

FACT SHEET

PART D LATE ENROLLMENT PENALTY (LEP) RECONSIDERATION APPEALS DATA – 2019

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

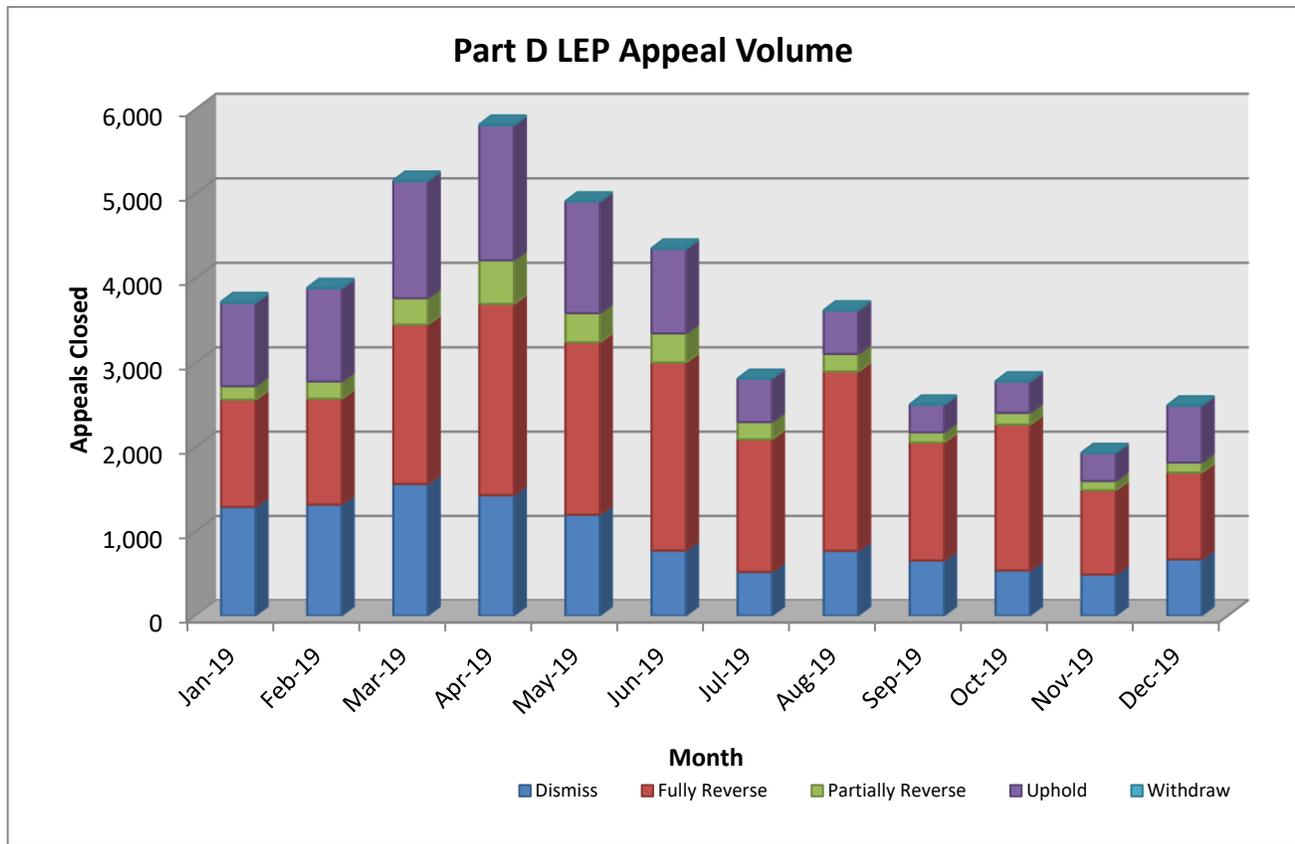
The following data summarizes and highlights some of the key data on reconsiderations during the 14th year of the Medicare prescription drug benefit program, January 1, 2019 – December 31, 2019.

Reconsideration Volume

The Part D QIC closed 44,016 reconsiderations during calendar year 2019. This represents a rate of 0.96 reconsiderations for each 1,000 Medicare beneficiaries enrolled.¹ It also represents a 6.8% increase in the aggregate number of LEP appeals received in 2018.

¹ Annual 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



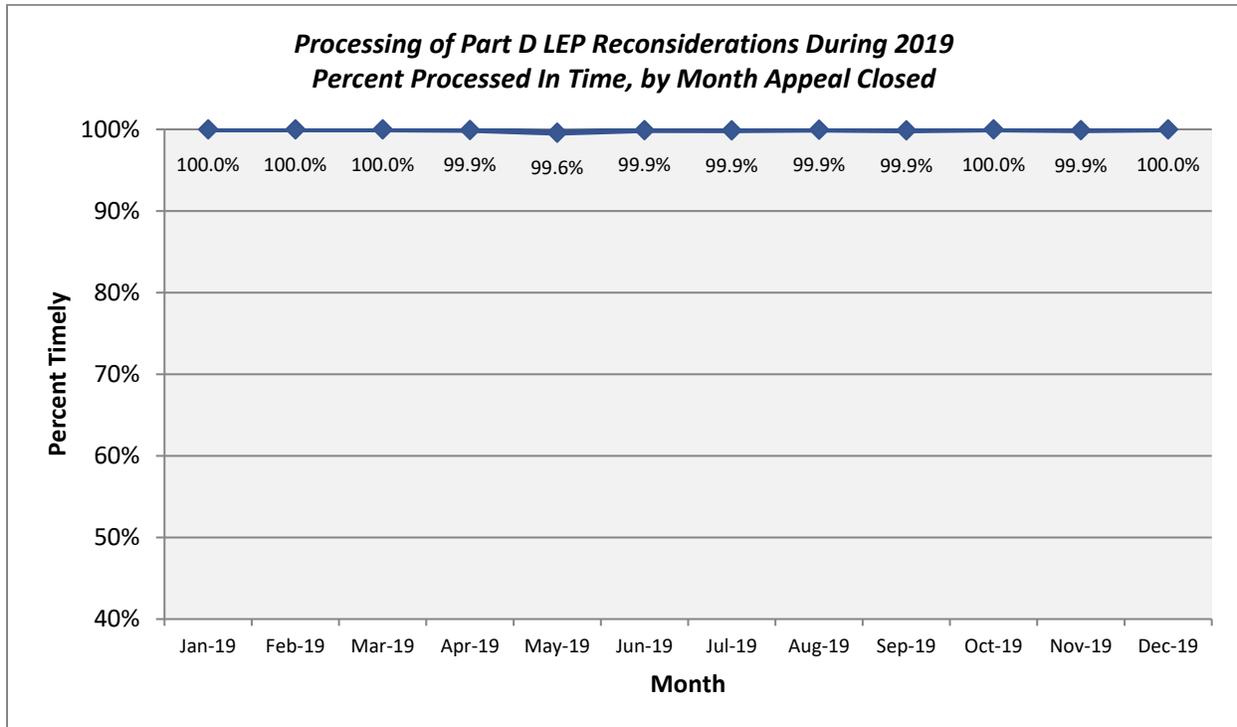
Part D LEP Appeal Volume by Decision

Month	Dismiss	Fully	Partially	Uphold	Withdraw	Total
Jan-19	1,292	1,272	160	987	12	3,723
Feb-19	1,319	1,256	205	1,102	7	3,889
Mar-19	1,565	1,889	312	1,385	7	5,158
Apr-19	1,432	2,265	518	1,596	10	5,821
May-19	1,200	2,044	346	1,319	3	4,912
Jun-19	774	2,230	346	998	7	4,355
Jul-19	521	1,572	206	514	1	2,814
Aug-19	770	2,128	208	513	4	3,623
Sep-19	656	1,400	121	326	4	2,507
Oct-19	539	1,729	140	370	5	2,783
Nov-19	489	1,000	111	333	1	1,934
Dec-19	670	1,029	119	674	5	2,497
Summary	11,227	19,814	2,792	10,117	66	44,016

² Excludes Reopening of LEP Appeals

³ Chart cannot show Withdraw volumes due to the limited volumes

Timeliness of LEP Reconsiderations Closed⁴, Calendar Year 2019



Month Closed	Cases	Timely	Pct. Timely
Jan-19	3,711	3,711	100.00%
Feb-19	3,882	3,882	100.00%
Mar-19	5,151	5,151	100.00%
Apr-19	5,811	5,807	99.93%
May-19	4,909	4,889	99.59%
Jun-19	4,348	4,344	99.91%
Jul-19	2,813	2,810	99.89%
Aug-19	3,619	3,618	99.97%
Sep-19	2,503	2,500	99.88%
Oct-19	2,778	2,778	100.00%
Nov-19	1,933	1,931	99.90%
Dec-19	2,492	2,492	100.00%
Summary	43,950	43,913	99.92%

⁴ Excludes Reopening and Withdraw of LEP Appeals.
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