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 PHP “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: 738 006 968 (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.CBRPEPPER.org in the PHP “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 PHP PEPPER.
  – There were no revisions to the target areas.
• Review other resources.
  – National aggregate data
<table>
<thead>
<tr>
<th>PEPPER Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>To learn more about PEPPER</strong></td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Review percents and percentiles.</td>
<td>Review a demonstration PEPPER.</td>
</tr>
<tr>
<td>Access the updated recorded training sessions available in the “PHP Training and Resources” section of PEPPER.CBRPEPPER.org.</td>
<td></td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</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 PEPPERs?

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.
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.
What is an “Episode of Care”? 

• An episode of care (EOC) represents an episode of treatment for a beneficiary.

• All claims submitted by a PHP for a beneficiary are sorted from the earliest “claim from” date to the latest.

• The difference between “through date” of one claim and the “from date” of the next claim is less than or equal to seven days (if eight or more days, then a new EOC begins).

• EOC is counted in the time period (calendar year) in which it ends.
<table>
<thead>
<tr>
<th>Bene</th>
<th>Claim Number</th>
<th>From Date</th>
<th>Through Date</th>
<th>Days Between Claims</th>
<th>Episode of Care</th>
<th>Episode LOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bene A</td>
<td>1</td>
<td>10/26/17</td>
<td>10/29/17</td>
<td>n/a</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Bene A</td>
<td>2</td>
<td>11/1/17</td>
<td>11/30/17</td>
<td>3</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Bene A</td>
<td>3</td>
<td>12/1/17</td>
<td>12/30/17</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Bene A</td>
<td>4</td>
<td>1/3/18</td>
<td>1/20/18</td>
<td>4</td>
<td>1</td>
<td>86</td>
</tr>
<tr>
<td>Bene A</td>
<td>5</td>
<td>4/25/18</td>
<td>4/30/18</td>
<td>95</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Bene A</td>
<td>6</td>
<td>5/2/18</td>
<td>5/30/18</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Bene A</td>
<td>7</td>
<td>6/1/18</td>
<td>6/30/18</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Bene A</td>
<td>8</td>
<td>7/1/18</td>
<td>7/15/18</td>
<td>1</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Bene A</td>
<td>9</td>
<td>7/16/18</td>
<td>7/31/18</td>
<td>1</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Bene A</td>
<td>10</td>
<td>8/1/18</td>
<td>8/15/18</td>
<td>1</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Bene A</td>
<td>11</td>
<td>8/17/18</td>
<td>8/26/18</td>
<td>2</td>
<td>2</td>
<td>123</td>
</tr>
</tbody>
</table>
PHP Improper Payment Risks

PHPs are reimbursed on a per-diem basis through the Outpatient Prospective Payment System (OPPS).

PHPs can be at risk for improper payments.

Target areas were identified based on a review of the PHP reimbursement methodology, oversight agency studies, claims data analysis, and coordination with CMS subject matter experts.
Office of Inspector General Report

• “Questionable Billing by Community Mental Health Centers,” August 2012, OEI-04-11-00100

• This report identified nine questionable billing characteristics for CMHC PHP services.

• This report is available at http://oig.hhs.gov/oei/reports/oei-04-11-00100.pdf
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 identified as potentially problematic
  – Denominator = larger reference group

• Reported as a percent
## PHP PEPPER Target Areas

<table>
<thead>
<tr>
<th>Target Area</th>
<th>Target Area Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group Therapy</strong></td>
<td><em>Numerator (N):</em> count of EOC ending in the report period with only group therapy (HCPCS codes G0410 or G0411) billed</td>
</tr>
<tr>
<td></td>
<td><em>Denominator (D):</em> count of all EOC ending in the report period</td>
</tr>
<tr>
<td><strong>No Individual Psychotherapy</strong></td>
<td><em>N:</em> count of EOC ending in the report period with no units of individual psychotherapy (HCPCS codes 90785, 90832, 90833, 90834, 90836, 90837, 90838, 90845, 90865, or 90880)</td>
</tr>
<tr>
<td></td>
<td><em>D:</em> count of all EOC ending in the report period</td>
</tr>
<tr>
<td>Target Area</td>
<td>Target Area Definition</td>
</tr>
<tr>
<td>--------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>60+ Days of Service</strong></td>
<td>( N ): count of EOC ending in the report period with greater than or equal to 60 days of service provided by the PHP &lt;br&gt; ( D ): count of all EOC ending in the report period</td>
</tr>
<tr>
<td><strong>30-Day Readmissions</strong></td>
<td>( N ): count of all index (first) EOC ending in the report period for which a resumption of care occurred within 30 days to the same or to another PHP &lt;br&gt; ( D ): count of all EOC ending in the report period</td>
</tr>
</tbody>
</table>
Percentiles in PEPPER

- Percentile tells us the percentage of PHPs 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 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 PEPPERresources.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.
PHP Units of Hospitals

- PHP distinct part units of short-term acute care hospitals or inpatient psychiatric facilities: PEPPER is distributed via QualityNet to the hospital QualityNet administrators and 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.
Community Mental Health Center PHPs

• PEPPER Resources Portal
  – Visit PEPPER.CBRPEPPER.org
  – Click on the “PEPPER Distribution – Get Your PEPPER” link.
  – 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 Resources Portal

• 6-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 during Oct. 1 – Dec. 30, 2018.
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

• The data are updated annually following each report release.
PEPPER.CBRPEPPER.org
“Training and Resources” Page

- PEPPER User’s Guide
- Jurisdictions spreadsheet
- Recorded PEPPER training sessions
- Sample PHP 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.
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

**SHORT-TERM ACUTE CARE HOSPITALS**
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

**CRITICAL ACCESS HOSPITALS**
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of HHA PEPPER Retirevals by State

**HOSPICES**
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of Hospice PEPPER Retrievals by State

**INPATIENT PSYCHIATRIC FACILITIES**
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

**PARTIAL HOSPITALIZATION PROGRAMS**
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

**HOME HEALTH AGENCIES**
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of HHA PEPPER Retrievals by State

**INPATIENT REHABILITATION FACILITIES**
- Training & Resources
- PEPPER Distribution - Get Your PEPPER

**SKILLED NURSING FACILITIES**
- Training & Resources
- PEPPER Distribution - Get Your PEPPER
- Map of SNF PEPPER Retrievals by State
Questions?

• “Help Desk” at PEPPER.CBRPEPPER.org