

FACT SHEET

PART D LATE ENROLLMENT PENALTY (LEP) RECONSIDERATION APPEALS DATA – Q2 2021

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

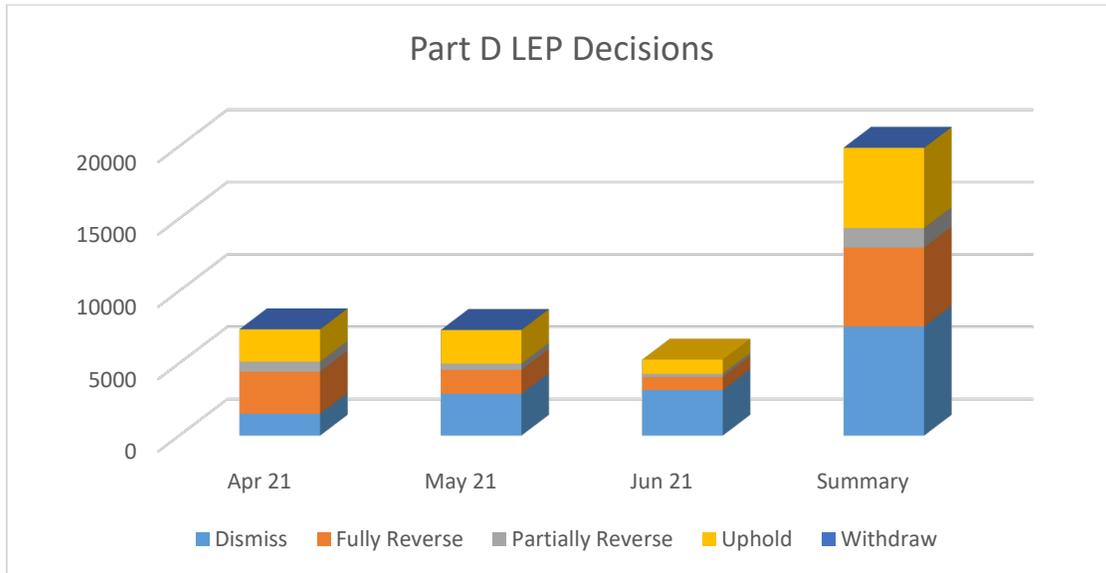
The following data summarizes and highlights some of the key data on reconsiderations during the 17th year of the Medicare prescription drug benefit program, April 1, 2021 – June 30, 2021.

Reconsideration Volume

The Part D QIC closed 19,898 reconsiderations during the second quarter of calendar year 2021. This represents a rate of 0.39 reconsiderations for each 1,000 Medicare beneficiaries enrolled.¹

¹Volume, 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



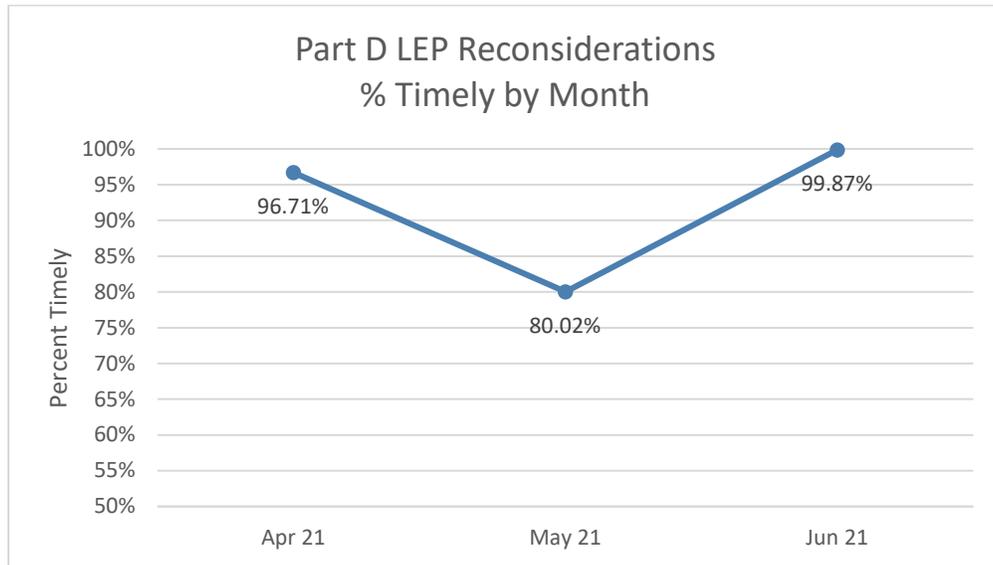
Part D LEP Appeal Volume by Decision

Month	Dismiss	Fully Reverse	Partially Reverse	Uphold	Withdraw	Total
Apr 21	1511	2904	692	2234	10	7351
May 21	2882	1660	430	2325	2	7299
Jun 21	3144	899	225	980		5248
Summary	7537	5463	1347	5539	12	19898

²Excludes Reopening of LEP Appeals

³Chart cannot show Withdraw volumes due to the limited volumes

Timeliness of LEP Reconsiderations Closed



Part D LEP Appeal Volume by Decision

Month Closed	Total Cases	Timely Cases	% Timely
Apr 21	7351	7109	96.71%
May 21	7299	5841	80.02%
Jun 21	5248	5241	99.87%
Summary	19898	18191	91.42%