

## What is PEPPER?

PEPPER is sponsored by the Centers for Medicare & Medicaid Services (CMS) and is an educational tool available to help providers proactively monitor their claims data and work to prevent improper Medicare payments. PEPPER summarizes one provider’s Medicare claims data statistics in areas that have been identified as at risk for improper Medicare payments. It identifies when their statistics are different from most providers in the nation, which may represent an increased risk for improper payments. PEPPER can support an agency’s government compliance efforts by helping them identify where they are an “outlier” so they can self-monitor billing practices and focus auditing and monitoring efforts.

PEPPER is available for short-term (ST) acute care hospitals, long-term (LT) acute care hospitals, critical access hospitals (CAH), inpatient rehabilitation facilities (IRF), inpatient psychiatric facilities (IPF), hospices, partial hospitalization programs (PHP), skilled nursing facilities (SNF) and home health agencies (HHA).

## Where do the data in PEPPER come from?

The PEPPER statistics are calculated from traditional Medicare fee-for-service claims data, which are obtained through the CMS data repository. Please see the respective PEPPER user’s guide for specifications on which claims are eligible for inclusion in the PEPPER.

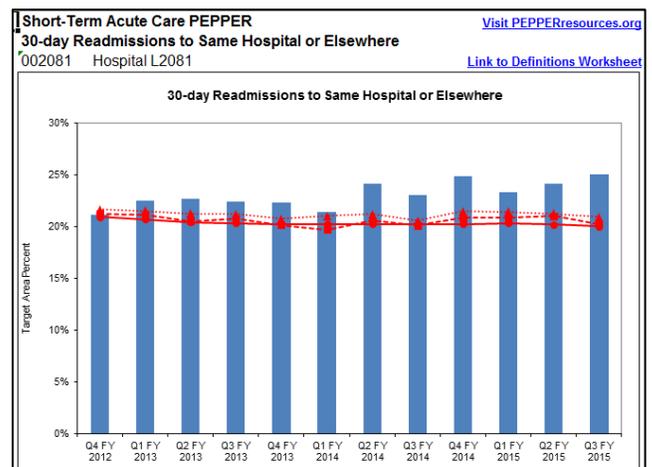
## How is PEPPER data used?

Providers are not required to use their PEPPER or to take any action in response to their PEPPER. However, if they are identified as an “outlier” for any of the areas in the PEPPER, they are encouraged to take a closer look to determine if their statistics are expected, given their patient population, treatment focus and/or external health care environment. Providers are encouraged to audit a sample of records to ensure that documentation supports services billed and that care is necessary and in accordance with CMS regulations/payment policy.

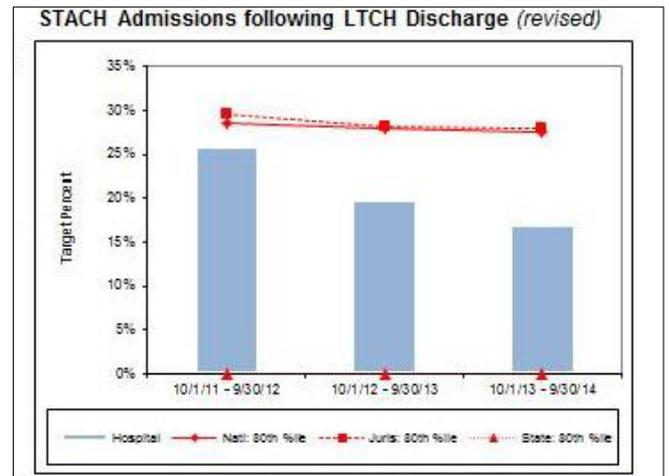
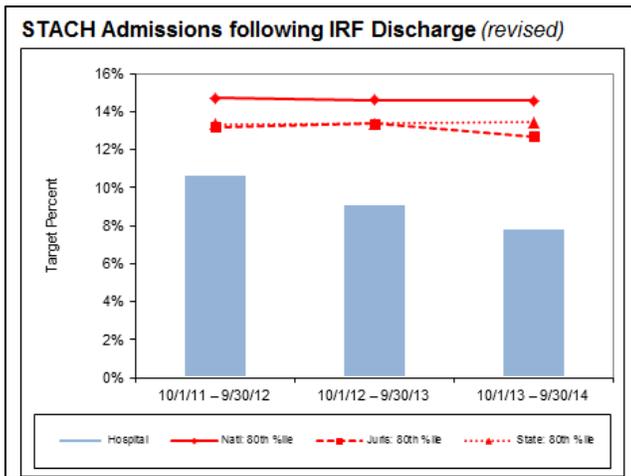
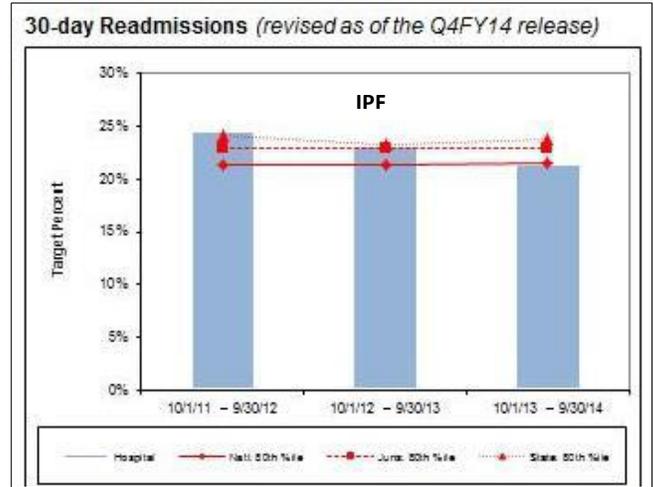
## How can PEPPER support efforts to reduce acute care hospital readmissions?

The ST PEPPER is released on a quarterly basis, which allows providers to monitor their statistics on an ongoing basis (other types of PEPPERs are release annually). The ST, LT, CAH, IPF and IRF reports include target areas that are related to readmissions or acute care hospital admissions following discharge:

- The ST PEPPER identifies the percent of Medicare beneficiaries readmitted to the same and to the same/another acute care hospital within 30 days of discharge. *Note:* the PEPPER readmission statistics are not calculated in the same way as the inpatient quality reporting statistics are calculated; see the ST PEPPER User’s Guide for additional information.
- The LT PEPPER identifies the percent of Medicare beneficiaries readmitted to the same/another LT hospital within 30 days of discharge; see the LT PEPPER User’s Guide for additional information.



- The IPF PEPPER identifies the percent of Medicare beneficiaries readmitted to the same/another IPF within 30 days of discharge; see the IPF PEPPER User’s Guide for additional information.
- The LT and IRF PEPPERs each include a target area that identify the percent of Medicare beneficiaries discharged from the provider that are admitted to a ST acute care hospital within 30 days of discharge (see the LT and IRF PEPPER User’s Guides for additional information).



### How can I learn more?

Visit [PEPPERresources.org](http://PEPPERresources.org) to access the PEPPER User’s Guides, recorded PEPPER training sessions and view a sample PEPPER. Click on the Distribution Schedule to learn when the next PEPPER release will be completed and how to access your PEPPER. [Join the email list at PEPPERresources.org](http://PEPPERresources.org) to receive notifications of upcoming training opportunities and report distribution. If you have questions or comments about PEPPER or need help obtaining your report, visit our [Help Desk](#) to request assistance.



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