

FACT SHEET

PART D LATE ENROLLMENT PENALTY (LEP) RECONSIDERATION APPEALS DATA – Q3 2021

A Late Enrollment Penalty (LEP) appeal is the process by which an individual enrolled in a Medicare prescription drug plan (i.e., an 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, which is also called the Part D Qualified Independent Contractor (QIC) 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

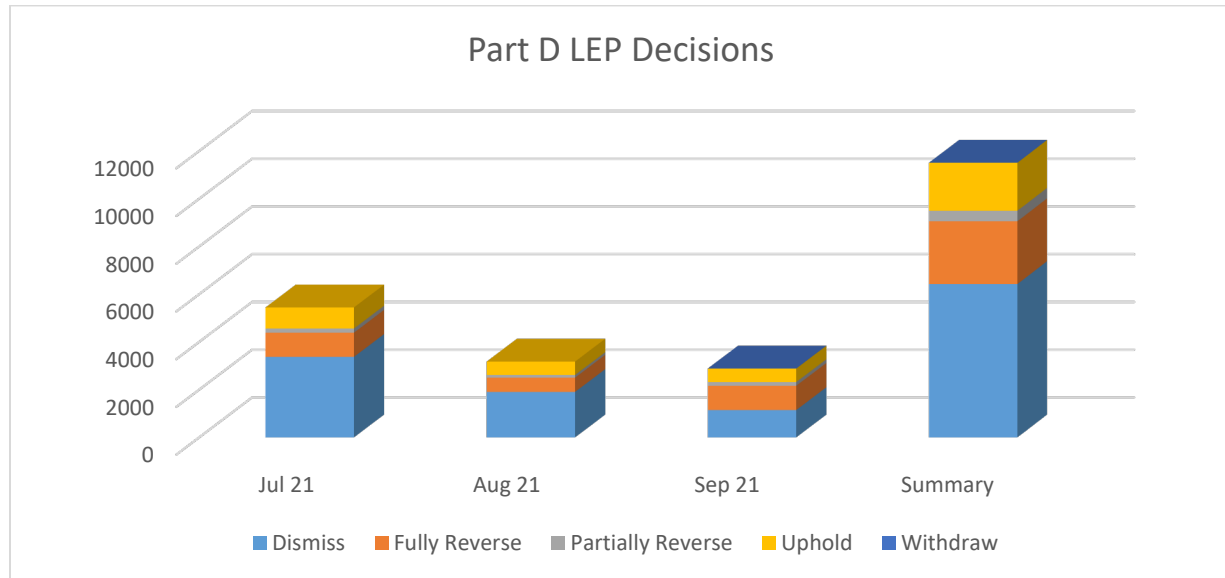
The following data summarizes and highlights some of the key data on reconsiderations during the 17th year of the Medicare prescription drug benefit program, spanning from July 1, 2021, to Sept. 30, 2021 (i.e., Q3).

Reconsideration Volume

The Part D QIC closed 11,510 reconsiderations during the third quarter of calendar year 2021. This represents a rate of 0.22 reconsiderations for each 1,000 Medicare beneficiaries enrolled.¹

¹ Volume, divided by third quarter 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 Month

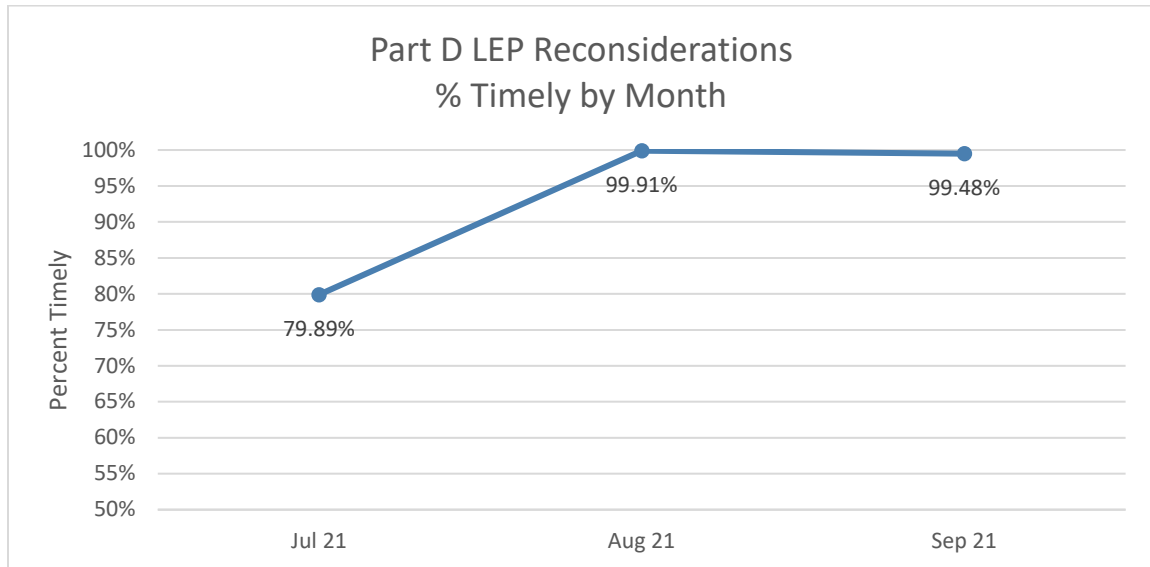


Part D LEP Appeal Volume by Decision

Month	Dismiss	Fully Reverse	Partially Reverse	Uphold	Withdraw	Total
Jul 21	3374	1014	174	883	0	5445
Aug 21	1906	600	111	561	0	3178
Sep 21	1146	1018	155	567	1	2887
Summary	6426	2632	440	2011	1	11510

²Excludes Reopening of LEP Appeals

Timeliness of LEP Reconsiderations Closed



Month Closed	Total Cases	Timely Cases	% Timely
Jul 21	5445	4350	79.89%
Aug 21	3178	3175	99.91%
Sep 21	2887	2872	99.48%
Summary	11510	10397	90.33%