



PEPPER Sessions Chapter 2 Data Hospice

During this session, I'm going to talk about the data that are summarized in the hospice PEPPER. The PEPPER statistics are calculated based on traditional Part A Medicare fee-for-service claims, as identified from the UB-04 claim that's submitted to the Medicare Administrative Contractor for reimbursement. We identify these claims for inclusion in the PEPPER based on specific inclusion criteria, which are listed here on this slide.

The claims must be final action claims submitted by the hospice. The Medicare claim payment amount must be greater than \$0. Now, we do include Medicare secondary payer claims, as long as the Medicare claim payment amount is also greater than \$0. We do not include HMO claims. That would be Medicare Advantage, Medicare Replacement. Those are not included in the PEPPER. And we also exclude canceled claims. I would encourage you to refer to the PEPPER User's Guide, which is available at PEPPER.CBRPEPPER.org for data specifications related to these criteria. And it is important to consider these inclusion criteria if you are attempting to identify your hospice's episodes that are summarized in the PEPPER.

When you look at your PEPPER, you'll notice that the statistics are organized in three 12-month time periods. And that's based on the federal fiscal year. The federal fiscal year runs October the 1st through September the 30th. So, the statistics that are summarized in the Q4FY19 release, they represent hospice episodes of service or claims that end between October the 1st, 2016, and September the 30th, 2019, representing, again, fiscal years 2017, 2018, and 2019. With each release of the PEPPER, the oldest fiscal year rolls off as we add on the newest fiscal year. And each time we generate a PEPPER, we refresh the statistics for all of the time periods included in that release. We download all the claims data for all of those time periods. So, it is possible that there might be slight changes in the numerator or denominator counts for prior time periods if there were late claims submitted for that year or if there were adjustments made to claims, again, during that period. It's also possible that the percentile values might change slightly one release to the next.

In the hospice PEPPER, some of the target areas statistics are claims-based, and they would represent claims that end in the respective fiscal year. Some other of the target areas in the hospice PEPPER report on services provided to a beneficiary whose episode of service ends during that fiscal year. We create episodes of service from the claims data submitted by hospice for each of those beneficiaries.

So, what exactly is an episode of service? Let me take a few minutes to talk about how we identify and create a hospice episode of service, which is intended to represent a beneficiary's course of treatment for the purposes of summarizing the hospice claims data in the PEPPER. To create an episode of service, we start out by taking all of the claims submitted by the hospital—excuse me, by the hospice for a beneficiary over a five-year time period. And we sort them from the earliest "Claim From" date to the latest. If the latest, or the last, claim in a series indicates that the beneficiary was discharged or did not return for continued care, then we identify that if there is a claim, from the first to the last, as an episode. And we count that beneficiary's episode in the fiscal year in which it ended, which is when the last "Through Date" falls.

Now, if there is a gap between one claim's "Through Date" and the next claim's "From Date" of more than 60 days, this would count as the ending of one episode and the beginning of a new episode. If the latest claim in a series ends in the last month of the latest time period, which is September 2019 for the Q4FY19 PEPPER, and that claim indicates that the beneficiary was still a patient, then that beneficiary's episode is not included because the beneficiary is still receiving treatment. That episode would be counted in a future PEPPER in the time period in which it ends. When we're analyzing claims data to identify episodes of service that end in a fiscal year, we collect the claim for two years prior to each time period to assess longer lengths of stay. That means that the fiscal year 2017 time period would include claims data for beneficiary episodes as far back as October 1, 2014.

Here we have an example of claims submitted from one hospice for one beneficiary, to show you how episodes are identified. You can see from the first column that these are all for the same beneficiary, Beneficiary A. We've numbered the claims submitted by the hospice in the second column. So, you can see that the hospice submitted 14 claims for this beneficiary over a span of about 18 months. The next two columns represent the "from" and "through" dates, followed by the day count per claim. Next, we've calculated the gap in days between claims. And the last column identifies the episode of service. So, you can see that the first nine claims here are combined to form one episode, because there was not a gap of 60 or more days between any of those claims. However, there was a gap of 196 days between claims 9 and claim 10. So claim 10 represents the beginning of a new hospice episode for this beneficiary. The first episode ends April the 3rd, 2018, and would be counted in the fiscal year 2018 time period. The second episode ends February the 12th, 2019, and it would be counted in the fiscal year 2019 time period.

While we're talking about the data in the PEPPER, I do want to make you aware of a restriction imposed on us by CMS, which requires that we suppress hospice statistics from being displayed when the numerator or denominator count is less than 11 for a target area in any time period. When the numerator or denominator count is less than 11, the PEPPER will display a blank cell for that particular time period. And it might appear that there is data missing in the PEPPER. In some cases, entire target area reports may not have any data. In addition, state percentiles will not be calculated if there are fewer than 11 hospices in a state with reportable data for the target area and time period. State percentiles would not be reported in this instance, and you would see a blank cell. So, if you see missing data in your PEPPER as in the example images here, either in the graph, the data table, or in the comparison data table, it is due to this data restriction, and not in any—is not an error in the PEPPER itself. I should add that it's possible that a hospice does not have a PEPPER available. This would occur if the numerator count was less than 11 for all of the target areas and all of the time periods included in the PEPPER. So, there are some hospices that will not have a PEPPER available.

One question we do receive occasionally is why the statistics in the PEPPER seem to be so old. In order to ensure that all the data in the very last month of the fiscal year are reasonably complete, about 95% complete, the downloading of the claims data to analyze for inclusion in the report has to wait four months after the most recent month in a fiscal year. This allows the statistics to be more accurate in that latest time period. So, the data for fiscal year ending September 30th are downloaded at the end of the

following January. Data processing, quality checks, report production, and distribution require an additional three months.

Sometimes, hospices may be interested in calculating their own statistics internally between PEPPER releases in order to monitor, perhaps, effects of their intervention. That is certainly something that we encourage. And I would also encourage hospices to utilize the same claims inclusion criteria, which we covered earlier in this session, as well as the numerator and denominator definition for the target area that they're interested in.