



Q4FY19 Long-Term Acute Care Hospital PEPPER Review

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Agenda

- Review the Q4FY19 *Long-Term (LT) Acute Care Hospital Program for Evaluating Payment Patterns Electronic Report (PEPPER)*.
 - No target area revisions
- Review other resources:
 - National-level data

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?



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 (LTCHs); 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.

Q4FY19 *LT 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.

LT Improper Payment Risks

- 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 about 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)
- 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

LT PEPPER Target Areas, 1

Target Area	Target Area Definition
<i>Septicemia</i>	<p><i>Numerator (N):</i> count of discharges for diagnosis-related groups (DRGs) 870, 871, 872</p> <p><i>Denominator (D):</i> count of discharges for DRGs 193, 194, 195, 207, 208, 689, 690, 870, 871, 872</p>
<i>Excisional Debridement</i>	<p><i>N:</i> count of discharges for DRGs affected by International Classification of Diseases, 10th Revision, Procedure Coding System (ICD-10-PCS) procedure codes for excisional debridement that have an excisional debridement procedure code on the claim</p> <p><i>D:</i> count of discharges for the DRGs</p>
<i>Short Stays</i>	<p><i>N:</i> count of discharges that were discharged on or the day after the short stay outlier threshold was met</p> <p><i>D:</i> count of all discharges</p>

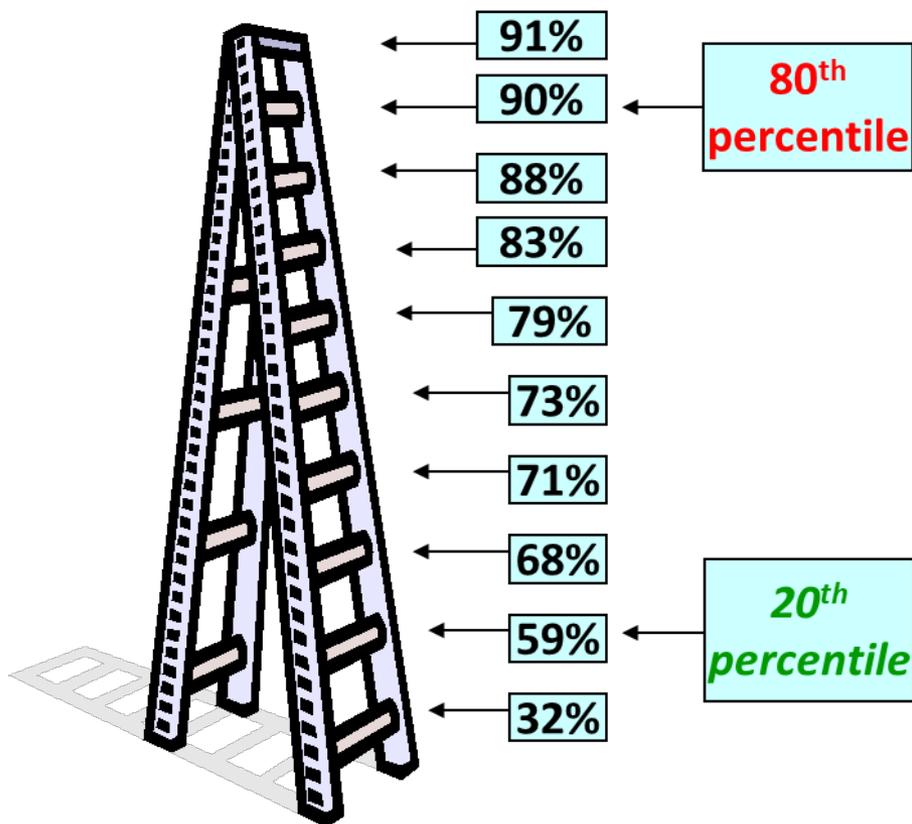
LT PEPPER Target Areas, 2

Target Area	Target Area Definition
<i>Short Stays for Respiratory System Diagnoses</i>	<p><i>N</i>: 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</p> <p><i>D</i>: count of all discharges for DRGs 207, 208, 177, 189, 193</p>
<i>Outlier Payments</i>	<p><i>N</i>: count of discharges with a DRG outlier approved amount > \$0</p> <p><i>D</i>: count of all discharges</p>
<i>30-Day Readmissions to Same Hospital or Elsewhere</i>	<p><i>N</i>: 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</p> <p><i>D</i>: count of all discharges excluding patient discharge status codes 63, 91, 07, 20</p>

LT PEPPER Target Areas, 3

Target Area	Target Area Definition
<p><i>STACH Admissions Following LTCH Discharge</i></p>	<p><i>N</i>: 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 LTCH within one day of discharge as evidenced by a subsequent claim; excluding patient discharge status codes 07 (left against medical advice), 20 (expired)</p> <p><i>D</i>: count of all discharges excluding transfers to a short-term acute care hospital or a LTCH within one day of discharge as evidenced by a subsequent claim; and excluding patient discharge status codes 07, 20</p>

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 under-coding only).

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.
- It is available 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.
- Each release of PEPPER will be available for approximately two years from the original date of release.

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.

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.

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

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

For Assistance with PEPPER



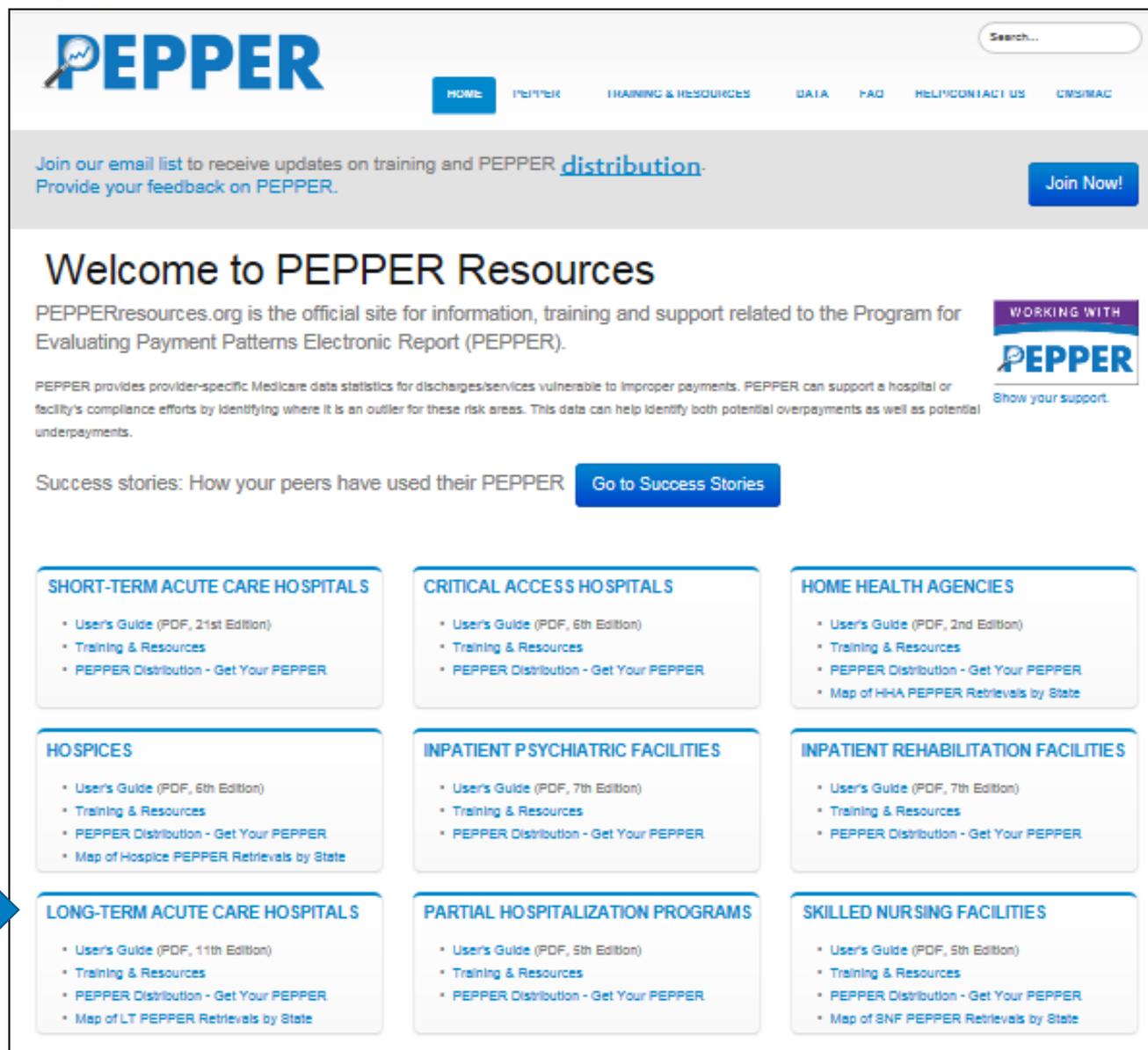
If you have questions or need individual assistance, click on “Help/Contact Us,” and submit your request through the Help Desk.



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.



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 links for HOME, PEPPER, TRAINING & RESOURCES, DATA, FAQ, HELPS/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 PEPPERresources.org is the official site for information, training, and support related to the Program for Evaluating Payment Patterns Electronic Report (PEPPER). To the right of this text is a 'WORKING WITH PEPPER' logo and the text 'Show your support.'. Below the paragraph is another paragraph stating that PEPPER provides provider-specific Medicare data statistics for discharges/services vulnerable to improper payments, and that it can support a hospital or facility's compliance efforts by identifying outliers. Below this is a 'Success stories' section with a 'Go to Success Stories' button. The main content area consists of nine boxes, each representing a different facility type. Each box lists three items: 'User's Guide (PDF, [Edition])', 'Training & Resources', and 'PEPPER Distribution - Get Your PEPPER'. A blue arrow points to the 'LONG-TERM ACUTE CARE HOSPITALS' box.

PEPPER

Search...

HOME PEPPER TRAINING & RESOURCES DATA FAQ HELPS/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).

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](#)

- 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.