FY 2025 Hospice PEPPER Webinar Transcript

June 24, 2026 - 1:00 p.m.

Harjinder Gill

Good afternoon, everyone. Welcome to today's Hospice PEPPER Release webinar. We appreciate you taking the time to join us and we will begin momentarily.

Good afternoon, thank you for joining us. My name is Jinder and on behalf of the PEPPER project team and our CMS colleagues, thank you for joining us for the Hospice PEPPER FY 2025 Release webinar.

A couple of housekeeping items before we get started today.

Please note that we are recording this webinar and all attendees have been placed on mute.

If you experience an echo, please check to make sure that you have joined the webinar using only one device or browser.

Please use the Q&A to submit questions throughout the presentation. We will be answering questions during the Q&A portion at the end.

And for anyone who prefers captions or needs them for accessibility, Zoom offers a built-in closed captioning feature to enable captions during the webinar. Check on the More Options, the three little dots in your meetings controls, check Show Captions, and captions will appear at the bottom of your screen.

Additionally, if you have any questions you would like to ask after this session is complete, you can e-mail your questions to cms_cbrpepper@cms.hhs.gov.

Today’s presentation will begin with an overview of PEPPER and what changed for the FY 2025 Hospice Release. We will then review the Hospice PEPPER, walk through the portal access, answer any questions, and close out with some next steps.

And to get started, I would like to introduce Hannah Klein who will provide an overview of PEPPER and more details on the Hospice PEPPER Release.

Hannah Klein

Thank you, Jinder.

Hello everyone, and thank you for joining us today. We'll begin with a brief overview of what is a PEPPER, which stands for a Program for Evaluating Payment Patterns Electronic Report. The PEPPER is an electronic report that provides facility-specific Medicare statistics for discharges and services that may be vulnerable to improper payments. PEPPER displays data for the most recent federal fiscal years for the areas of vulnerability, which we call target areas.

The Hospice PEPPER was released on June 3rd, 2026, and includes data for federal fiscal years 2023 through 2025.

In order to have a PEPPER, a Hospice must meet the minimum threshold for reporting, meaning there are at least 11 claims or episodes that meet the target area numerator criteria for at least one target area for at least one fiscal year in the report.

How can PEPPER be used? PEPPER is designed to encourage providers to review data about their billing practices so that they can improve the accuracy of the claims that they submit to Medicare for reimbursement. PEPPER enables Hospices to compare their claims data, statistics against other Hospices and their Medicare Administrative Contractor, or MAC jurisdiction, their state, and across the nation. They are intended to be an educational resource for providers and can be helpful for strengthening compliance programs, preparing for or conducting internal audits of billing practices, or for improving documentation and patient care plans.

PEPPER does not identify improper Medicare payments. It's an educational tool for providers to help identify payment patterns that indicate areas of risk for improper payments so that they may be reviewed further.

So, what has changed since the last Hospice PEPPER was released?

CMS paused the program back in 2023 and has since redeveloped the reports, launching a new PEPPER portal to ensure secure delivery of the reports.

CMS removed the Continuous Home Care provided in an Assisted Living Facility or CHC and ALF target area and updated the top terminal diagnosis report to use the new Clinical Classification Software Refined or CCSR categories for the fiscal year 2025 report.

This is the first release of the Hospice reports through the new access portal, so users may need to register and establish access for the portal in order to download their report.

This portal access is available to individuals with Staff End User (SEU) business function in the Identity and Access Management, or I&A, system.

You may need to reach out to your Authorized Official, also known as AO, or Access Manager, also known as AM, to request this access.

Within the PEPPER, the metrics are displayed in target areas, which are displayed about Hospice payment patterns for specific areas identified as potentially at risk for improper Medicare payments.

So, these target areas were identified through reviews by the Quality Improvement Organization and studies by the Office of Inspector General, and these may change over time as we learn more about new areas at risk for improper payments and make refinements to reflect changes in billing or coding requirements.

Generally, the target area numerator captures the discharges identified as potentially problematic, while the denominator captures the larger reference group.

In the Hospice PEPPER, several of the target areas capture billing patterns based on beneficiary episodes of care. For the purposes of the Hospice PEPPER, these episodes are captured by looking at all of the claims submitted by the facility for each beneficiary. These are sorted by the claim from date and if the last claim in the series indicates that the patient was discharged, or in other words the patient status code was not still a patient, then that is the end of the episode.

If the last claim indicates that the beneficiary was still a patient, but there's a gap of care greater than 60 days, so a gap between the start of the next claim for that beneficiary at the Hospice, then this is also the end of the episode.

So here we have an example. If a patient is admitted to the Hospice on January 15th, 2023, and they continued to receive care until they were discharged to home on February 20th, 2023, this would be considered one episode lasting from January 15th through February 20th and it would be made up of two claims.

Claim 3 in this example starts a new episode when that same beneficiary returned on March 1st. This episode ends when they are then discharged to home on March 12th. When they returned on April 8th, this became episode 3.

Even though there is a gap of care between claims four and five, this counts as a single episode because the beneficiary returned to the Hospice within 60 days.

Each episode is attributed to the fiscal year in which the last claim of the episode ends. So, if an episode extends from fiscal year 2025 into federal fiscal year 2026, for example, it would not be included in the target area calculations for this report, since this PEPPER only includes episodes that ended between fiscal years 2023 and fiscal year 2025.

In the Hospice PEPPER, there are 15 target areas. The first 10 are reported as a percent while the last five are reported as a rate.

The target areas reported as a percent include Live Discharges No Longer Terminally Ill, and Live Discharges Revocations, Live Discharges with the Length Of Stay Of 61 To 179 Days, Long Length Of Stay, Routine Home Care Provided in an Assisted Living Facility, Routine Home Care Provided In A Nursing Facility [NF], Routine Home Care Provided In A Skilled Nursing Facility, Single Diagnosis, No General Inpatient Care [GIP] Or Continuous Home Care And Long General Inpatient Care Stays. Average Part D Home, ALF and NF, and Average Part B Home and ALF, NF or SNF are reported as rates.

For information on how each of these target areas are defined, please review the Definitions tab in your report or refer to the User Guide.

Now I'll turn it over to my colleague Dawn to walk through an example of how we do one of the target area calculations.

Dawn Strawser

Thanks, Hannah, we're going to walk through an example of how the Live Discharges-Revocations target area works and how to interpret that target area results.

The numerator for the Live Discharges-Revocations target area looks at the count of beneficiary episodes where the beneficiary was discharged alive by the Hospice with the occurrence code 42. To identify only live discharges, we exclude episodes where the patient discharge status is 40, 41, or 42.

The denominator for the Live Discharges-Revocations target area looks at the count of all beneficiary episodes during the reporting period.

To demonstrate we have two episodes for a single Hospice. In episode 1, the patient was admitted on April 3rd, 2024, and was discharged to home on April 30th, 2024, as they were

deemed no longer terminally ill. This episode would only count towards the denominator since the episode was not billed with occurrence code 42 to indicate that they revoked their Hospice benefit.

In contrast, in looking at the second episode for another beneficiary, they began service on May 3rd, 2024 and ended on May 23rd, 2024 when the patient decided to return home and revoke their Hospice benefit. This episode counts towards both the numerator and the denominator as the patient's status code is 01 and the claim was billed with occurrence code 42.

To continue our example, we have some sample target area calculations. Let's say for the Live Discharges-Revocations target area, looking at fiscal year 2024, the National 80th percentile was 40%. If a Hospice target area percentage is below 40%, then they would be considered not an outlier. But if their target area percentage is above 40%, then they would be considered a high outlier for this target area for fiscal year 2024.

Here we have target area percentages for three hospices. Hospice 1 is not an outlier as they are below the 80th percentile. But Hospice 2 is considered a high outlier as their percentage is above the national 80th percentile benchmark. Meanwhile, we have Hospice 3 which only had 10 episodes count towards their numerator, so they will not see any data for this target area in their PEPPER as they did not have enough episodes to meet the threshold for reporting.

Users will see percentiles displayed in a few different places throughout the PEPPER. On the Compare Targets report, on the Compare tab, Table 2 displays statistics for target areas with reportable data for the most recent fiscal year. The percentiles displayed next to the Hospice target discharge count and percent indicate what percent of hospices have a lower target area percent compared to your facility. Think of this as how to know where your hospital Hospice falls in relation to other hospices in the nation, your MAC jurisdiction, and your state.

In contrast, the Comparative data table is displayed on each of the target area tabs, and it includes the national, jurisdiction, and state 80th percentile benchmarks. These percentiles are the target area percent that corresponds to the 80th percentile for each course comparison group.

If your hospice's target area percent is greater than the 90th national 80th percentile, then less than 20% of the hospices scored higher than your facility for that target area and time period and this would indicate a high outlier.

This example of the Live Discharges-Revocations target area, the Hospice target area percent was 9.8%, which makes them the 50th percentile for all hospices in the nation and their jurisdiction and 40th percentile for their state.

For fiscal year 2025, the 80th percentile for Live Discharges-Revocations was 36% nationwide. So, any Hospice with a target area percent greater than 36% would be a high outlier for this target area in 2025.

If a hospice is a high outlier for Live Discharges Revocations, they may conduct a detailed medical review of claims from reporting period and identify several claims where the decision to revoke care was not documented correctly. This Hospice could then implement some staff training to educate on proper documentation practices for revocations to reinforce proper billing practices. Then to follow up, you can conduct a brief review of the claims to assess the impact of your training.

Next, I'm going to turn to Teresa to review some additional information about the Hospice PEPPER.

Teresa Le

[Thank you,] Dawn.

For the target areas reported as percents, the fiscal year 2025 national 80th percentiles are displayed in the top chart. The target area with the highest national 80th percentile was No General Inpatient Care or Continuous Home Care at 100%. For target areas reported as rates in the chart below, the target area with the highest national 80th percentile was Average Number of Part D claims for beneficiaries residing in a Nursing Facility, with an 80th percentile around 15.

This slide summarizes fiscal year 2025 outlier status by target area across hospices. For each target area, the chart shows how many hospices were identified as high outliers, how many were not outliers, and how many had no data due to insufficient volume. The darker blue bars represent high outliers, the lighter blue bars represent hospices that were not outliers, and the gray bars represent hospices with no reportable data for that target area.

Earlier, we walked through an example of how a Hospice might use high outliers status for the Live Discharges-Revocations target area to identify next steps.

Here are some additional ways to use your Hospice PEPPER. If your facility is a high outlier for a target area in a fiscal year, consider contacting your compliance team to review claims that meet the target area numerator criteria. You may also want to review eligibility documentation, evaluate recertification processes, assess physician narratives, and strengthen interdisciplinary group documentation. PEPPER findings can also help guide staff education and updates to policies and procedures. Finally, if corrective actions are taken, document those actions so your organization can evaluate their impact over time.

Next, I'll turn it over to Dawn to review the sample PEPPER and its contents.

Dawn Strawser

Thanks, Teresa.

As with previous PEPPER releases, this Hospice PEPPER is delivered as an Excel workbook with separate tabs for the report Purpose, the Target Area Definitions, the Target Area Comparison Report, the National High Outliers Ranking Report, and the results for each individual target area.

The Purpose tab includes a summary of the purpose and scope of the PEPPER. It also displays the Hospice CMS Certification Number, or CCN, the MAC jurisdiction, and lists the date range included in the report. For this release, the Hospice PEPPER includes data from fiscal year 2023 through fiscal year 2025.

The Definitions tab provides the description, including the numerator and denominator information for each of the target areas. For more detailed information about how the target areas are calculated, please see the User Guide available on the PEPPER website.

Next, we'll go over to the Compare Targets report. This displays all the target areas for which your facility had at least 11 claims or episodes for the numerator in the most recent fiscal year. For this report, that would be for fiscal year 2025 or data from October 2024 through September 2025.

If a Hospice has more than 11 discharges or episodes that meet the target area numerator definition during that year, then this report will display the number of discharges, the metric rate, the percentiles when compared to the nation, Hospice jurisdiction and state, as well as the sum of payments for that target area. If a Hospice is a high outlier for that target area, then the percent is going to be indicated in a red bold font. Non outliers are displayed in black regular font.

I will look at an example of one of the target areas looking at the Live Discharges-Revocations tab. So, on each target area tab, users will find a table with the hospice's statistics and a comparative data table showing national jurisdiction and state comparison values. These tables allow users to compare their hospice's target area percentage with the relevant benchmark groups. Below the comparative data table, the graph will display the hospices statistics alongside the national jurisdiction and state percentiles.

Each target area tab also includes the suggested interventions for the high outliers.

I will move over to the top reports. First, we'll look at the top terminal diagnosis tab. The Hospice PEPPER also displays the top terminal diagnosis for the most recent fiscal year for every episode where the patient's diagnosis is categorized into specific terminal diagnosis categories based upon the Clinical Classification Software Refined or the CCSR categories. These categories include cancer, circulatory or heart disease, dementia, respiratory disease, and neurodegenerative disease or stroke. For more information about the Clinical Classification Software Refined categories, please refer to the website linked in the report or to the PEPPER User Guide.

The Top Terminal Diagnosis report displays each of the CCSR diagnosis categories where there are at least 11 decedents for each category for the most since fiscal year. This report displays the proportion of decedents for each category to total decedents for the Hospice as well as the Hospice average length of stay for each terminal diagnosis category. These are then summarized into the Top and All CCSR category rows. Below the report also displays a table with the jurisdictions results for the top terminal diagnosis by total decedents for the most recent fiscal year. In addition to the total number of decedents for each category and the proportion of decedents for each category, the report also includes the jurisdiction and national average length of stay for each terminal diagnosis category. Note that this report is limited to the top terminal CCSR diagnosis categories, for which there are at least 11 decedents in the jurisdiction for the most recent fiscal year.

The next tab is the live discharges by type report. So, the Hospice PEPPER also includes a report on the live discharges by type for the most recent three fiscal years. And in these tables, the PEPPER displays data for the Hospice and the Hospice jurisdiction. For each type of live discharge, the report displays the total number of episodes, the proportion of live discharge episodes, and the average length of stay. Live discharges are identified as episodes ending with a patient discharge status code that is not 40, 41 or 42. Categories are only displayed if they had at least 11 episodes in the most recent three fiscal years.

Now I'll turn it back over to Hannah to review the website portal.

Hannah Klein

Thanks, Dawn.

So, to access and download your Hospice PEPPER, begin by visiting the CMS PEPPER web page. You'll note that in addition to accessing the PEPPER Portal from this site, you can also find helpful resources such as Frequently Asked Questions, the latest User Guide, and information about how to reach out to our Help Desk if you have further issues or questions. In addition, a recording of today's presentation and a copy of the slides will be posted to the PEPPER Resources page on the website as a reference for users.

Click on the blue button for PEPPER Portal to open the PEPPER Portal.

This button will then take you to the PEPPER login page. To access the new portal, you will need to have an account with the CMS Identity and Access Management system, also known as I&A, and be registered as a Staff End User, Authorized Official, or Access Manager for your organization with the PEPPER business function. This is the same login information that is used with the CMS NPPES and PECOS systems. If you need assistance with your I&A credentials, please contact the External User Services or EUS Help Desk. This information is listed below the login page on the website.

Once you have logged into the PEPPER portal, you'll see a drop-down box to select your organization's CMS Certification Number or CCN. This was formerly known as OSCAR. If you do not see your organization's CCN listed, please check with your organization's Authorized Official, Access Manager, or the EUS Help Desk to verify that you are listed as either Staff End User, AO, or AM for that particular CCN. If you are a registered Staff End User, Authorized Official, or Access Manager, you have the PEPPER business function, and you still do not see your organization's CCN listed, then that means that there is no PEPPER available for your organization at this time.

As a note, only the Short-Term Acute Care Hospitals, Critical Access Hospitals, and Hospice organizations with reportable data will have a PEPPER available for download at this time. PEPPERs for other facility types will be available later this year and you can find the full release schedule on our PEPPER website.

Once you have selected the CCN for which you would like to view and download the Hospice PEPPER, you will see an available file listed. To download, simply click on the file name.

Once you're logged into the portal, if you have questions about how a target area was calculated or any questions about the content within your PEPPER, please submit your questions using the Help Desk form, which you can find by selecting Help Desk from the Navigation Pane at the top of the web page.

Right now, I'll turn it over to Jinder to lead us through the Question and Answer section of this presentation.

Harjinder Gill

Thanks, Hannah. If you do have questions, please go ahead and post them in the Q&A section. And we've been responding to some of them.

Yes, the webinar, recording slides, transcript, and the Q&A will be available on the PEPPER website under the Training and Resources page.

So, I have one question here. Will no data always mean there was less than the required 11? And what should a Hospice do if they know that is inaccurate?

Hannah or Dawn?

Hannah Klein

I can take that one. Yes, if there if it says no data, then there were no episodes that met the or claims that met and not enough, so fewer than 11, that met the criteria for the numerator or denominator for that particular target area for that particular time period. As a reminder, you can find more information about how the claims are filtered in the User Guide. And so, the claims have to meet the filtering criteria to be eligible to be included in the metric calculations and then they get aggregated into, for most of these target areas, those claims then get aggregated into episodes and there has to be enough data to calculate the metrics. So, if at least 11 episodes to meet the criteria if it's an episode-based target area. And additionally I wanted to remind everyone that in order to be in this report, the episode or claims must be concluding within the time frame of the report. So, by the end, if an episode is ongoing beyond the end of fiscal year 2025, beyond September of 2025, it would not be included in this Hospice PEPPER.

Harjinder Gill

There's a request to explain the slides on calculating episodes. Can we review that?

Hannah Klein

If you have questions about your data, please submit them with additional information about the particular target areas or discrepancies that you're seeing to the help desk and we can help look into it.

OK, so just revisiting these examples, we have several claims here for a single beneficiary for a single Hospice. And so just explaining how you could have multiple claims that roll up into a single episode or a single claim that counts as a single episode. So, you'll see here that the criteria to conclude an episode is either that the patient was discharged or if they are still a patient, but there's a gap in care of at least 60 days and that also ends the episode.

So, for example, claim number 3, because they were discharged to home that that claim is a single episode. And then you have lines of four and five, even though there is a gap in care because that gap in care is less than 60 days, claims four and five are considered a single episode, episode 3.

Harjinder Gill

When you mentioned fiscal year for the percentages ratios, are you referring to I'm assuming this is 2023 to 2025 as a whole or an individual fiscal year?

Hannah Klein

Each target area is calculated for each fiscal year individually. So, we look at the claims and episodes that for part of fiscal year, so beginning with October 1st of 2023, sorry, October 22 through September of 2023, that would be fiscal year 2023 and then so on. So, each time we're looking at the claims that concluded within those time frames. So, within each fiscal year are the opposite claims or episodes considered for each of those target area percentages.

Harjinder Gill

And if there were questions regarding the validation of your data, if you want to go ahead and send an e-mail to the Help Desk, we can look into it further and respond to those offline.

Can you tell us more about how to interpret target area versus target percentage?

Hannah Klein

I will back up to this slide here.

OK, so, target percentage would be displayed as a percent. So, depending on how the target area is calculated, for example, for Live Discharges-Revocations, we're comparing in the numerator account of episodes that met the criteria for the numerator compared to the count of episodes that met the criteria for the denominator for the target areas where it's reported as a rate instead of a percent. So, the average Part D&B claims-based target areas, those are not percent reported as a percent because we're talking about the number of Part D claims that meet the criteria, 4 episodes where the patient is residing in a particular facility. So, it's a count of claims versus the number of episodes, so those are reported as a rate.

So, if it's a higher number than that would mean that you're having a significant number of Part D or Part B claims submitted for a patient during an episode in that particular time frame.

Harjinder Gill

OK, so here's another one. Our organization had a high outlier for single diagnosis, should this be of concern to our agency?

Dawn Strawser

I can take that one, Hannah.

It may or may not be, the importance of this would be for you to review your claims and review the records with that to see if they're coding all the diagnosis codes that are involved with the patient. There could be that there is only single diagnosis, but that probably is rare if all of your patients only had a single diagnosis or a high outlier for that. So just reviewing, this is for information, so just reviewing your claims just to make sure all the codes are being captured when the billing occurs.

Harjinder Gill

And if you're just joining the webinar or missed portions of it, note that we will be posting the recording as well as the slides on the PEPPER website.

Hannah Klein

Here's another question we got. Is there a way to validate the data? And what do you do if your data does not match the reported data?

So, there may be difficult to reach a one-to-one match of your data versus ours but we encourage you to reference the User Guide for all of the details on how we are filtering the claims data in order to calculate the target area metrics.

So, if you review both the filters and the target area definitions and use those to conduct an audit of your claims and still find a significant difference in the data, please do reach out to us via the Help Desk and we can work with you to help resolve any major questions.

Harjinder Gill

There's a question, under the Compare section of the PEPPER, the Hospice, national Hospice jurisdiction, and Hospice state and how to best interpret some of the numbers that are there for example?

Hannah Klein

So, on the Compare tab for the report, so Table 2, you're the national percentile, that's where you fall in relation to all hospices nationwide. So, this example would be in the 50th percentile. So about 50% of hospices had a higher rate, 50% had lower rate for this particular target area for the most recent fiscal year. Versus if you narrow the focus to your MAC jurisdiction, that's where the Hospice jurisdiction percentile comes in. So, in this example, they are in the same, the hospices in their MAC jurisdiction are generally following the same pattern nationwide. So, they also fall about at the 50th percentile. So 50% of the hospices in their MAC jurisdiction had a higher rate for this target area for the most recent fiscal year and about 50% had a lower target area rate for this percent for this target area for the most recent fiscal year in their jurisdiction.

And then finally the state column, in this example, the Hospice, it looks like the target, the hospices in their state are trending a little bit higher on average than the nation. So, their target area percent of 9.8% was a little bit lower. So only 40% of hospices would have a higher rate than them.

And then in contrast, on the Table 6 comparative data table, so, the individual target area page. These percentiles are indicating what the 80th percentile was for the state, national, and jurisdiction.

Harjinder Gill

Thanks, Hannah, for walking through that.

Hannah Klein

I think we do have a couple of other questions.

Let's see, for the question of the high number of Nursing Home or Assisted Living Facility patients being negative in the PEPPER. Dawn, would you like to respond?

Dawn Strawser

Yes, I can do that. Yeah, the high number of Nursing Home or Assisted Living Facility patients isn't a negative, it's just what kind of care did those patients receive when they were at the facility? Did they have more of the routine home care? Did they have the continuous home care?

So more, it's a tool for you to see, the hospices to see, how their patients are, what patients at facilities, what kind of care they're receiving and is it overuse if it is a continuous home care for the nursing home patient just to see if care is being overused. It's just a tool for you to use to see how your patients are, what kind of care they're receiving with the nursing homes and the assisted living facility Hospice benefit.

Hannah Klein

Thanks, Dawn. We did get a question about if hospices should be comparing to the national jurisdiction or state data.

Just wanted to call out that the outlier status is based upon the national target area percent. So, if your Hospice is above this national 80th percentile, that's what would indicate if you're a high outlier for a particular target area.

The jurisdiction and state level information is just provided to help you have an additional frame of reference around how your Hospice is doing compared to others in your area.

Harjinder Gill

Anything else, I think if people have additional questions after the webinar, feel free to e-mail us.

Hannah Klein

And definitely encourage everyone to check out the User Guide, if you have detailed questions about what might be going on with a high outlier for a particular target area, there is some guidance in the User Guide related to that.

Harjinder Gill

This webinar is recorded and as mentioned, we will post the recording on the PEPPER website. Let me just, cms_cbrpepper@cms.hhs.gov and the e-mail for Help Desk is posted in the chat you should be able to see that.

So, thank you again for joining us we appreciate all the questions that you've asked and we will please follow up with us on any additional questions and we will post the recording, the PowerPoint as well, on the website.

Before we close out today's session, we want to highlight a couple of next steps.

Please do complete that feedback survey, we appreciate the feedback.

Register for Staff End User PEPPER business function in the I&A management system if you need the portal access.

And please do download and review your Hospice PEPPER.

This conclude today's session. Thank you again for joining us and thank you for all the work that you do every day to support Medicare beneficiaries and Hospice care. Thank you.