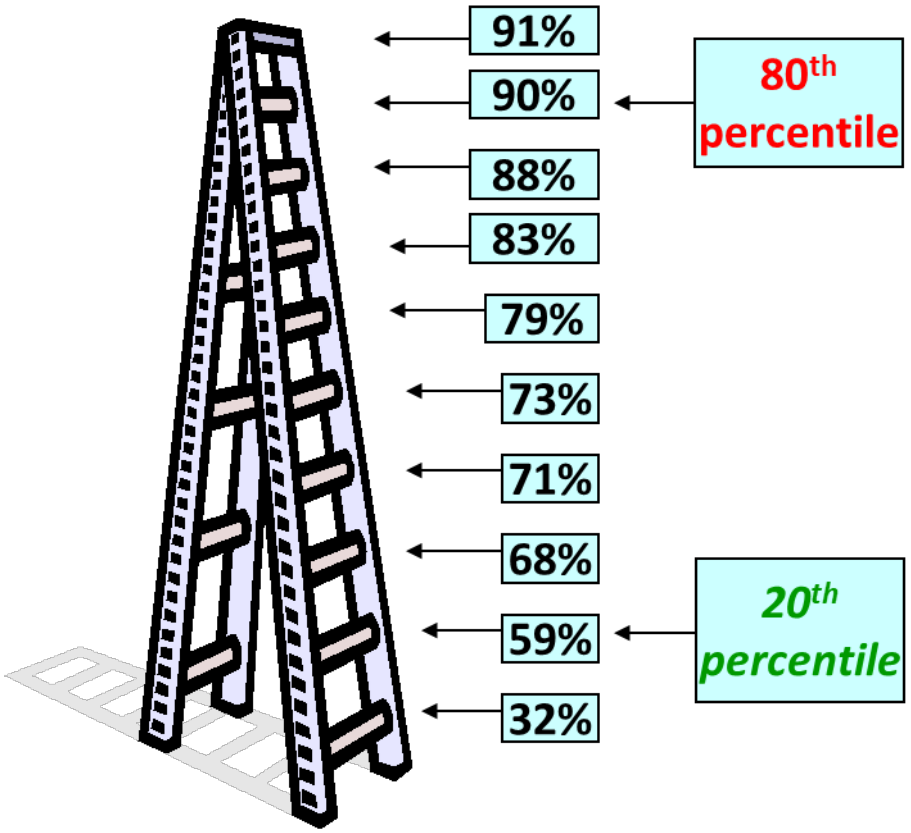
LT PEPPER Target Areas, 2

Target Area	Target Area Definition
Short Stays for Respiratory System Diagnoses	*N:* count of discharges for DRGs 207, 208, 177, 189, 193 that occurred on the day of or the day after the short stay outlier threshold was met *D:* count of all discharges for DRGs 207, 208, 177, 189, 193
Outlier Payments	*N:* count of discharges with a DRG outlier approved amount > $0 *D:* count of all discharges
30-day Readmissions to Same Hospital or Elsewhere	*N:* count of index admissions for which a readmission occurred within 30 days of discharge to the same hospital or to another long-term acute care PPS hospital, patient discharge status of the index admission is not equal to 63, 91, 07 *D:* count of all discharges excluding patient discharge status codes 63, 91, 07, 20

LT PEPPER Target Areas, 3

Target Area	Target Area Definition
STACH Admissions following LT Discharge	*N:* count of beneficiaries (identified using the Health Insurance Claim number) discharged from the LTCH during the 12-month time period who were admitted to a short-term acute care hospital within 30 days of discharge from the LTCH; excluding transfers to a short-term acute care hospital or a long-term acute care hospital within one day of discharge as evidenced by a subsequent claim; excluding patient discharge status codes 07 (left against medical advice), 20 (expired) *D:* count of all discharges excluding transfers to a short-term acute care hospital or a long-term acute care hospital within one day of discharge as evidenced by a subsequent claim; and excluding patient discharge status codes 07, 20

Percentile Calculation Example



- The top two hospitals' percents are at or above the 80th percentile.
- The bottom two hospitals' percents are at or below the 20th percentile (for areas at risk for undercoding only).

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 Portal
  - Visit PEPPER.CBRPEPPER.org
  - Click on the "PEPPER Distribution – Get Your PEPPER" link
  - Review instructions and access the portal
- Each release of PEPPER will be available for approximately two years from the original date of release.
- 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
- The Patient Control Number (form locator 03a) or Medical Record Number (form locator 03b) from a claim of traditional fee-for-service Medicare beneficiary receiving services between July 1 – September 30, 2018.
- The 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? Specialized programs/services? Patient population? Referral sources? Health care environment? Verify by:
    - Sampling claims, 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.

National-level Data

- National-level data for the target areas and top DRGs is available at PEPPER.CBRPEPPER.org on the "Data" page.
- Data is updated annually following each report release.

PEPPER.CBRPEPPER.org "Training and Resources" Page

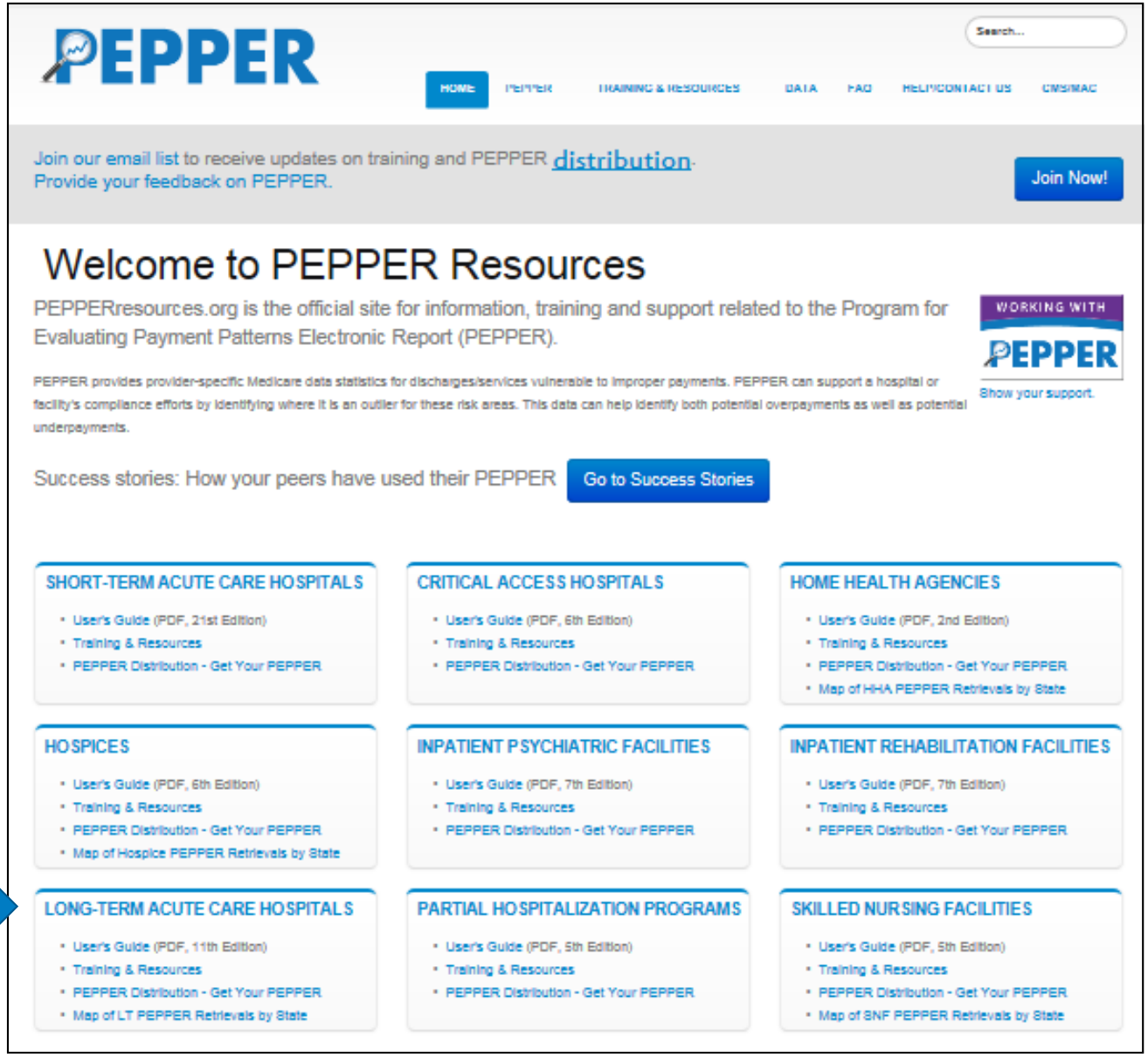
- ☑ PEPPER User's Guide
- ☑ Jurisdictions spreadsheet
- ☑ Recorded PEPPER training sessions
- ☑ Sample LT PEPPER
- ☑ History of target area changes and impact

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.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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).
WORKING WITH PEPPER
Show your support.
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
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Map of LT PEPPER Retrievals by State
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Map of SNF PEPPER Retrievals by State

Questions?

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