

Q4FY22 Hospice PEPPER Review

TO: NHPCO Provider and State Members

FROM: NHPCO Regulatory Team

On April 5, 2023, the RELI Group, the CMS contractor for the Program for Evaluating Payment Patterns Electronic Report (PEPPER) released the Q4FY22 Hospice PEPPER. Each Hospice PEPPER summarizes claims data statistics (obtained from paid hospice Medicare UB-04 claims) for the most recent three federal fiscal years (the federal fiscal year spans October 1 through September 30). A hospice is compared to other hospices in three comparison groups:

- Nation
- MAC jurisdiction
- State

These comparisons enable a hospice to determine whether its results differ from other hospices and if it is at risk for improper Medicare payments.

Two new target measures have been added:

- Average Number of Medicare Part B Claims for Beneficiaries Residing at Home
- Average Number of Medicare Part B Claims for Beneficiaries Residing in an Assisted Living Facility, Nursing Facility, or Skilled Nursing Facility

The PEPPER contractor describes the reason for adding these two target measures:

Medicare could pay for the same items or services twice if nonhospice items and services are billed to Medicare when they should be covered by hospices. In February 2022, the OIG published "[Medicare Payments of \\$6.6 Billion to Nonhospice Providers Over 10 Years for Items and Services Provided to Hospice Beneficiaries Suggest the Need for Increased Oversight](#)" (A-09-20-03015).

In this report, it is noted that CMS confirmed "its 'long-standing position [is] that services unrelated to the terminal illness and related conditions should be exceptional, unusual and rare given the comprehensive nature of the services covered under the Medicare hospice benefit' (84 Fed. Reg. 38484, 38506 [Aug. 6, 2019]). All hospice-related services must be provided directly by the hospice or under arrangements with the hospice (42 CFR §§ 418.64 and 418.70)."

These PEPPER target areas were approved by CMS because they have been identified as being potentially at risk for improper Medicare payments.

Q4FY22 HOSPICE PEPPER REVIEW WEBINAR

When: Tuesday, May 9, 2023, 3 – 4 p.m. ET

What: A WebEx presented by the RELI Group

Topic: This webinar will include the history/background of PEPPER, a high-level review of the target areas, a walk-through of a sample PEPPER, and guidance for accessing the PEPPER.

[Register Here](#)

DOWNLOAD YOUR HOSPICE PEPPER:

PEPPERS are available via [PEPPER Resources Portal](#) and can be accessed by the provider’s Chief Executive Officer, President, Administrator, Compliance Officer, or Quality Assurance/Performance Improvement Officer.

Provider Type	Portal Access
Hospices	<p>Requestors will be required to enter their six-digit CMS certification number (i.e., CCN, provider number, PTAN).</p> <ul style="list-style-type: none"> • The third digit of this number will be a “1.” • For <i>Hospice</i> PEPPER (version Q4FY22) — available on or around April 5, 2023 — requestors will be required to enter a validation code. This will be either a patient control number (found at form locator 03a on the UB-04 claim form) or a medical record number (found at form locator 03b on the UB-04 claim form) for a traditional Medicare Part A Fee-for-Service patient who received services from July 1, 2022, through Sept. 30, 2022 (“from” or “through” dates on a paid claim). • Additionally, as a second option, a contact from the Provider Enrollment, Chain, and Ownership System (PECOS) will be sent an email and provided with a validation code to use to access the PEPPER from the portal. The validation code may be shared with others in the hospice as deemed appropriate.

Why the Hospice PEPPER is important: By downloading the provider’s hospice PEPPER, a hospice can determine whether its results differ from other hospices and whether it is at risk for improper Medicare payments. PEPPER identifies areas at risk for improper Medicare payments based on a control limit for all target areas is the national 80th percentile.

In recent years, the hospice PEPPER download rate has been in the 60 percent range. Hospices who have not downloaded their PEPPER do not have the necessary knowledge and comparisons to adjust their practices and remain below the national 80th percentile. Downloading your PEPPER may also avoid audits in the future. A hospice provider can also view a series of [data resources](#) which can provide more detailed information on the data behind the target measures.

PLEASE [download](#) your hospice’s PEPPER today!