

FACT SHEET

PART D LATE ENROLLMENT PENALTY (LEP) RECONSIDERATION APPEALS DATA – Q1 and Q2 2020

A Late Enrollment Penalty (LEP) appeal is the process by which an individual enrolled in a Medicare prescription drug plan (enrollee) may challenge a plan's determination that an LEP should be assessed. Appeals begin with a request by an enrollee (or his or her representative) for a reconsideration of the plan's decision to assess an LEP. If upon reconsideration, the plan upholds its decision, the enrollee may request a reconsideration by the Part D Independent Review Entity (also called the Part D Qualified Independent Contractor or "Part D QIC"). Under Medicare regulations, the Part D QIC decision is final and not subject to further appeal.

Part D LEP Appeals Process

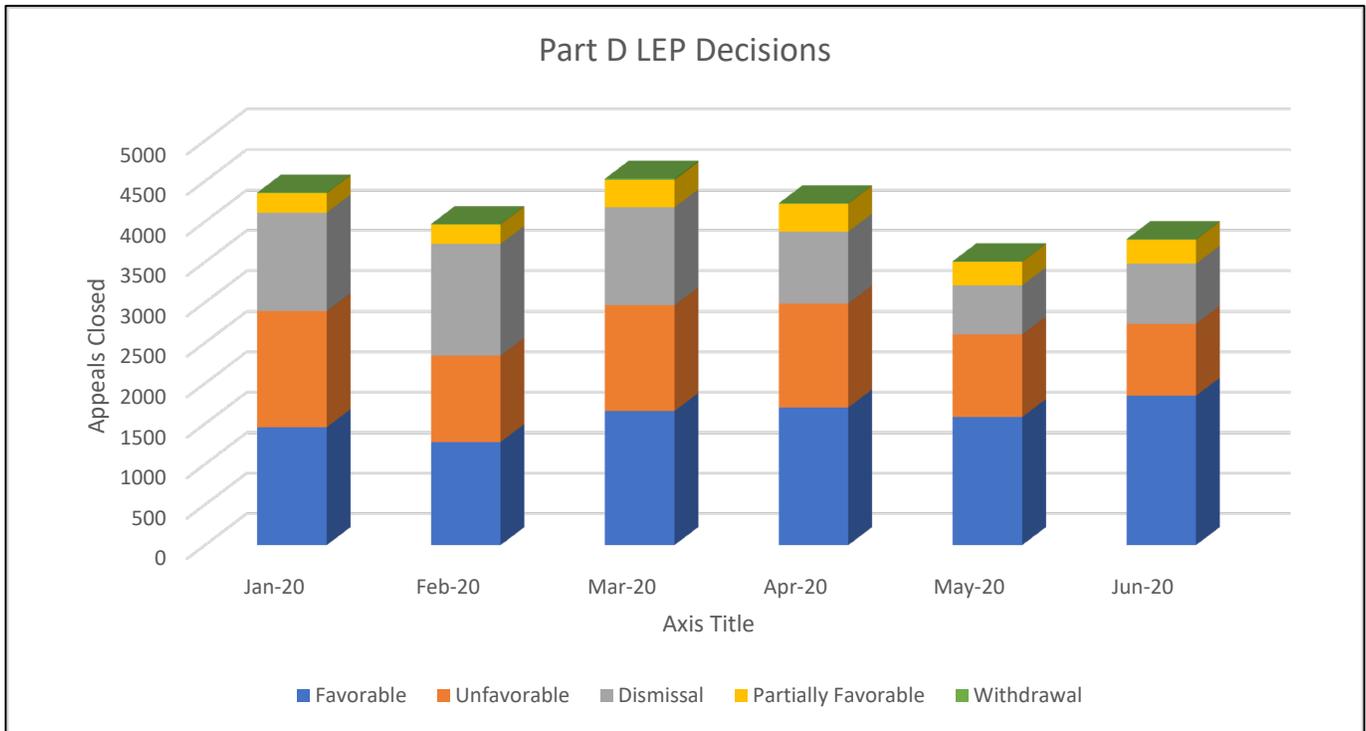
The following data summarizes and highlights some of the key data on reconsiderations during the 15th year of the Medicare prescription drug benefit program, January 1, 2020 – June 30, 2020.

Reconsideration Volume

The Part D QIC closed 24,368 reconsiderations during the first and second quarter of calendar year 2020. This represents a rate of 1.03 reconsiderations for each 1,000 Medicare beneficiaries enrolled.¹

¹ Volume, divided by mid-year enrollment (times 1,000), is used to calculate the annual rate of appeals per 1,000 enrollees.

Number of Appeals Closed² by Part D LEP by Month³



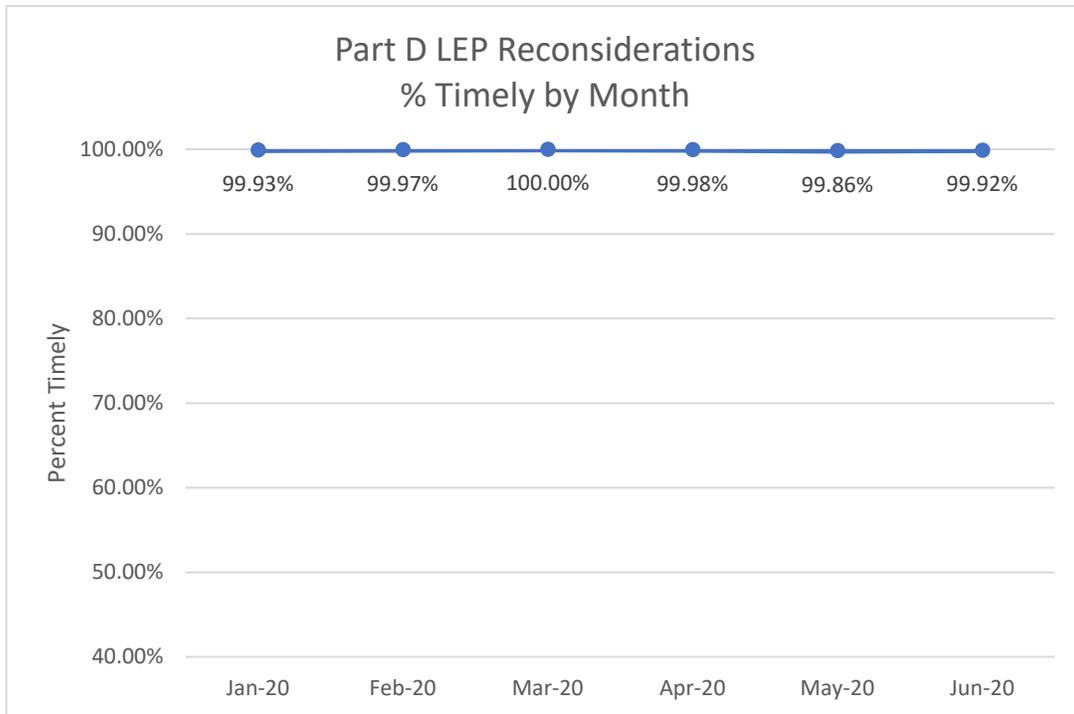
Part D LEP Appeal Volume by Decision

Month	Dismiss	Fully Favorable	Partially Favorable	Uphold	Withdraw	Total
Jan-20	1,215	1,457	241	1,437	7	4,357
Feb-20	1,381	1,274	240	1,068	5	3,968
Mar-20	1,210	1,657	339	1,307	16	4,529
Apr-20	887	1,701	346	1,286	5	4,225
May-20	605	1,582	294	1,022	5	3,508
Jun-20	742	1,846	297	890	6	3,781
Summary	6,040	9,517	1,757	7,010	44	24,368

² Excludes Reopening of LEP Appeals.

³ Chart cannot show Withdraw volumes due to the limited volumes.

Timeliness of LEP Reconsiderations Closed



Month Closed	Total Cases	Timely Cases	% Timely
Jan-20	4,357	4,354	99.93%
Feb-20	3,968	3,967	99.97%
Mar-20	4,529	4,529	100.00%
Apr-20	4,225	4,224	99.98%
May-20	3,508	3,503	99.86%
Jun-20	3,781	3,778	99.92%
Summary	24,368	24,355	99.95%