# What is 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, jurisdiction, and the state.

PEPPER cannot identify improper Medicare payments!

# History of PEPPER

**2003** — TMF developed PEPPERs for short-term acute care hospitals (STACHs) and, later, long-term acute care hospitals; they were provided by Quality Improvement Organizations (QIOs) through 2008.

**2010** — TMF began distributing PEPPERs to all providers in the nation, and TMF developed PEPPERs for other provider types: critical access hospitals, inpatient psychiatric facilities, and inpatient rehabilitation facilities (2011); hospices and partial hospitalization programs (2012); skilled nursing facilities (2013); and home health agencies (2015).

**2018** — The Centers for Medicare & Medicaid Services (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.

# Why are providers receiving a PEPPER?

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.

# Why Should You Be Interested?

- Providers are under focus:
  - Office of Inspector General Work Plan
  - Recovery Auditors, Medicare Administrative Contractors, Supplemental Medical Review Contractors, etc.
- Would you like to know if your statistics might be a **red flag** to auditors?