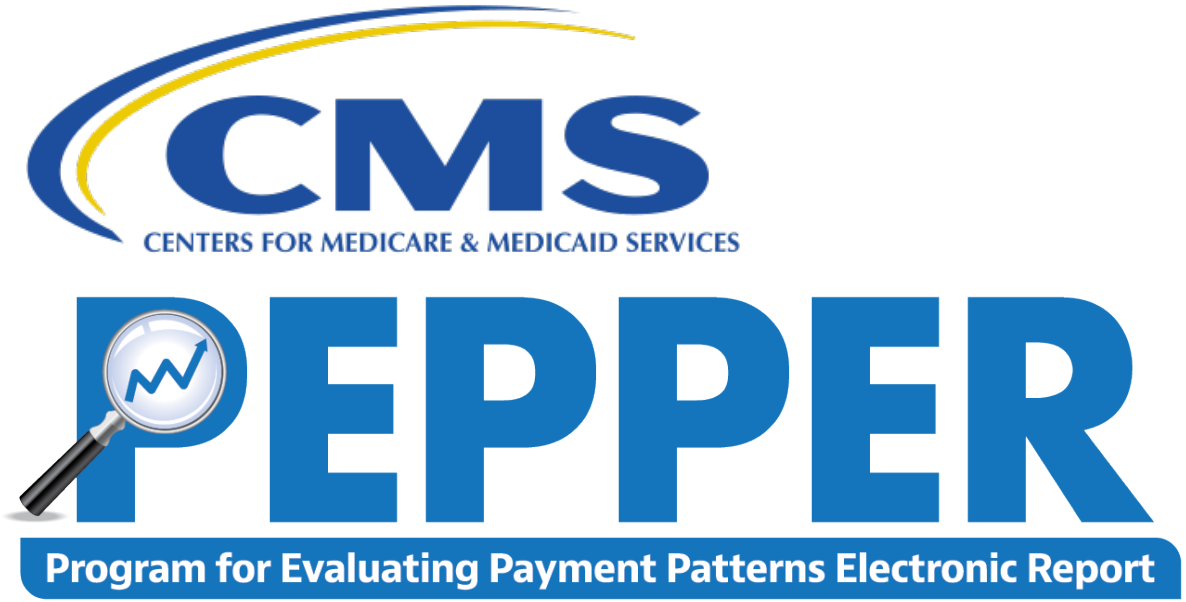

Hospice PEPPER FY 2025 Release Webinar

June 24, 2026

Thank you for joining today's presentation. We will begin momentarily.

Hospice PEPPER FY 2025 Release Webinar Agenda

- Welcome to today's presentation on the FY 2025 Hospice PEPPER.
- We will begin momentarily.
- All participants will be muted for the presentation. To submit a question, please enter your question in the Q&A box in Zoom.

1	**PEPPER Overview & Updates** *10 Minutes*
2	**Hospice PEPPER Review** *20 Minutes*
3	**Portal Access** *10 Minutes*
4	**Questions and Answers** *10 Minutes*
5	**Closing Remarks** *5 Minutes*

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PEPPER Overview

What Is a PEPPER?

- A Program for Evaluating Payment Patterns Electronic Report (PEPPER) is an electronic report that delivers facility-specific Medicare statistics for discharges and services vulnerable to improper payments.
- Each PEPPER includes statistics for the most recent federal fiscal years for each area at risk for improper payments ("target areas").
- The Hospice PEPPER released on June 3, 2026, provides data for FY 2023 through FY 2025.
- The Hospice PEPPER is generated only for hospices with sufficient data (more than 11 claims or episodes) for the target areas included in the report.

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PEPPER Purpose

How Can PEPPER Be Used?

- PEPPER encourages providers to review data about their billing practices to help ensure they submit accurate claims for payment.
- PEPPER provides a comparison of your facility's claims-data statistics against other hospices in your Medicare Administrative Contractor (MAC) jurisdiction, your state, and the nation.
- PEPPER provides education for providers on their payment patterns and their risk for improper payments.
- PEPPER can be used to strengthen compliance programs, prepare for audits, and improve documentation and care planning.
- Note: PEPPER does not identify improper Medicare payments.

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PEPPER Updates

What Has Changed?

- PEPPERs have been redeveloped, so beginning with the FY 2025 Hospice PEPPER, users may notice slight differences in their target area performance when compared with historical PEPPERs.
- The FY 2025 Hospice PEPPER reflects the removal of the Continuous Home Care (CHC) provided in an Assisted Living Facility (ALF) target area and updates to the categorization of terminal diagnoses categories using the Clinical Classification Software Refined (CCSR).
- This release marks the first Hospice PEPPER available through the new portal, which is accessible to users with the Staff End User (SEU) business function in the Identity & Access Management (I&A) System.
- Staff End Users should contact their Authorized Official (AO) or Access Manager (AM) to request access.

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PEPPER Target Areas

- PEPPERs display information on hospital payment patterns for specific areas identified as potentially at risk for improper Medicare payments, known as ***Target Areas***.
- These target areas were originally identified through Quality Improvement Organization reviews and Office of Inspector General studies.
- Target areas may change over time as MACs identify new risks, policy changes are implemented, etc.

Numerator

- Discharges identified as potentially problematic

Denominator

- The larger reference group that contains the numerator

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Hospice PEPPER Episodes

An episode of service is created from the claims submitted by a provider for each beneficiary as follows:

- All claims submitted by a hospice for a beneficiary are collected and sorted from the earliest “Claim From” date to the latest.
- If the latest claim in a series shows that the beneficiary was discharged or did not return for continued care within 60 days, that episode of service is assigned to the time/report period in which the latest “Through Date” falls.
- If there is a gap of more than 60 days between one claim’s “Through Date” and the next claim’s “From Date”, this marks the end of one episode of service and the beginning of a new episode.
- Each episode of service is included in the time/report period based on the latest “Through Date” within that episode.

Example set of claims for a single beneficiary:

Claim #	From Date	Through Date	Discharge Status	Episode
1	1/15/2023	1/31/2023	Still a patient	1
2	2/1/2023	2/20/2023	Discharged to home	1
3	3/1/2023	3/12/2023	Discharged to home	2
4	4/8/2023	4/30/2023	Still a patient	3
5	5/12/2023	5/31/2023	Discharged to home	3
6	9/10/2024	9/30/2024	Expired	4

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Hospice PEPPER Target Areas

Reported as a Percent

1. Live Discharges No Longer Terminally Ill
2. Live Discharges - Revocations
3. Live Discharges with LOS 61-179 Days
4. Long Length of Stay
5. Routine Home Care Provided in an Assisted Living Facility (ALF)
6. Routine Home Care Provided in a Nursing Facility (NF)
7. Routine Home Care Provided in a Skilled Nursing Facility (SNF)
8. Claims With Single Diagnosis Coded
9. No General Inpatient Care (GIP) or Continuous Home Care (CHC)
10. Long GIP Care Stays

Reported as a Rate

11. Average Number of Part D Claims Residing at Home
12. Average Number of Part D Claims Residing in an ALF
13. Average Number of Part D Claims Residing in a Nursing Facility
14. Average Number of Part B Claims Residing at Home
15. Average Number of Part B Claims Residing in an ALF, NF, or SNF

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Example: Live Discharges - Revocations

Target Area	Target Area Definition
Live Discharges - Revocations	**Numerator***:* Count of beneficiary episodes in which the patient was discharged alive by the hospice with occurrence code 42. Exclude episodes where the patient discharge status code is: • 40 (expired at home), • 41 (expired in a medical facility), or • 42 (expired, place unknown). **Denominator***:* Count of all beneficiary episodes ending during the report period (based on all claims billed for a beneficiary by that hospice).

Episode 1: Began 4/3/2024 and ended on 4/30/2024 when the patient was discharged to home (**patient status code 01**), no longer terminally ill (**no occurrence code**).

→ Applies to the denominator only for FY 2024.

Episode 2: Began 5/3/2024 and ended on 5/23/2024 when the patient chose to discharge home (**patient status code 01**), revoking the hospice benefit (**occurrence code 42**).

→ Applies to both the numerator and denominator for FY 2024 because the patient was discharged alive and occurrence code 42 is present.

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Example: Target Area Calculation

Benchmark	Target Area Percentage	If Target Area Percentage is Below?	If Target Area Percentage is Above?
National 80th Percentile	40.0%	Not an outlier	**High outlier**

Hospice	Target Area Discharge Count (Numerator)	Denominator Discharge Count (Denominator)	Target Area Percentage	Outlier Status
Hospice 1	173	1,289	**13.4%**	Not an outlier
Hospice 2	12	25	**48.0%**	**High outlier**
Hospice 3	10	15	*N/A – fewer than 11 episodes in numerator*	No Data

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Understanding PEPPER Percentiles

- **Compare Targets Report**
- Displays Target Area information for the most recent fiscal year
- Includes your hospice's percentile rankings
- Think of it as: *How does your hospice compare to others this year?*

Table 2 Compare Targets Report

Target	Number of Target Dischs	Percent/Rate	Hospice National %ile	Hospice Jurisdict. %ile	Hospice State %ile	Sum of Payments
Live Discharges - Revocations	16	9.8%	0.5	0.5	0.4	$351,430

- **Comparative Data Table**
- Displays National, Jurisdiction, and State information for the Target Area
- For example, a target area value of 36.0% or higher would be considered a high outlier in FY 2025 for Live Discharges - Revocations
- In this hospice's jurisdiction, however, that number drops to 17.6%

Table 6 Comparative Data for Live Discharges-Revocations

Time Period	National 80th Percentile	Jurisdiction 80th Percentile	State 80th Percentile	Target Area Percent
FY 2023	31.6%	14.7%	13.7%	11.2%
FY 2024	40.0%	15.9%	19.9%	8.8%
FY 2025	36.0%	17.6%	20.4%	9.8%

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Example Next Steps for a High Outlier – Live Discharges Revocation Target Area

Hospice is a High Outlier

Audit Cases

Conduct a detailed medical record review to identify cases where the decision to revoke hospice care was not appropriately documented.

Implement Intervention

Implement staff training to reinforce proper documentation practices, ensuring that a written statement from the beneficiary or their representative is included for all revocation cases.

Cases in which the beneficiary is no longer terminally ill should not be billed with occurrence code 42.

Follow Up

Conduct a follow-up review after six months to reassess any revocation cases lacking appropriate documentation.

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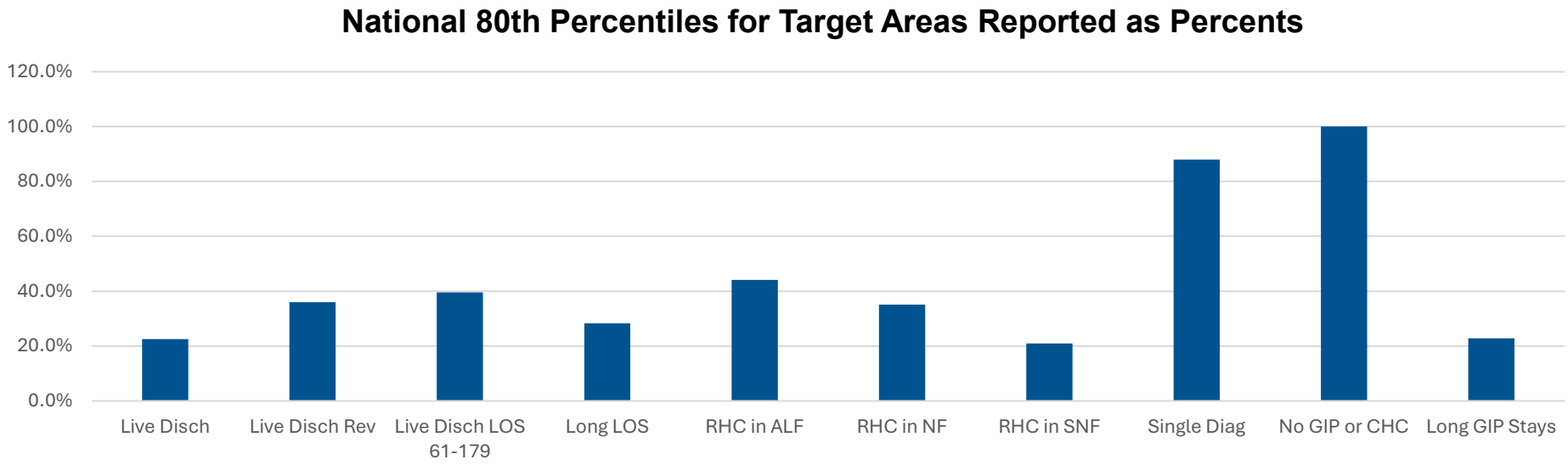
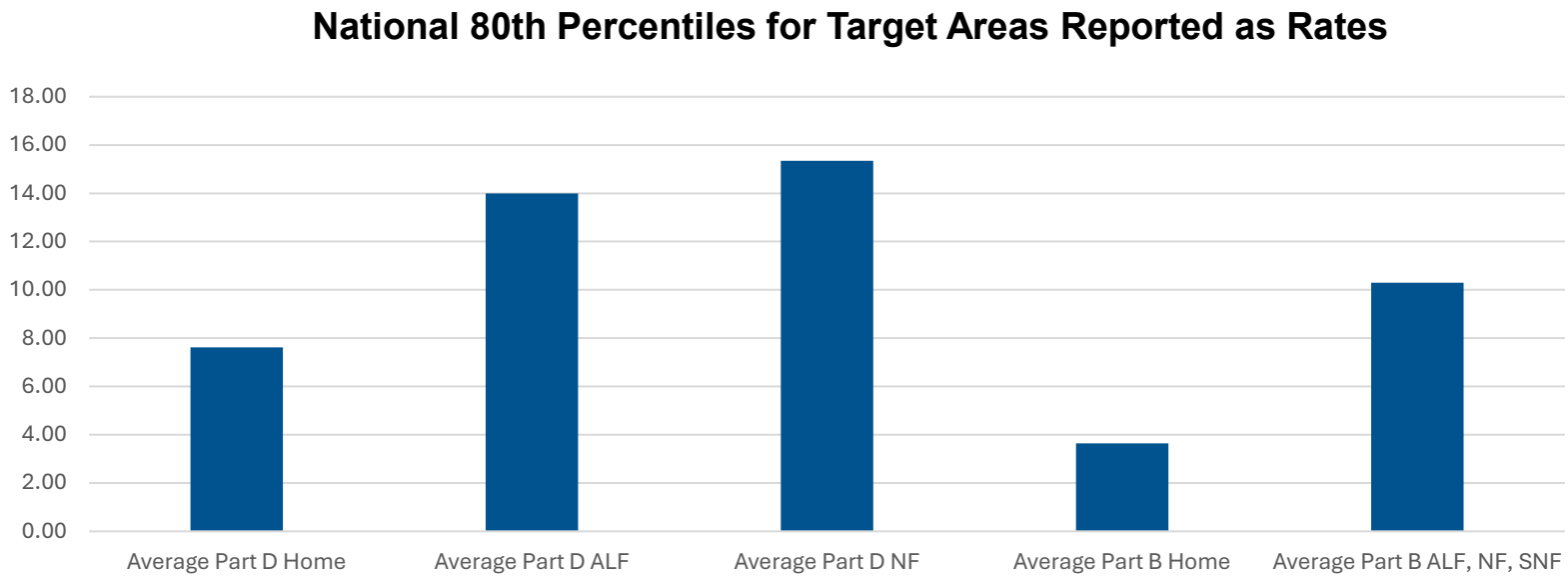
Hospice PEPPER FY 2025 Target Area National Percentiles





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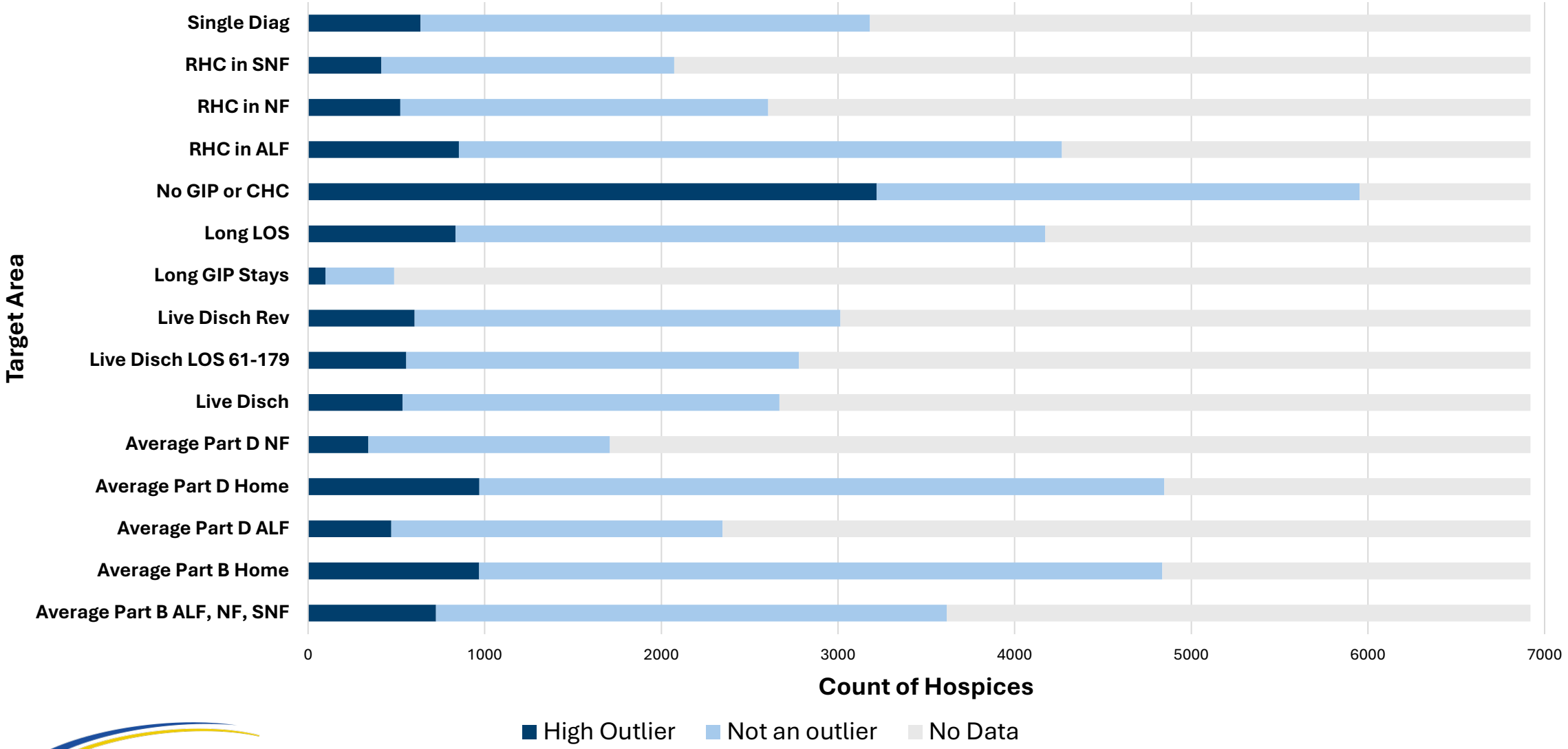
FY 2025 Hospice Outlier Status by Target Area



Tips for Using Your Hospice PEPPER

If your facility is a high outlier for a particular target area and fiscal year, consider the following actions:

- ✓Contact your compliance team to initiate a medical review of claims that meet the target area numerator criteria
- ✓Review eligibility documentation to ensure it supports hospice appropriateness
- ✓Evaluate hospice re-certification processes for completeness and timeliness
- ✓Assess physician narratives to confirm they support the level and continuation of care provided
- ✓Strengthen IDG documentation to reflect interdisciplinary decision-making and patient needs
- ✓Use PEPPER findings to guide staff education and updates to policies and procedures
- ✓Document all corrective actions taken in response to PEPPER results

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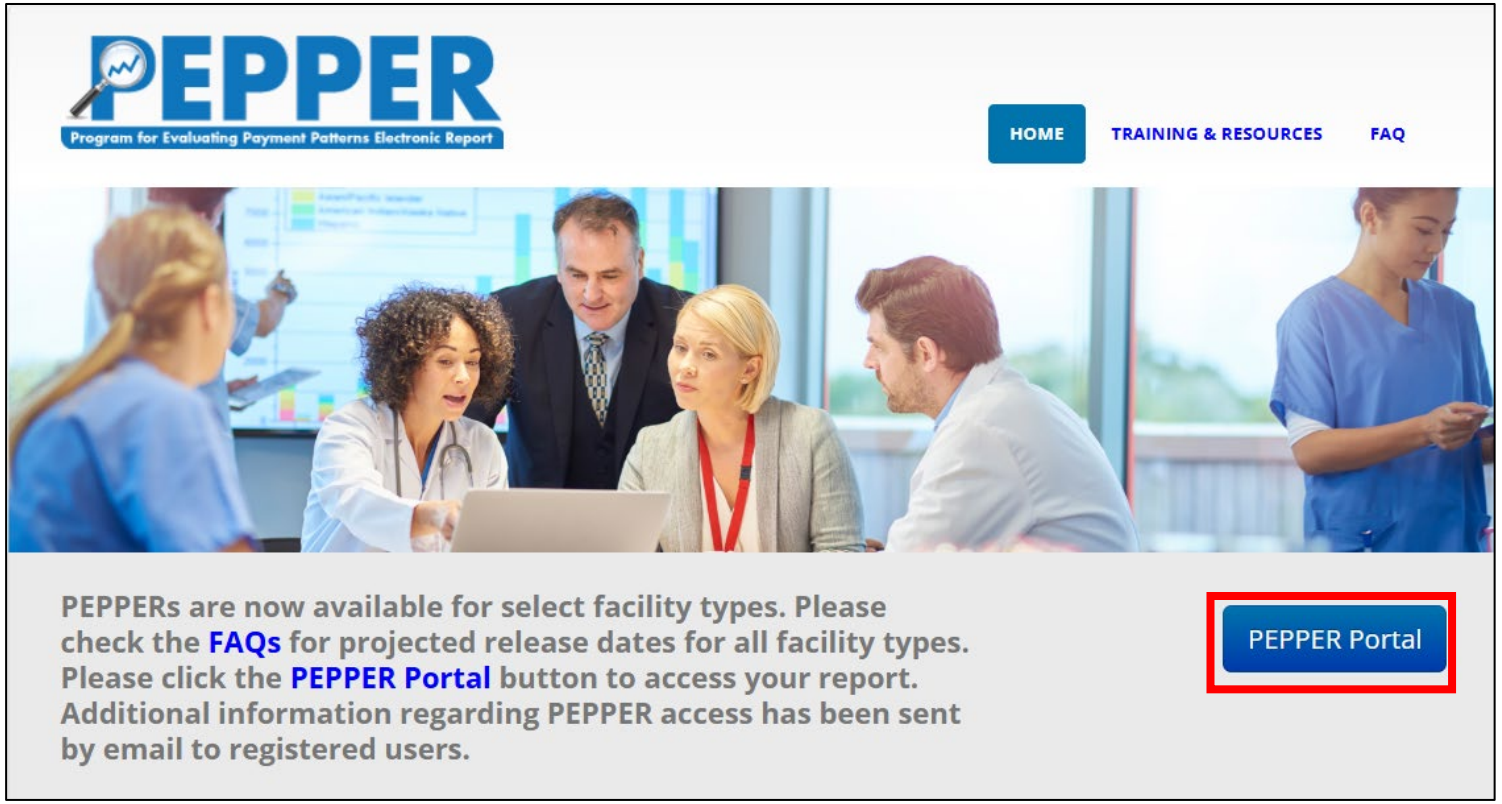
Sample PEPPER Review

Website Portal Overview

PEPPER Website

Visit the CMS PEPPER website for more information, including links to the following tools:

- **FAQs**
- **User Guide**
- **PEPPER Help Desk**



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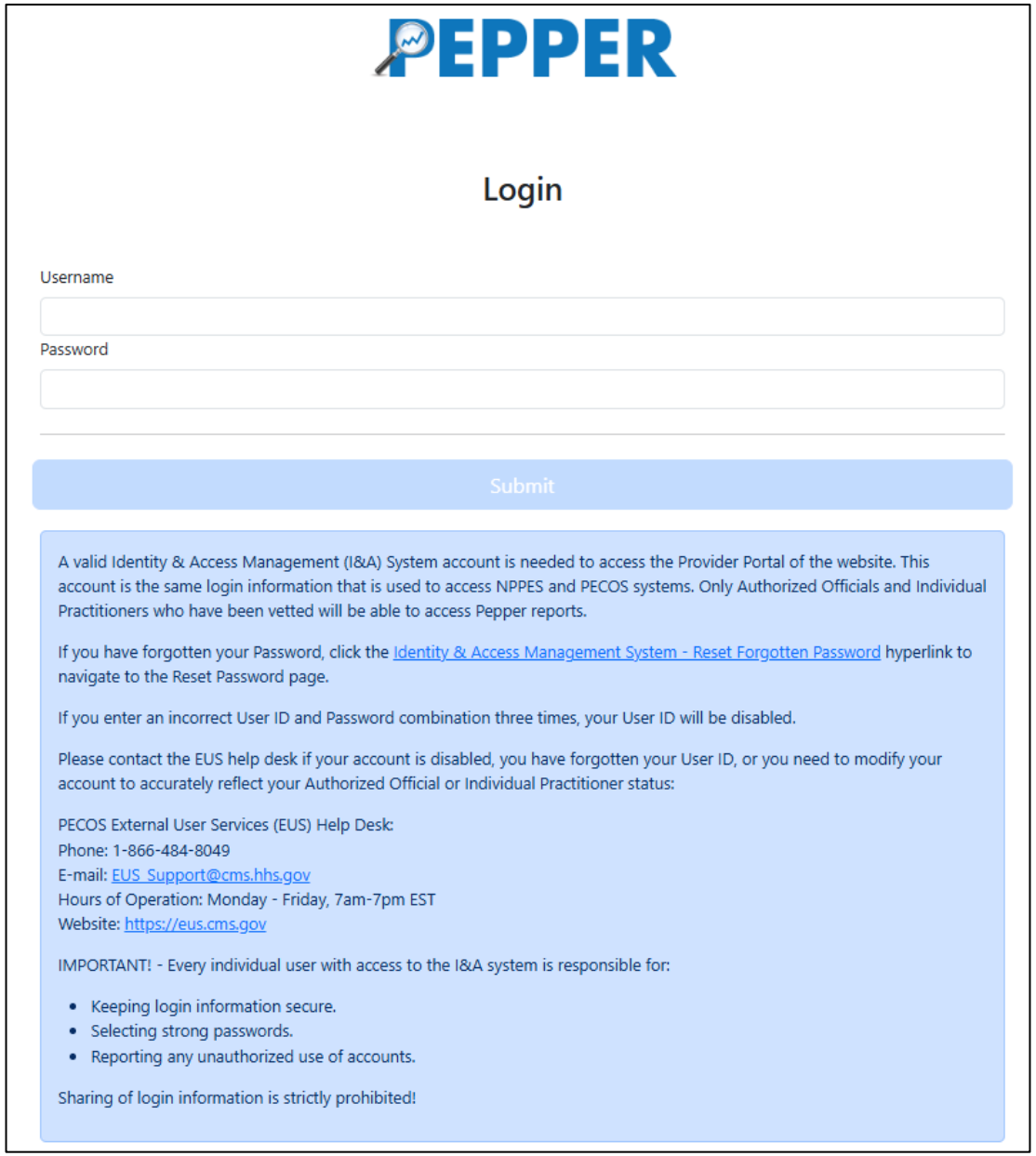
PEPPER Login Page



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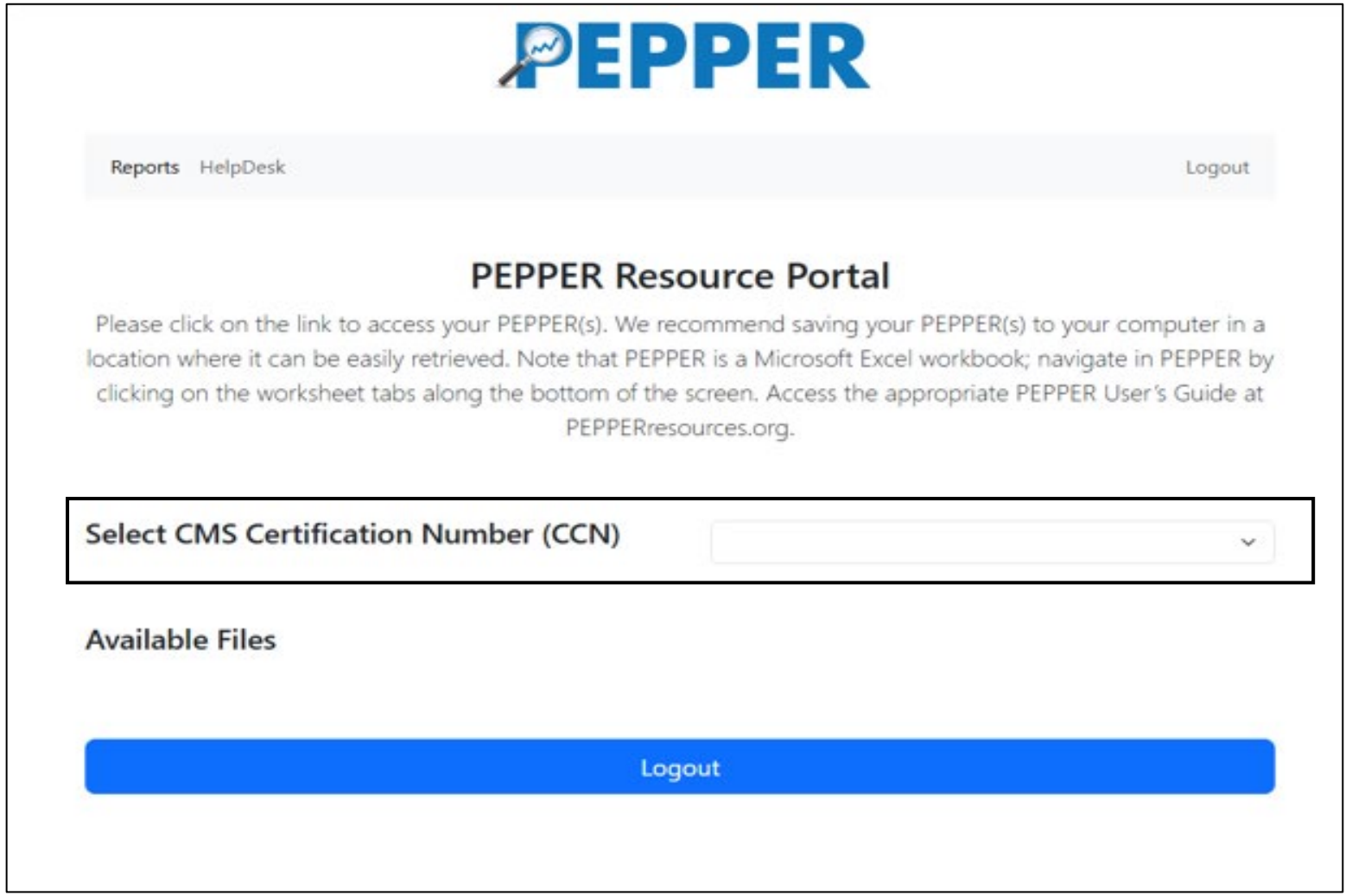
Accessing Your PEPPER: Select Your Organization



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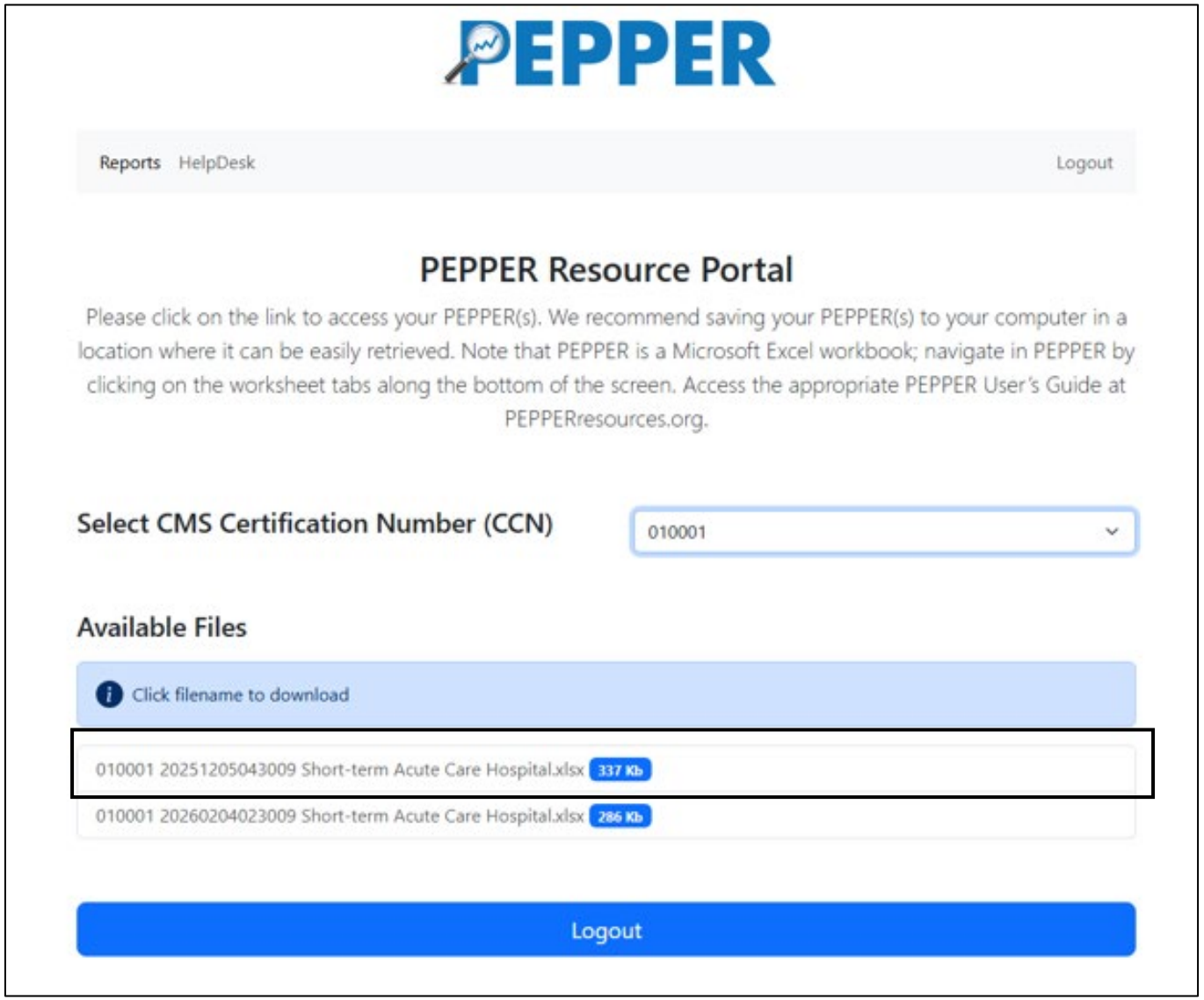
View and Download Your Available PEPPER



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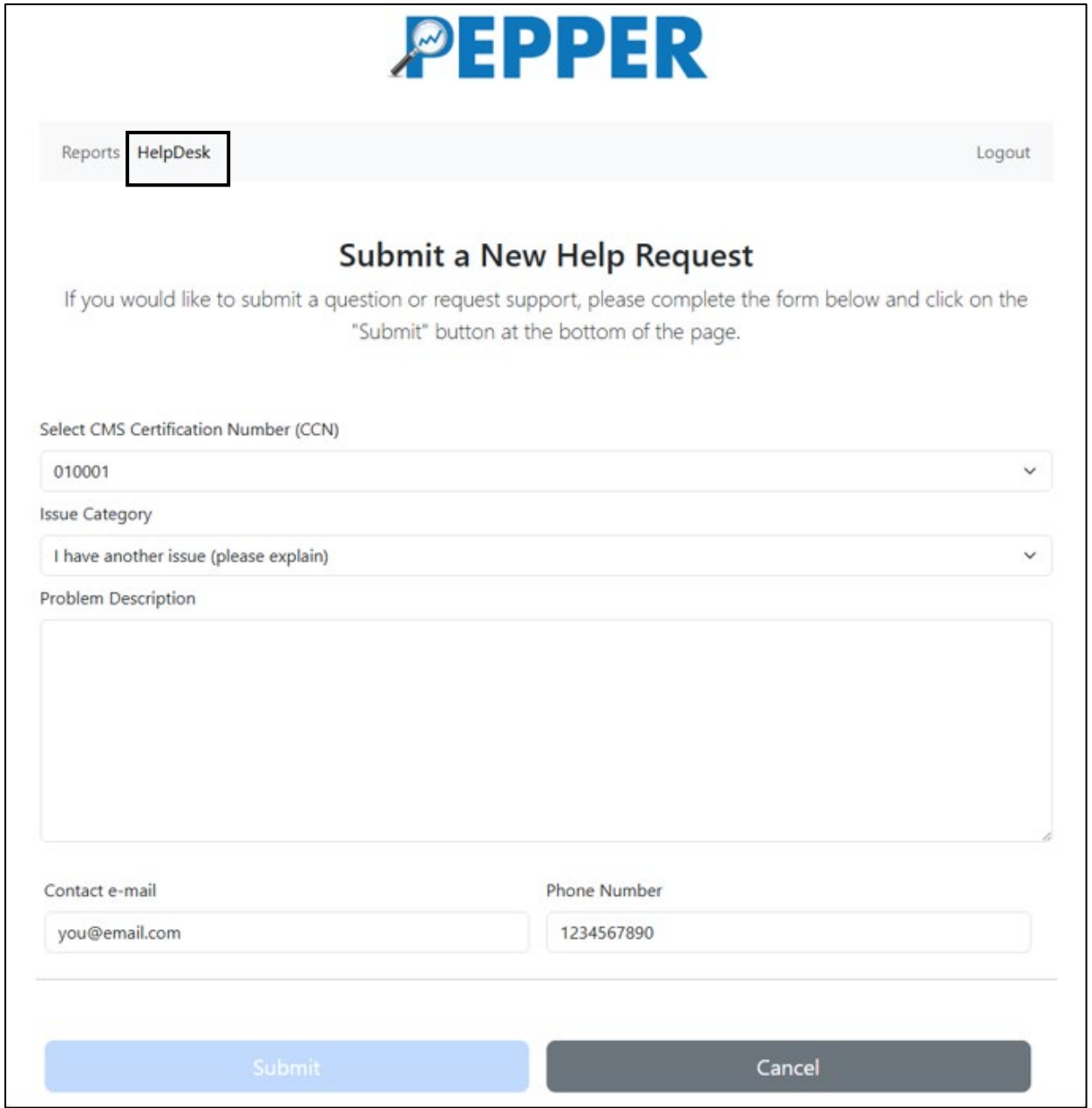
PEPPER Resources Portal Help Desk Request Form



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Questions & Answers

Call to Action

1. Complete the Webinar Feedback Survey
2. Register for the Staff End User (SEU) PEPPER Business Function
3. Download and Use Your PEPPER

This concludes our presentation. Thank you for joining us today!

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