FY 2025 Skilled Nursing Facility PEPPER Webinar Transcript

September 29, 2026 – 1:00 p.m.

Harjinder Gill

Good afternoon, everyone. Welcome to today's PEPPER Release webinar. We appreciate you taking the time to join us.

Welcome, my name is Jinder, and on behalf of the PEPPER project team and our CMS colleagues, we would like to thank you for joining today's PEPPER webinar for the FY 2025 Skilled Nursing Facility.

Before we get started, a few reminders.

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

Please use the Q&A function to submit questions throughout the presentation. We are responding to those and will respond to some of them at the end during the Q&A portion.

For anyone who prefers captions or needs them for accessibility, Zoom does offer a built-in closed-captioning feature. To enable closed captions, please click More Options, the three dots in your meeting controls, then click Show Captions. The captions will appear at the bottom of your screen.

If you're hearing an echo, please check to make sure you have the Zoom meeting open in a single browser or application.

Additionally, if you have any questions you would like to ask after this session is complete, you can always email us at cms_cbrpepper@cms.hhs.gov.

During today's presentation, we will review PEPPER and how to use it, as well as how to access and download your PEPPER via the new portal. We will then answer questions before closing out.

To get started, I would like to introduce Hannah Klein, who will provide an overview of PEPPER.

Hannah Klein

Thank you, Jinder.

Hi, and welcome, everyone. Thanks for joining today's webinar.

We'll start with a brief overview of what a Program for Evaluating Payment Patterns Electronic Report, otherwise known as a PEPPER, is. A PEPPER is an electronic report that displays statistics on Medicare payments for discharges and services that are considered vulnerable to improper payments.

PEPPER displays data for the areas of vulnerability, which are known as target areas. The PEPPERs for Skilled Nursing Facilities are released on an annual basis, and these reports are generated for facilities with at least 11 claims in a single fiscal year for at least one of the target areas included in the report.

So, how do you use your PEPPER?

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 facilities to compare their claims data and statistics against those of other facilities in their Medicare Administrative Contractor (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 improving documentation and patient care plans. Note that PEPPER does not identify improper Medicare payments. Rather, it is an educational tool for providers to help identify payment patterns that may indicate areas of risk for improper payments so that they can be reviewed further.

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.

For the most up-to-date metrics for your organization, please refer to the most recent report available, as this version reflects the most up-to-date claims information.

Users may need to establish access to the PEPPER Portal in order to download the report. Portal access is available to individuals with the Staff End User (SEU) business function in the Identity & Access Management (I&A) System.

You may need to reach out to your Authorized Official (AO) or Access Manager (AM) in order to request access to your PEPPER.

The target areas in PEPPER display information about payment patterns for specific areas that are identified as being potentially at risk for improper Medicare payments.

These target areas were identified through reviews by the Quality Improvement Organization and studies by the Office of the Inspector General and 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 will capture the discharges that are identified as potentially problematic, while the denominator will capture the larger reference group.

Facilities can use the target area percentages and outlier status to pinpoint areas in need of further investigation or monitoring. They can also show how your facility performs in comparison to others in the nation, MAC jurisdiction, and state. PEPPER data can help identify areas where corrective actions may be implemented.

Now I'll turn it over to my colleague Teresa to walk through some examples of how to interpret your target area results.

Teresa Le

Thank you, Hannah.

To show an example of how a PEPPER target area is calculated, we will walk through a calculation of the High Nursing Case Mix target area that can be found in the Skilled Nursing Facility PEPPER. You can use this approach for interpreting your target area results for any PEPPER type.

The outlier status for each target area is driven by the National 80th and 20th percentiles for that given time period. Let's say that for the High Nursing Case Mix target area, the National 80th

percentile for fiscal year 2025 was 28.8%, and the National 20th percentile was 7.1%. In this case, if your organization's target area percentage is below the National 20th percentile, then it is considered a low outlier. If it is above the 20th percentile but below the 80th percentile, then it is not an outlier. If it is above the National 80th percentile, then it is a high outlier for this target area.

In our table, we have SNF 1 with 30 discharges that met the numerator criteria and 600 discharges that met the denominator criteria. As such, the target area percentage for this facility is 5%, so it is a low outlier. SNF 2 has 276 discharges that met the numerator criteria and 899 that met the denominator criteria, so its target area percentage is 30.7%, which makes it a high outlier.

SNF 3 had 9 discharges that met the numerator criteria, so it will have an outlier status of “No Data”, as it did not meet the minimum threshold for reporting.

Here is another example of how to interpret a target area percentage. In this example, we have SNF data from the 90+ Days Episodes of Care target area. For SNF 1, it had 15 episodes that lasted 90 or more days compared to its total number of episodes, which was 200. At 15%, it falls below the National 80th percentile at 30.9%, so it is not an outlier. SNF 2 had 58 episodes for the numerator and 180 episodes for the denominator, so its percentage for the 90+ Days Episodes of Care target area was 32.2%, which is higher than the 80th percentile, making it a high outlier for this target area.

Finally, even though SNF 3 had 110 episodes count toward the denominator for this target area, because it only had 9 episodes that lasted greater than 90 days, it will see “No Data” for this target area since it did not 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 hospital target discharge count and percent indicate the percentage of hospitals that have a lower target area percent compared to your facility. Think of this as a way to understand where your hospital compares to other hospitals in the nation, your MAC jurisdiction, and your state for the most recent year. In general, the percentile next to a hospital's target area percentage tells you what percentage of hospitals had a lower target area percentage for that comparison group. Said another way, it helps answer the question: How does your hospital compare to others for this target area and time period?

For this example, from an SNF PEPPER, the High PT and OT Case Mix target area percentage was 7.3%, which makes the facility the 16th percentile among all Skilled Nursing Facilities in the nation, the 15th percentile in its jurisdiction, and the 18th percentile in its state. Since this is less than the 20th percentile, it is a low outlier.

For the 20-Day Episodes of Care target area, however, its percentage was 10.7%, which falls at the 85th percentile when compared to all Skilled Nursing Facilities in the nation, the 86th percentile for the jurisdiction, and the 84th percentile for the state. It is a high outlier for this target area.

The Comparative Data table on each target area tab works a little differently. It displays the national, jurisdiction, and state benchmark values, including the 80th percentile and, for coding focus target areas, the 20th percentile. These benchmarks are used to determine outlier status.

In this example, the 20-Day Episodes of Care target area, you can see the National 80th percentile for the target area was 10% for fiscal year 2025. So, any facilities with a target area percentage that falls below 10% will be considered not an outlier.

Now I'll turn it over to Dawn.

Dawn Strawser

Thanks, Teresa.

If a Skilled Nursing Facility is a high outlier for a target area, one possible next step would be to audit cases that meet the target area criteria. The purpose of the review is to determine whether the documentation supports how the claim was billed.

If the review identifies documentation or coding patterns that may need improvement, the facility can implement an intervention, such as training staff to reinforce the documentation requirements. After that has been in place for a few months, follow up with another review to determine whether the number of cases lacking the appropriate supporting documentation has decreased.

We've talked a little bit about how to interpret your PEPPER results and how to use your PEPPER, and in a little bit, we're going to walk through a sample PEPPER. But first, let's look at what you can find in your PEPPER.

All PEPPERs have the same first three tabs in the workbook. You have the Purpose tab, which introduces the PEPPER; the Definitions tab, which lists the definitions for each of the target areas included in the report; and the Compare tab, which provides a table view of the data for the most recent fiscal quarter.

After that, there will be a separate tab for each of the target areas included in the report. For Skilled Nursing Facilities, this includes the High Physical Therapy and Occupational Therapy Case Mix, the High Speech Language Case Mix, the High Nursing Case Mix, the 20-Day Episode of Care, the 90+ Days Episodes of Care, and the 3-to-5-Day Readmissions.

Now we're going to pull up a sample PEPPER. So, as with previous PEPPER releases, the PEPPER is delivered in an Excel workbook, with the separate tabs found below for the report purpose, the target area definitions, the target area comparison report, and the results for each of the individual target areas.

Looking at the Purpose tab, this includes a summary of the purpose and scope of the PEPPER. It also displays the facility's CMS Certification Number (CCN), the MAC jurisdiction for your SNF, and lists the date range included in the report. For this release, the PEPPER includes data from fiscal year 2023 through fiscal year 2025.

Moving over to the Definitions tab, this tab is where you're going to see the description, including the numerator and denominator information for each of those target areas. You can find more detailed information about how the target areas are calculated by looking at the User Guide, which is available on the PEPPER website.

Next, we'll go over to the Compare tab. The Compare Targets report displays all of the target areas for which your facility has at least 11 claims or episodes in the numerator in the most recent fiscal year. So, for this report, that's going to include data from fiscal year 2025, which is October 2024 through September 2025.

If a facility has more than 11 discharges that meet the target area numerator definition during that time period, then this report can display the number of discharges, the metric rate, the percentiles when compared to the nation, the jurisdiction, and the state, as well as the sum of payments for that target area. If a facility is a high outlier for the target area, then that percentage is going to be indicated in red bold font, while non-outliers are displayed in black

font. If low outliers are reported for that target area, then a target area percentage will be displayed in green italic font.

Now we'll move over to the High PT and OT tab. So, on each of the target area tabs, users will find a table with the facility's statistics and a comparative data table showing the national, jurisdiction, and state comparison and values. These tables allow users to compare their facility's target area percentage with the relevant benchmark groups. Below the comparative data table, you'll see the graph. This displays the Skilled Nursing Facility's statistics alongside the national, jurisdiction, and state percentiles. For target areas where only high outliers are calculated, the graph displays the 80th percentile benchmarks. So, you would just see the red lines on the graph.

Each target area also includes suggested interventions if the facility is a high outlier and, where applicable, if it is identified as a low outlier.

Now we're going to move over to the 90+ Days Episodes. So, this is an example of the 90+ Days Episodes of Care target area. As you can see, for fiscal years 2024 and 2025, there's an "N/A" present, and this means that there were fewer than 11 discharges in the numerator. The target area does not display low outliers. So, in this graph, you'll only see the national, jurisdiction, and state 80th percentiles and the facility's percentage for fiscal year 2023. If you scroll down to show that graph, as you can see, the green lines are not on here because only the 80th percentiles are reported. And with no data for fiscal years 2024 and 2025, those years are blank for the facility. So, you can only see the facility's data for fiscal year 2023.

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

Hannah Klein

Thanks, Dawn. Now we'll walk through the process for accessing and downloading your PEPPER.

You'll begin by visiting the CMS PEPPER web page. In addition to accessing the PEPPER Portal from this site, you can also find helpful resources, such as FAQs, the latest User Guide, and information about how to contact 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.

We will click on the blue button for PEPPER Portal to open the PEPPER Portal.

This button will 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 you'll need to be registered as either a Staff End User, Authorized Official, or Access Manager for your organization with the PEPPER business function. This is the going to be the same login information that is used to access the CMS National Plan and Provider Enumeration System (NPPES) and the Provider Enrollment, Chain, and Ownership System (PECOS). If you need assistance with your Identity and Access Management credentials, please contact the External User Services (EUS) Help Desk.

Once you have logged into the PEPPER Portal, you'll see a drop-down box to select your organization's CMS Certification Number (CCN), formerly known as OSCAR. If you do not see your organization's CCN listed, please check with your organization's Authorized Official or Access Manager, or the EUS Help Desk, to verify that you are listed as either a Staff End User (SEU), an Authorized Official (AO), or an Access Manager (AM) for that CCN. If you do have that SEU, AO, or AM designation and the PEPPER business function, and you still do not see

your organization's CCN listed, then this means that there is no PEPPER available for your organization at this time.

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

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 bar at the top of the web page.

Before we wrap up, we will walk through another example of how to interpret the data in your PEPPER.

On this side, we have an example from the Skilled Nursing Facility PEPPER in Table 3, which displays your Skilled Nursing Facility statistics for the High PT and OT Case Mix target area. For the fiscal year 2025, the SNF had 455 discharges that met the numerator count, and 665 claims for the year. In other words, they had 455 claims where the HIPPS (Health Insurance Prospective Payment System) code reflected a high case mix of physical or occupational therapy. This was out of their total number of claims, which was 665.

For this target area, their percentage will be 77.9%. In comparison, the National 80th percentile, which is displayed in Table 4 in the report, was 91.3% for fiscal year 2025. So, since their target area percent is less than that National 80th percentile, they are marked as not an outlier for this target area.

Finally, we have another look at the 20-Day Episodes of Care target area from the SNF PEPPER. You'll see Table 9 shows they had 30 episodes in fiscal year 2025 where the length of stay was equal to 20 days. This gets compared to their total number of beneficiary episodes for the year, which was 280, giving them a target area percentage of 10.7%.

In Table 10, you'll see that the National 80th percentile for this target area was 10.0%. So, since this SNF has a percentage that is higher than the National 80th percentile, it is considered a high outlier.

This concludes the content of our presentation today. We'll now open it up for questions.

Dena Gregory

Thanks, Hannah. We had a few questions come in, and one was just submitted related to outliers.

“In order to trigger green or red as an outlier, does that mean you are an outlier nationally, by state, or by jurisdiction? Or do you only trigger as an outlier if you are an outlier in all three?”

Hannah Klein

Oh, go ahead, Dawn.

Dawn Strawser

The outlier status that triggers the green or red formatting for high and low outliers is determined only by the national rates as the benchmarks. So, that does not look at the state or jurisdiction benchmarks. You are only identified as a high or low outlier by comparing your results to the national rates.

Dena Gregory

Thank you. I know there is also a question that came in regarding clarifying the definition of an episode. Could you discuss that a little more?

Jyotsna Yarlagadda

I'll take that. So, thanks for the question. The episode in SNF is defined as the resident's, or the beneficiary's, stay from admission through discharge. So, it's basically length of stay based. Different target areas are looking at different characteristics of those stays. You may have seen the 20-Day Episode of Care and the 90+ Days Episode of Care target areas. So, the numerator is changing there, but the overall episode is basically based on the resident's length of stay from admission through discharge.

More details can be found in the Definitions section of the User Guide. Feel free to send us a Help Desk ticket, too.

Dena Gregory

Okay, thank you.

Another question: "When a facility is outside its geographic MAC jurisdiction, for example, if the facility is in Texas but its MAC is Noridian, does the jurisdiction comparison reflect the geographic jurisdiction or the actual MAC jurisdiction?"

Jyotsna Yarlagadda

I'll go ahead. We use IDR data to generate statistics and comparisons for all PEPPERs. The jurisdiction that is assigned is not based on the geographic location but on the assignment that comes from the data itself. So, it is an assignment that comes from the data. There is no assignment based on location.

If you have a specific scenario where the jurisdiction differs from what you would expect, we would be happy to review it further.

Dena Gregory

Okay, thank you.

Another question: "As it relates to discharges, are they planned discharges?"

Hannah Klein

I can take this one. Dena, just so we can clarify, it's going to depend on the target area. The criteria are listed in the User Guide. So, essentially, we're looking at claims where the patient was discharged, and we're looking at the patient discharge status code and the dates of discharge. It will be attributed to the time period in which the claim concluded.

Dena Gregory

Thank you.

Another question: "For the high PT and OT outliers, does the system limit the outlier status to only claims where the resident actually had therapy during their stay?"

Dawn Strawser

I can answer this one.

The numerator for the High Physical Therapy and Occupational Therapy Case Mix looks at those patients who would have had therapy, and that is represented by specific HIPPS codes. Those codes are listed in the User Guide. However, the denominator looks at all SNF claims. So, you're looking at patients who had therapy versus all patients in the facility. If that answered your question, great. If not, please submit an additional question.

Dena Gregory

I will also read through some of the questions that came in while the presentation was going on. I think participants should be able to see these as well.

If you are trying to access your PEPPER, as noted during the presentation and in the answers to the questions, you will need to contact the PECOS External User Services (EUS) Help Desk if you cannot log in. Your Authorized Official or Access Manager will have to provide access to Staff End Users. If you need help obtaining access as an Authorized Official or Access Manager, please contact the EUS Help Desk so they can help sort that out for you.

Another question is: “I work for an organization with multiple facilities. I work at our corporate office and would like to have access to see all of the facilities. Do I contact the Help Desk to request access?”

This is the same answer as the last one. You have to work with your Authorized Official or Access Manager to get access as a Staff End User in the I&A system. In the chat and the Q&A, we provided step-by-step instructions for how to do that.

Another question: “We haven't noticed any changes to the PEPPER reports. Is the system now going to use more AI features to run or scrub data on the back end?”

PEPPER updates are focused on redevelopment of the program and the creation of the new secure PEPPER Portal for report distribution that is dynamically linked to each user. The PEPPER methodology, target area calculations, and interpretation of results remain based on established CMS-defined measures.

Another question that came in: “What would be the reason why there is “No Data” on my report when we definitely had more than 11 discharges?”

The answer to that is “No data” means that the PEPPER reporting threshold applies to the target area numerator, not the total number of facility discharges. You may have had more than 11 total discharges during the reporting period, but if fewer than 11 discharges or episodes met the specific target area numerator criteria, the report will display “No Data” for that target area. If you have more specific questions about your report, you can email us at cms_cbrpepper@cms.hhs.gov.

I'm just looking through some of the questions that were already answered. Are there any live questions that our team would like to answer?

Harjinder Gill

Dena, there is another question: “Do I need to have a separate access login for each facility?”

I believe it's all linked on the back end, so once you get your access through the process that Dena mentioned, you’ll have access to all of the facilities and reports that you’re authorized to view.

Dena Gregory

Right, and your Authorized Official or Access Manager will have to give you access to each of those facilities and each of those reports.

Another question: “Can you, for our team, clarify the PT/OT outliers and the requirement for therapy to also have been received? The HIPPS code is not dependent on therapy being received.”

Hannah Klein

The target area is based on the designation of the HIPPS code. We are not doing any further analysis based on whether or not therapy was received for those target areas.

Dena Gregory

Thank you.

Jinder, I'm not sure if this was a question that you just read:

“Is there a limit to the number of users who can access the facility’s report?”

I do not believe there is a limit. You just need to be provided access by your Authorized Official or Access Manager.

Let's see what else is here.

“Does access need to be granted for homes separately?”

I think that may be similar to the question I just answered. You will need authorization from your Authorized Official or Access Manager as a Staff End User to access each individual facility with a separate CCN.

Hannah Klein

We did get a question about the number of target areas. There are six target areas in the Skilled Nursing Facility PEPPER.

Dena Gregory

Another question: “We are a very small facility with typically fewer than 10 skilled admits/ discharges annually. Does this mean that we would not meet the threshold and likely would not have an audit?”

Dawn Strawser

I can answer this question.

So, this data would have nothing to do with whether you would receive an audit. This simply means that you would not receive a PEPPER report for your facility if you had no data for any of the target areas.

Dena Gregory

Thank you. At this time, I don't see any more open questions in the Q&A. If you have any additional questions, please type them in now.

I'm just reading through these again quickly.

If there are no further questions, oh, wait, there are. Here they come.

“There are suggested actions for high and low outliers, but not for “No Data”. Is “No Data” a concern?”

Hannah Klein

No, I think, as noted, some facilities simply have fewer claims. PEPPER is designed to be an educational tool. Because of the reporting threshold, which requires at least 11 claims or episodes to meet the numerator criteria, there are no suggested actions at this time for facilities with “No Data.”

Dena Gregory

Another question: “How can I obtain initial access for the PEPPER Portal if I don't have an NPPES login?”

You'll have to work with your facility’s Authorized Official or Access Manager to obtain that login or to get access to the I&A system. You can go to the I&A system and follow the instructions listed there. We can also repost the information for contacting the EUS Help Desk for assistance with obtaining login credentials.

Harjinder Gill

Dena, there was a question about whether all these Q&As will be available in the FAQs. Yes, we will prepare the responses and post them on the PEPPER website under Training and Resources.

Dena Gregory

For everyone’s reference, the webinar slides are already posted on the website, so you can go there to check them out. If it says they’re unavailable, just check back in a few minutes because we have a lot of people accessing them at the same time.

Another question: ”Do we receive an email when the report is created?”

Emails are generated or sent to individuals who are registered in the I&A system as an Authorized Official, Access Manager, or Staff End User. If you’re interested in receiving an email when the report is available, you can email us at CMS_CBRPEPPER@cms.hhs.gov.

Another question: “With several changes in leadership, how do I know who our facility manager is to provide me access?”

You should be able to contact the EUS Help Desk to determine who can provide that information for your facility.

I will put the email in the chat to contact us, as well as the EUS Help Desk, for additional information.

Another question: “Is additional training available to understand the information if I’m new to this?”

At this time, we have the webinar that was just presented. As noted, it will be posted online along with the slides that are already posted. We also have the User Guide and a sample PEPPER posted on the website. If you have any additional questions, you can reach out to our Help Desk at cms_cbrpepper@cms.hhs.gov.

I see somebody has emailed the EUS Help Desk and has not received a reply. Please feel free to email the PEPPER Help Desk. We'll put the email address I just mentioned in the chat. You

can email us. We don't have access to the EUS and I&A information, but hopefully we can help connect you with someone.

Is there any other question that our team sees that I may have missed?

I'll turn it back to Jinder.

Harjinder Gill

Thanks, Dena. Thanks Hannah, Dawn, and Teresa.

If we did not get to your questions today, we will definitely respond to them, and please do email us.

If you have specific questions about your reports, please email us, and we can help you.

Before we close out, we have three quick calls to action.

First, please complete the webinar feedback survey. We do appreciate that feedback.

Second, if you need access to your organization's PEPPER, register for the Staff End User PEPPER business function in the I&A management system or work with your Authorized Official or Access Manager. Dena has talked a little bit about that.

Once you do have access, please download your PEPPER and use it to support your internal monitoring and review activities.

This does conclude today's webinar, and we appreciate you taking the time to join us today.

Thank you.