



Michigan Skilled Nursing Facility Focuses on Episodes with Long Lengths of Stay

PEPPER supports their efforts to improve care, billing accuracy

Tuscola County Medical Care Community (TCMC) is a 159-bed skilled nursing facility (SNF) in Caro, Michigan that had a high percent of episodes that were 90-plus days in length, which raised questions and concerns. They were alerted to this situation after receiving their first PEPPER in 2013. Under the leadership of Brenda Kretzschmer, chief nursing officer (CNO); Margot Roedel, chief executive officer; and Maggie Root, chief financial officer/chief compliance officer, they embarked on a mission to reduce resident lengths of stay.

"We want to do what is best for our residents," said Ms. Kretzschmer. "We questioned whether these long stays were indicated."

The Program for Evaluating Payment Patterns Electronic Report (PEPPER) is an annual comparative data report that summarizes a SNF's Medicare claims data statistics for areas prone to abuse/improper Medicare payments.

TCMC formed a subcommittee of their corporate compliance committee known as the "PEPPER team," which was supported by the CFO (who also serves as the compliance officer) and their administrator. The core group includes department heads from billing, restorative nursing, therapy, minimum data set (MDS) coordinator and the CNO. Ms. Kretzschmer, who has been with TCMC for ten years, led the team. While initially focusing on long stays, as they researched this issue they found other issues that may have gone unnoticed if they had not initiated their PEPPER team.

The PEPPER team met monthly, initially, as they wanted to work at a fast pace to identify root causes and implement solutions. In addition to the question of whether beneficiaries needed skilled care the entire duration of their stay, they also focused on whether the residents needed therapy and to make sure that therapy was used as intended. For their first audit, they retrospectively reviewed three months of records for residents with long lengths of stay (LOS) (100 days, essentially where the benefit was exhausted).

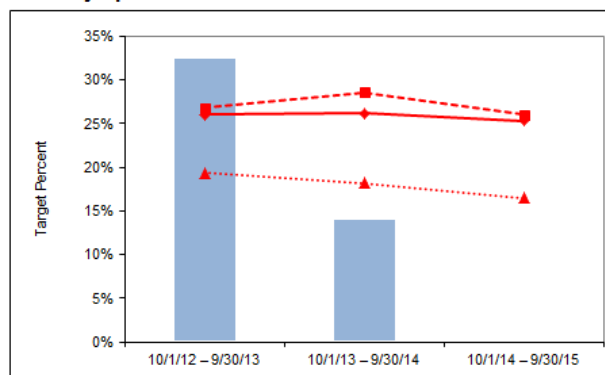
Ms. Kretzschmer commented that initially there was pushback from the contract therapy company. However, she noted, ultimately TCMC would be held liable if they authorized therapy when it was not indicated. TCMC "needed to drive the bus," she said. It was important to pull in people from higher up in the therapy company to participate in the PEPPER team. As the team reviewed findings from their internal audit, coordinated on root causes and brainstormed potential solutions, the therapy company came on board and was fully integrated into the team. Two main concerns were identified:

1. Not speaking the same language – for example, “assisted activities of daily living (ADL)” had different meanings for therapy vs nursing staff. In response, TCMC created a crosswalk to clarify/standardize language, and they educated internally the nursing and therapy staff (see [“Therapy Functional Levels/MDS ADL Self Performance Crosswalk”](#)).
2. TCMC staff were unsure what and to whom to communicate regarding restorative therapy. In response, TCMC established an internal “help desk” to handle questions/issues, to determine if TCMC staff could handle the needs or if a therapy referral was indicated.

“We have traveled the PEPPER path together to educate staff on documentation, assurance of appropriate utilization of therapy services, length of stay, wheelchair exercises and ambulation of all residents who are capable, range of motion, etc.” notes Ms. Kretzschmer. “Our payment success has risen dramatically, we have reduced the length of stay for short term rehab, kept more residents from rebounding back into therapy and improved overall communication across departments. Our committee now meets bimonthly and as needed. We are pleased with the results to date and have no plans to dissolve our group.”

Though there is a lag time for statistics to be incorporated into PEPPER, the results of their efforts are clearly visible as their percent of episodes with 90+ LOS has decreased dramatically:

90+ Day Episodes of Care



In addition to being reviewed with the PEPPER team, PEPPER is shared with their quality assurance and performance improvement (QAPI) committee, as well as with their board.

What advice does Ms. Kretzschmer offer to someone just starting to review PEPPER? – “Don’t be afraid of the data. Involve people who would best understand the data from different viewpoints, such as the CFO, compliance department, etc. Keep an open mind.”

For more on PEPPER, visit PEPPERresources.org.

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