

## Hospital Payment Monitoring Program (HPMP)

### What is HPMP?

The Hospital Payment Monitoring Program (HPMP) is a nationwide effort by the Centers for Medicare & Medicaid Services to protect the Medicare trust fund by ensuring that Medicare pays for services that are reasonable and medically necessary.

### What is the purpose of HPMP?

The purpose of HPMP is to measure, monitor and reduce the incorrect Medicare payment errors for short-term inpatient prospective payment system (PPS) hospitals.

### What is the goal of HPMP?

The long term goal of HPMP is to help inpatient PPS hospitals prevent payment errors by analyzing data, conducting focused audits and implementing system changes to increase payment accuracy.

### What is the role of the Quality Improvement Organization in HPMP?

The Iowa Foundation for Medical Care is the Quality Improvement Organization (QIO) for the state of Iowa. The QIOs role to PPS hospitals is to provide data, education and assistance to hospitals to help reduce payment errors.

### Is there a tool to help PPS hospitals evaluate their data?

The Program for Evaluating Payment Patterns Electronic Report (PEPPER) is a Microsoft Excel program that contains hospital-specific Medicare data for 13 target areas that are often associated with payment errors. These areas include:

- One-day stays excluding transfers
- DRG 127 (heart failure and shock) one-day stays
- DRG 143 (chest pain) one-days stays
- DRGs 182/183 (esophagitis, gastroenteritis and miscellaneous digestive disorders) one-day stays
- DRGs 296/297 (nutritional and miscellaneous metabolic disorders) one-day stays
- DRG 014 (intracranial hemorrhage and stroke with infarct)
- DRG 089 (simple pneumonia)
- DRG 243 (medical back problems)
- DRG 416 (septicemia)
- Seven-day readmit to same facility or elsewhere
- Complication/comorbidity (CC) pairs
- Three-day skilled nursing facility (SNF)-qualifying admissions
- DRG 079 (complex pneumonia)

### When is PEPPER distributed?

PEPPER is available quarterly. The data is distributed quarterly to the QNet Administrator for your hospital who is encouraged to share the data with health information management, case management, utilization review, quality improvement staff and compliance professionals.

### How can PEPPER benefit my hospital?

PEPPER prioritizes hospital-specific findings to provide guidance on areas in which the hospital may want to focus auditing and monitoring efforts. PEPPER identifies areas of potential overcoding and undercoding as well as areas that may be questionable in terms of medical necessity of admission.

### How do I get more information about HPMP and PEPPER?

For additional assistance, please contact LeAnn Klein, RHIT, HPMP Compliance Coordinator, at 1-800-383-2856 ext. 8066. Or visit our website at [www.internetifmc.com](http://www.internetifmc.com).