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Using Data Analysis in Your Compliance Program

HCCA Philadelphia
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Disclaimer

- Opinions expressed are my own and do not represent any guarantees, warranties or endorsements by the University of Pennsylvania or its Trustees

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- Penn Medicine offers comprehensive clinical services throughout the greater Philadelphia region
- Practice Plans
  - Clinical Practices of the University of Pennsylvania
  - Clinical Care Associates
- Hospitals
  - Chester County Hospital
  - Hospital of the University of Pennsylvania *(the nation's first teaching hospital)*
  - PENN Presbyterian Medical Center
  - Pennsylvania Hospital *(the nation's first hospital)*
  - Lancaster General Health
  - Princeton Health CareSystem
- Home Care & Hospice Services
  - PENN Care at Home / PENN Home Infusion Therapy
  - Wissahickon Hospice

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Learning Objectives

- Identify industry benchmarking tools
  - Publicly available data
  - Entity specific
  - MedPar
- Utilize data analytics & data sources to identify risk areas & manage scarce resources

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Partial Listing of Benchmarking Data

- American Hospital Directory (ahd.com)
- Inpatient and outpatient hospital statistics
- Program for Evaluating Payment Patterns Electronic Report (PEPPER)
- MGMA productivity analysis
- Vizient – AAMC Faculty Practice Solutions Center (FPSC)

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University of Pennsylvania Health System
Office of Billing Compliance & Review Services

American Hospital Directory (ahd.com)

- Readily available public information
- Data includes but not limited to:
  - Total patient revenue, discharges & patient days
  - Number of Medicare inpatients by specialty with corresponding ALOS & average charges
  - Outpatient utilization statistics with highest paid APCs

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University of Pennsylvania Health System
Office of Billing Compliance & Review Services

Name and Address:	**Mount Nittany Medical Center** 1800 East Park Avenue State College, PA 16803
Telephone Number:	(814) 231-7000
Hospital Website:	www.mountnittany.org/medical-facili...
CMS Certification Number:	390268
Type of Facility:	Short Term Acute Care
Type of Control:	Voluntary Nonprofit, Other
Total Staffed Beds:	260
Total Patient Revenue:	$1,030,134,956
Total Discharges:	13,652
Total Patient Days:	51,881
TPS Quality Score:	35.44
Patient Experience Rating:	★★★★☆

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Inpatient Utilization Statistics by Medical Service

Definitions

	Number Medicare Inpatients	Average Length of Stay	Average Charges	Medicare Case Mix Index (CMI)
Cardiology	536	3.83	$26,211	1.0873
Cardiovascular Surgery	73	3.78	$78,378	3.1644
Medicine	1,052	4.37	$29,041	1.2042
Neurology	252	3.43	$26,228	1.0720
Neurosurgery	16	5.81	$88,703	3.2336
Oncology	55	5.42	$35,036	1.4711
Orthopedic Surgery	923	2.96	$59,453	2.5503
Orthopedics	114	4.42	$23,908	0.9725
Psychiatry	104	10.34	$32,655	1.0124
Pulmonology	470	5.03	$35,303	1.2568
Surgery	276	6.66	$62,486	2.9661
Surgery for Malignancy	25	3.72	$53,058	1.8379
Urology	355	4.03	$24,781	1.1204
Vascular Surgery	60	5.33	$64,792	2.7550
Total	4,323	4.30	$39,174	1.6381

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PEPPER

- **P**rogram for
- **E**valuating
- **P**ayment
- **P**atterns
- **E**lectronic
- **R**eport

- Summarizes Medicare claims data statistics in target areas that may be at risk for improper Medicare payments
- Compares hospitals claims data statistics
  - Aggregate data for the nation, MAC jurisdiction & state

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PEPPER Distribution Dates

Short-term Acute Care Hospitals	Quarterly 12/4/17, 3/6/18, 6/4/18, 8/31/18
Critical Access Hospitals	Annually 4/13/18
Home Health Agencies	Annually 7/16/8
Hospices	Annually 4/16/18
Inpatient Psychiatric Facilities	Annually 4/13/18

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Inpatient Rehabilitation Facilities	Annually 4/16/18
Long-term Acute Care Hospitals	Annually 4/16/18
Partial Hospitalization Programs	Annually 7/16/18
Skilled Nursing Facilities	Annually 4/16/18/18

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Identify Coding Pattern

- Educational tool intended to assist providers to assess risk for improper Medicare payments
- Support auditing and monitoring activities
- Support CDI initiatives

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PEPPER Data

- Paid Medicare claims (UB-04)
- Summarizes data for 12 quarters according to the discharge date on the claim
- ***Federal*** fiscal year
  - Q1 = October 1 to December 31
  - Q2 = January 1 to March 31
  - Q3 = April 1 to June 30
  - Q4 = July 1 to September 30
- Distributed quarterly for acute hospitals

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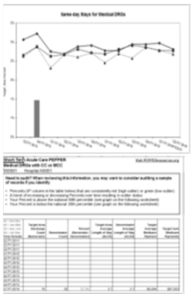
PEPPER Data

- Due to CMS data restrictions PEPPER will not display statistics when the numerator or denominator count is less than 11 for a target area in any time period



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- What is PEPPER?
  - Excel workbook containing providers Medicare claims data statistics for **Target Areas** identified as at risk for payment errors
  - Compares providers data with aggregate data to identify targeted outlier(s)
- Provides providers with tool to proactively identify & prevent payment errors

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- Providers are compared in three groups:
  - State
  - MAC jurisdiction
  - National
- Outliers are identified compared to jurisdiction
- Outlier limits
  - Upper boundary set at **80th percentile** for all target areas
  - Coding focus targets lower boundary set at **20th percentile**
    - Admission-focused target areas do not have a lower boundary as this does not indicate potential problems related to admission necessity

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PEPPER provides national, state and MAC jurisdiction comparisons

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Core Reports

- Identify high risk areas based upon outlier status
  - Compare
  - Outlier Rank
- Prioritize areas for review
- *Note from the trenches*: government audits likely in all areas of PEPPER regardless of outlier status

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- Hospital Admission-focused Target Areas
  - Transient Ischemic Attack
  - Defibrillator implant
  - PTCA with Stent
  - Medical back problems
  - 30-day readmissions to the same hospital or elsewhere
  - One & Two-day stays excluding transfers
  - 3 day SNF - qualifying admissions
  - 30 day readmission

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- Coding-focused Target Areas:
  - Stroke/intracranial hemorrhage
  - Respiratory infections
  - Simple pneumonia
  - Sepsis
  - Unrelated OR
  - Ventilator support
  - Medical MS-DRGs with a CC or MCC

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How to Prioritize PEPPER Findings

- Start with the Compare Targets Report
- Hospital target area percent compared to other providers' in the nation, MAC jurisdiction & state
- Identify Outliers
  - Target area percent at or above national **80th percentile**
  - At or below the national **20th percentile**

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Sample Data from PEPPER

Ranking:	235 out of a total of 3414												
Target Area	(Q2 FY 2015)	(Q3 FY 2015)	(Q4 FY 2015)	(Q1 FY 2016)	(Q2 FY 2016)	(Q3 FY 2016)	(Q4 FY 2016)	(Q1 FY 2017)	(Q2 FY 2017)	(Q3 FY 2017)	(Q4 FY 2017)	(Q1 FY 2018)	Total
Stroke Intracranial Hemorrhage	0	0	0	0	0	0	0	0	0	0	0	0	0
Respiratory Infections	0	0	0	0	0	0	0		0	0	0	0	0
Simple Pneumonia	0	1	1	1	0	0	0	0	1	0	1	0	5
Septicemia	0	1	0	1	1	0	0	0	0	0	0	0	3
Unrelated OR Procedure													0
Medical DRGs with CC or MCC	1	1	1	1	0	1	0	0	0	0	0	0	5
Surgical DRGs with CC or MCC	0	0	0	0	0	0	0	0	0	0	0	0	0
Single CC or MCC	0	0	0	0	0	0	0	0	0	0	0	0	0
Excisional Debridement													0
Ventilator Support									0	0			0
Transient Ischemic Attack		0	0		0	0	0	0	0	0	1	0	1
COPD	0	0	0	0	0	0	0	0	0	0	0	0	0
Defibrillator Implant													0
Percutaneous Cardiovascular Proc	0	0	0	0	0	0	0	0	0		0	0	0
Syncope								0	0	0	0	0	0
Other Circulatory System Diagnoses			0										0
Other Digestive System Diagnoses													0
Medical Back Problems												1	1
Spinal Fusion	1	0	1	1	0	0	1	1	0	1	0	0	6
3-day SNF-qualifying Admissions	0	0	0	0	0	0	0	0	0	0	0	0	0
30-day Readm to Same or Elsewhe	0	0	0	0	0	0	0	0	0	0	0	0	0
30-day Readm to Same Hospital	0	0	0	0	0	0	0	0	1	0	0	0	1
2DS Medical DRGs	0	0	0	0	0	0	0	0	0	0	0	0	0
2DS Surgical DRGs	0	0	0	0	0	0	0	0	0	0	0	0	0
1DS Medical DRGs	0	0	0	0	0	0	0	0	1	1	1	1	4
1DS Surgical DRGs	1	1	1	0	1	1	1	0	1	0	0	0	7
Same DS Medical DRGs	0	0	0			0	0	0	0	0		0	0
Same-day Stays for Surgical DRGs													0
Total	3	4	4	4	2	2	2	1	4	2	3	2	33

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PEPPER Adds ED E&MJ Visits

New target area added with 4Q 2017 (3/18)

- Evaluates percentage of hospital ED E&M visits (CPT codes 99281-99285) that were coded to the highest level (CPT 99285)
- Reports notes in part "*Refer to the current CPT coding book and to CPT Assistant, which is the official source for CPT coding guidance*."
- CMS never issued facility fee coding guidelines
- Hospitals required to develop guidelines and present to auditors upon request

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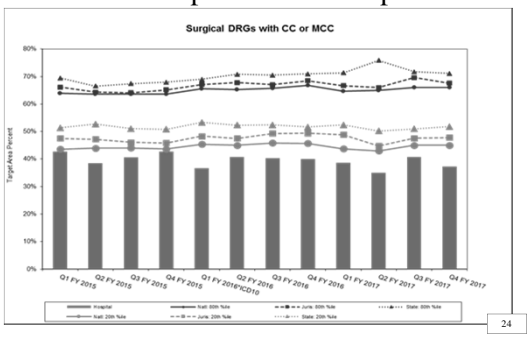
Sample PEPPER Report



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Home Health Care Target Areas

- Average Case Mix
- Average Number of Episodes
- Episodes with 5-6 Visits
- Non-LUPA Payments
- High Therapy Utilization Episodes
- Outlier Payments

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Home Health Care Retrieval Rates

State	# PEPPERs Available:	# PEPPERs Retrieved	Retrieval Rate
South Dakota	30	11	**36.67%**
Louisiana	190	43	**22.63%**
Montana	27	6	**22.22%**
Maryland	51	9	**17.65%**
New Jersey	45	6	**13.33%**
Tennessee	128	17	**13.28%**
New Mexico	73	9	**12.33%**
Rhode Island	25	3	**12.00%**
Pennsylvania	295	28	**9.49%**
Florida	956	89	**9.31%**

National Retrieval Rate: 6.6%

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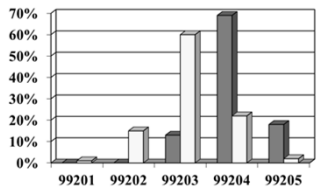
Benchmarking

Community Family Medicine Practice

- Analysis of new patient visits
- Potential implications of risk & practice valuation

Practice Compared to FPSC



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CMS Improper Payment Report

- Medicare national home health care audit activity

Risk Area	2016
Projected improper payments	$7.7 billion
•Insufficient documentation	$7.4 billion
•Medical necessity	$200 million
Projected improper payment rate	42%
•Insufficient documentation	96%
•Medical necessity	2%

https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/CERT-Reports-Items/Downloads/AppendicesMedicareFee-for-Service2016ImproperPaymentsReport.pdf

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2016 Improper Payments by State

- For home health and hospice areas only *(Pennsylvania ranks 3rd for improper payment rate)*

State	Projected Improper Payments	Improper Payment Rate	Claim Reviewed
VA	$ 332.3	52.5%	37
TX	$ 1,552.5	47%	209
PA	**$ 697.6**	**47%**	**76**
IL	$ 783.0	46%	102
LA	$ 547.8	44%	85
IN	$ 224.1	42%	32
GA	$ 538.2	38%	77
FL	$ 1,135.3	33%	161
OK	$ 237.4	32%	49
NC	$ 360.2	30%	61

(dollars in *millions*)

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Using Benchmark Data

- Share internally with others on your team
  - Compliance, finance, health information management, coding, utilization review, quality improvement, clinical, case management, documentation improvement, administration, etc.
- Look for increases or decreases, identify possible root causes
- Review medical records (if indicated)

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Operational Considerations

- What external resources are employed utilized by your entity?
  - Think about home health care national retrieval rate
- What is the distribution list?
- What committees review reports?
  - Compliance?
  - Utilization review?

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Targeted Probe and Educate

- New audit process includes 3 rounds of a prepayment probe review with education
- If there are continued high denials after the first 3 rounds, provider will be referred to CMS
- CMS will determine additional action, which may include:
  - Extrapolation
  - Referral to the Zone Program Integrity Contractor (ZPIC)
  - Referral to the Unified Program Integrity Contractor (UPIC)
  - Referral to the Recovery Auditor (RA)

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"We're going to parachute in and do a surprise audit, but I want to keep the whole thing low key."

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Summary

- Benchmarking techniques are used by the government and Recovery Audit Contractors
  - Common Work File
- Powerful tool to manage scare resources concentrating efforts in identified risk areas
- Potential revenue opportunities in addition to risk

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Medical Humor

1. The patient lives at home with his mother, father, and pet turtle, who is presently enrolled in a day care three times a week
2. The lab test indicated abnormal lover function
3. The patient left the hospital feeling much better except for her original complaints
4. I was going to have cosmetic surgery until I noticed that the doctor's office was full of portraits by Picasso

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Medical Humor

6. The patient's past medical history has been remarkably insignificant with only a 40 pound weight gain in the past three days
7. Patient was seen in consultation by Dr Jones, who felt that we should sit on the abdomen and I agree
8. The skin was moist and dry
8. Healthy appearing, decrepit 69 year old male, mentally alert but forgetful

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Medical Humor

10. Therapy dogs are now required to write progress notes

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