

CAH Improper Payment Risks

- PEPPER does not identify improper payments.
- CAHs are reimbursed based on cost rather than diagnosis-related group (DRG).
- CAHs treat many of the same types of patients that STACHs do.
- CAH can be at risk for unnecessary admissions.
- Coding errors do not impact CAH reimbursement; however, correct coding is important.
- Most of the CAH PEPPER target areas are the same as those for STACHs.

Target Area

- Area identified as potentially at risk for improper payments
- Focused on unnecessary admissions/services and coding or billing errors coding issues
- Constructed as a ratio:
 - Numerator = discharges identified as potentially problematic (likely to be miscoded or admitted unnecessarily)
 - Denominator = larger reference group that contains the numerator

CAH PEPPER Target Areas

- *Stroke Intracranial Hemorrhage*
- *Respiratory Infections*
- *Simple Pneumonia*
- *Septicemia*
- *Medical DRGs with CC or MCC*
- *Surgical DRGs with CC or MCC*
- *Single CC or MCC*
- *Chronic Obstructive Pulmonary Disease*
- *Three-Day Skilled Nursing Facility-Qualifying Admissions*
- *Swing Bed Transfers*
- *30-Day Readmissions to Same Hospital Or Elsewhere*
- *30-Day Readmissions to Same Hospital*
- *Two-Day Stays for Medical DRGs*
- *Two-Day Stays for Surgical DRGs*
- *One-Day Stays for Medical DRGs*
- *One-Day Stays for Surgical DRGs*

CAH PEPPER Coding Target Areas

Target Area	Target Area Definition
Stroke Intracranial Hemorrhage	<i>N</i> : count of discharges for DRGs 061, 062, 063, 064, 065, 066 <i>D</i> : count of discharges for DRGs 061, 062, 063, 064, 065, 066, 067, 068, 069
Respiratory Infections	<i>N</i> : count of discharges for DRGs 177, 178 <i>D</i> : count of discharges for DRGs 177, 178, 179, 193, 194, 195
Simple Pneumonia	<i>N</i> : count of discharges DRGs 193, 194 <i>D</i> : count of discharges for DRGs 190, 191, 192, 193, 194, 195
Septicemia	<i>N</i> : count of discharges for DRGs 870, 871, 872 <i>D</i> : count of discharges for DRGs 689, 690, 870, 871, 872

CAH PEPPER Coding Target Areas, 2

Target Area	Target Area Definition
Medical DRGs with CC/MCC	<i>N</i> : count of discharges for medical DRGs with a CC or MCC <i>D</i> : count of discharges for medical DRGs
Surgical DRGs with CC/MCC	<i>N</i> : count of discharges for surgical DRGs with a CC or MCC <i>D</i> : count of discharges for surgical DRGs
Single CC/MCC	<i>N</i> : count of discharges with one CC or MCC coded on the claim <i>D</i> : count of discharges with one or more CC or MCC coded on the claim

CAH PEPPER Admission Target Areas

Target Area	Target Area Definition
Chronic Obstr. Pulmonary Disease	<i>N</i> : count of discharges for DRGs 190, 191, 192 <i>D</i> : count of all discharges for medical DRGs in MDC 04 (respiratory system) (DRGs 175 through 208)
3-day SNF	<i>N</i> : count of discharges to a SNF with a three-day length of stay <i>D</i> : count of all discharges to a SNF
Swingbed Transfers	<i>N</i> : count of discharges with a LOS of 3 or 4 days with patient discharge status code 61 or 89 <i>D</i> : count of discharges with a LOS of 3 or 4 days

CAH PEPPER Admission Target Areas, 2

Target Area	Target Area Definition
30-day Readmissions To Same/Else	<p><i>N</i>: count of index admissions for which a readmission occurred within 30 days to the same hospital or to another short-term acute care PPS hospital; patient discharge status of the index admission is not equal to 02 , 82, 07; see guide for additional specifications</p> <p><i>D</i>: count of all discharges excluding patient discharge status 02, 82, 07, 20</p>
30-day Readmissions To Same	<p><i>N</i>: count of index admissions for which a readmission occurred within 30 days to the same hospital; patient discharge status of the index admission is not equal to 02, 82, 07; see guide for additional specifications</p> <p><i>D</i>: count of all discharges excluding patient discharge status 02, 82, 07, 20</p>

CAH PEPPER Admission Target Areas, 3

Target Area	Target Area Definition
Two-day Stays Medical DRGs	<i>N</i> : count of discharges for medical DRGs with a length of stay equal to two days, excluding patient discharge status codes 02, 20, 07, 82, excluding claims with occurrence span code 72 (identifying outpatient time associated with an inpatient admission) with “through” date on or day prior to inpatient admission <i>D</i> : count of discharges for medical DRGs, excluding claims with occurrence span code 72 with “through” date on or day prior to inpatient admission
Two-day Stays Surgical DRGs	<i>N</i> : count of discharges for surgical DRGs with a length of stay equal to two days, excluding patient discharge status codes 02, 20, 07, 82, excluding claims with occurrence span code 72 with “through” date on or day prior to inpatient admission <i>D</i> : count of discharges for surgical DRGs, excluding claims with occurrence span code 72 with “through” date on or day prior to inpatient admission

CAH PEPPER Admission Target Areas, 4

Target Area	Target Area Definition
One-day Stays Medical DRGs	<p><i>N</i>: count of discharges for medical DRGs with a length of stay equal to one day, excluding patient discharge status codes 02, 20, 07, 82, excluding claims with occurrence span code 72 with “through” date on or day prior to inpatient admission</p> <p><i>D</i>: count of discharges for medical DRGs, excluding claims with occurrence span code 72 with “through” date on or day prior to inpatient admission</p>
One-day Stays Surgical DRGs	<p><i>N</i>: count of discharges for surgical DRGs with a length of stay equal to one day, excluding patient discharge status codes 02, 20, 07, 82, excluding claims with occurrence span code 72 with “through” date on or day prior to inpatient admission</p> <p><i>D</i>: count of discharges for surgical DRGs, excluding claims with occurrence span code 72 with “through” date on or day prior to inpatient admission</p>