

FACT SHEET

PART D LATE ENROLLMENT PENALTY (LEP) RECONSIDERATION APPEALS DATA – 2018

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

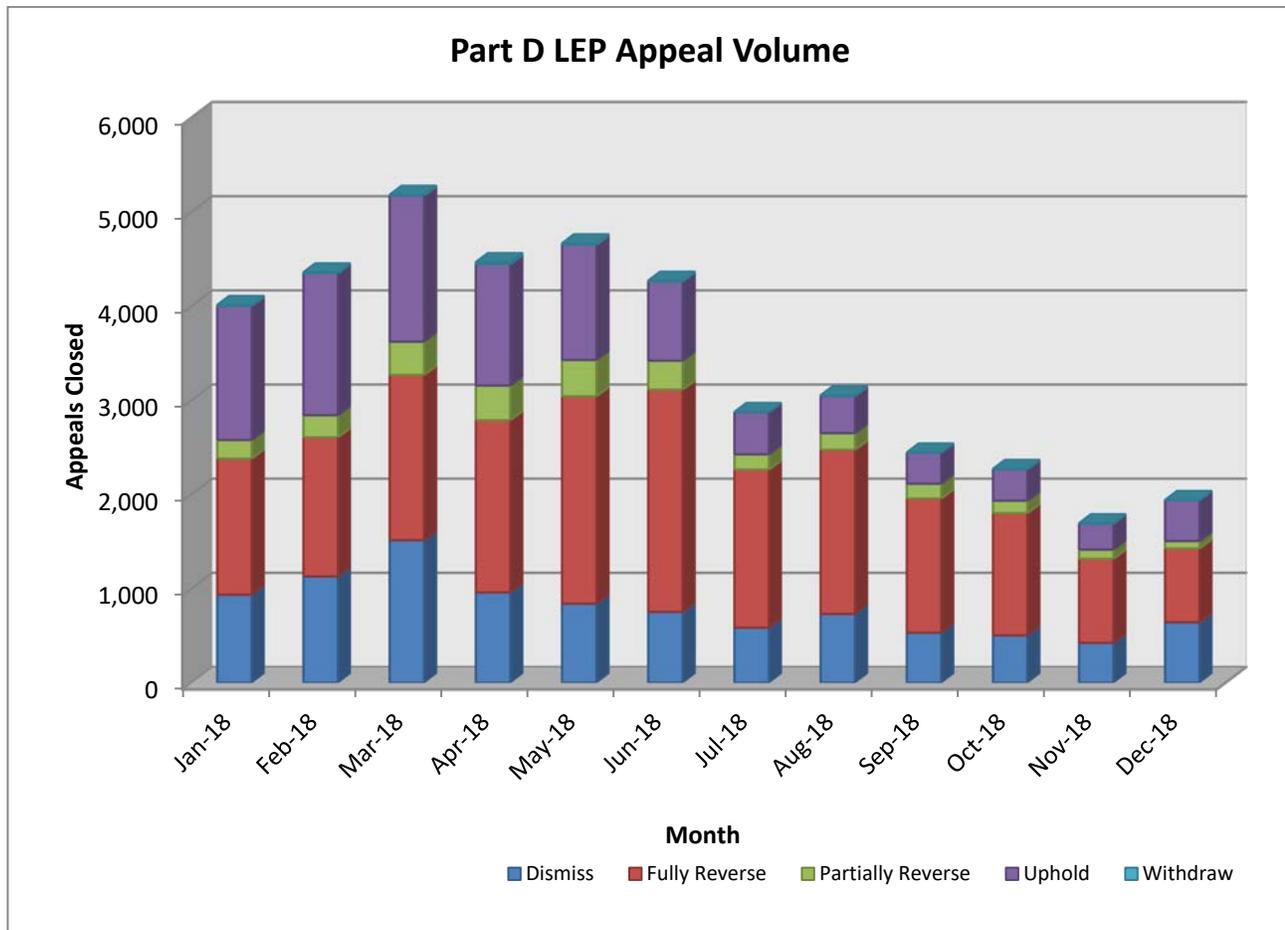
The following data summarizes and highlights some of the key data on reconsiderations during the 13th year of the Medicare prescription drug benefit program, January 1, 2018 – December 31, 2018.

Reconsideration Volume

The Part D QIC closed 41,225 reconsiderations during calendar year 2018. This represents a rate of 0.93 reconsiderations for each 1,000 Medicare beneficiaries enrolled.¹ It also represents a 3.9% increase in the aggregate number of LEP appeals received in 2017.

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



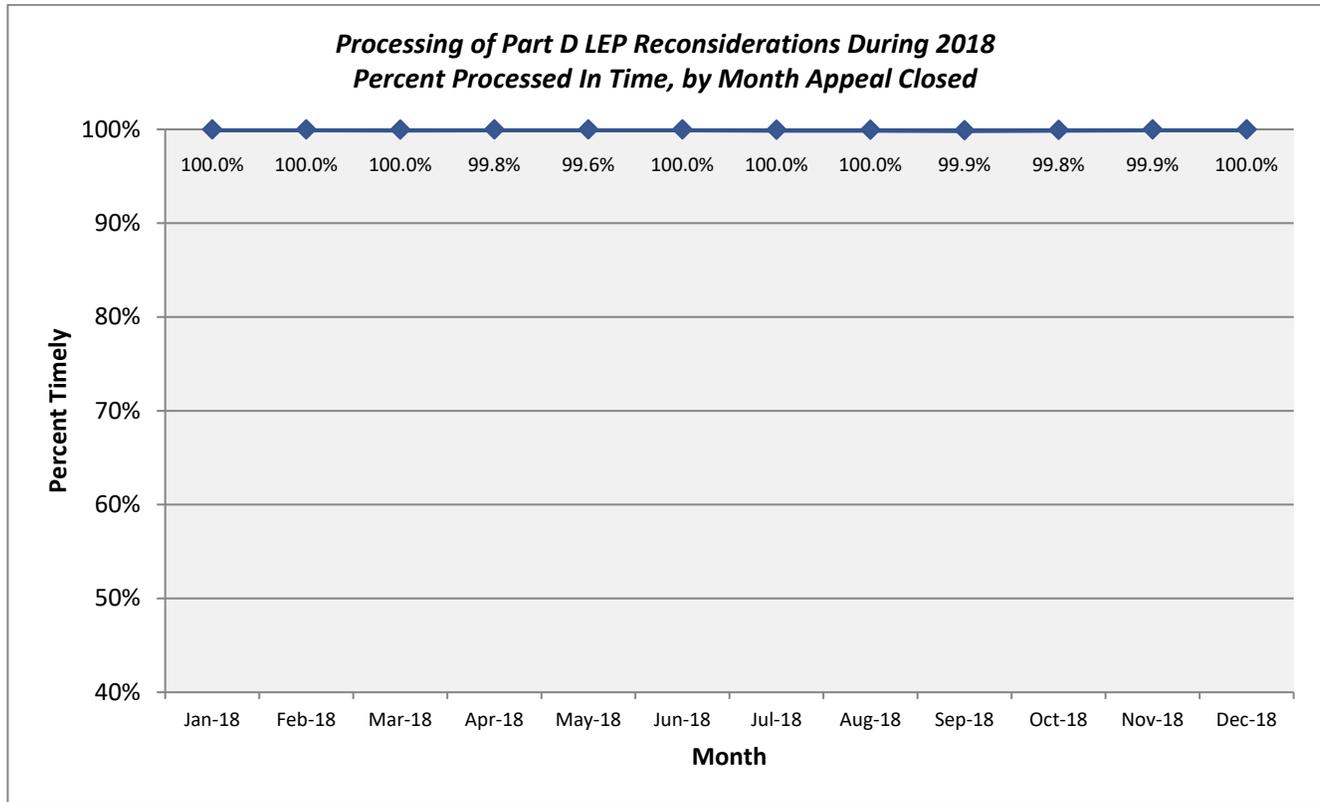
Part D LEP Appeal Volume by Decision

Month	Dismiss	Fully	Partially	Uphold	Withdraw	Total
Jan-18	934	1,446	197	1,422	12	4,011
Feb-18	1,128	1,478	234	1,508	10	4,358
Mar-18	1,513	1,756	352	1,551	9	5,181
Apr-18	958	1,830	367	1,289	22	4,466
May-18	839	2,203	385	1,223	16	4,666
Jun-18	752	2,361	306	840	10	4,269
Jul-18	584	1,679	162	448	2	2,875
Aug-18	730	1,743	176	395	7	3,051
Sep-18	531	1,425	157	329	3	2,445
Oct-18	503	1,298	131	333	5	2,270
Nov-18	423	893	97	275	5	1,693
Dec-18	642	783	79	433	3	1,940
Summary	9,537	18,895	2,643	10,046	104	41,225

² Excludes Reopening of LEP Appeals

³ Chart cannot show Withdraw volumes due to the limited volumes

Timeliness of LEP Reconsiderations Closed⁴, Calendar Year 2018



Month Closed	Cases	Timely	Pct. Timely
Jan-18	3,999	3,999	100.00%
Feb-18	4,348	4,348	100.00%
Mar-18	5,172	5,171	99.98%
Apr-18	4,444	4,444	100.00%
May-18	4,650	4,650	100.00%
Jun-18	4,259	4,259	100.00%
Jul-18	2,873	2,872	99.97%
Aug-18	3,044	3,043	99.97%
Sep-18	2,442	2,440	99.92%
Oct-18	2,265	2,264	99.96%
Nov-18	1,688	1,688	100.00%
Dec-18	1,937	1,937	100.00%
Summary	41,121	41,115	99.99%

⁴ Excludes Reopening and Withdraw of LEP Appeals.
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