

Fact Sheet: Part D Late Enrollment Penalty (LEP) Reconsideration Appeals Data – 2017

Late Enrollment Penalty (LEP)

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

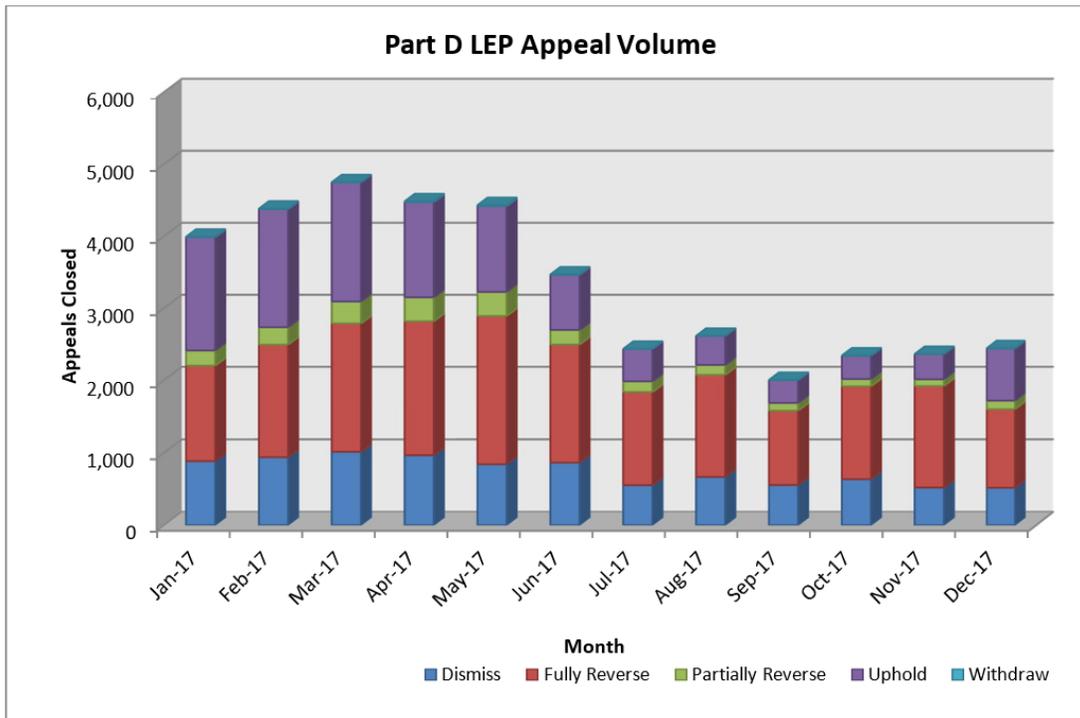
The following data summarizes and highlights some of the key data on reconsiderations during the 12th year of the Medicare prescription drug benefit program, January 1, 2017 – December 31, 2017.

Reconsideration Volume

The Part D QIC closed 39,664 reconsiderations during calendar year 2017. This represents a rate of 0.93 reconsiderations for each 1,000 Medicare beneficiaries enrolled.¹ It also represents a 11.2% decrease in the aggregate number of LEP appeals received in 2016.

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



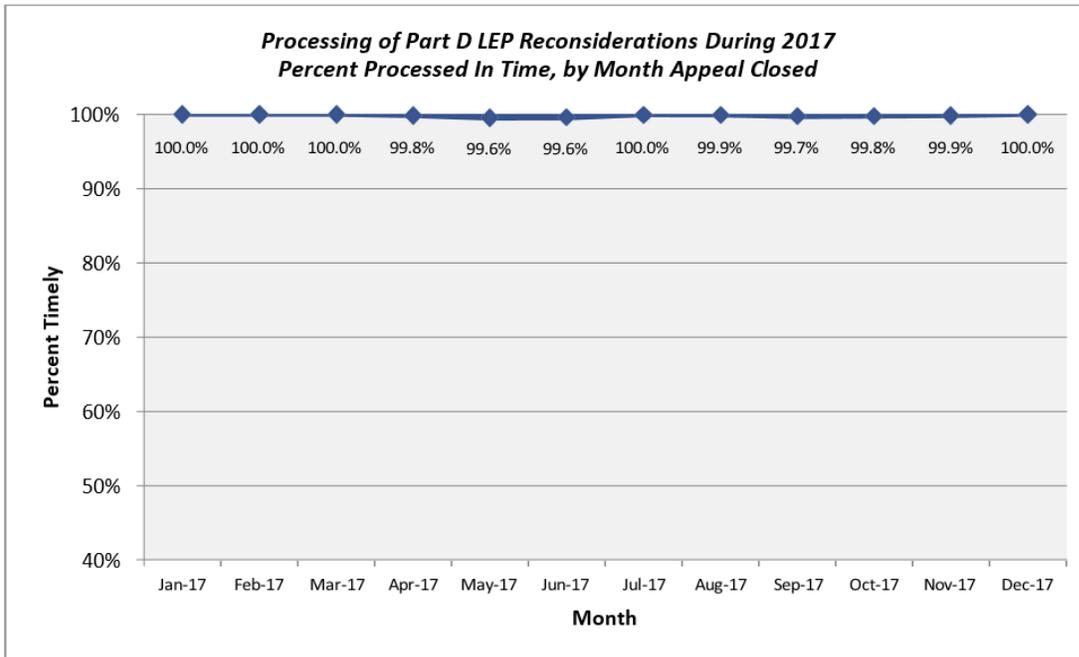
Part D LEP Appeal Volume shown as Appeals Closed versus Months

Month	Dismiss	Fully	Partially	Uphold	Withdraw	Total
Jan-17	882	1,317	210	1,572	7	3,988
Feb-17	937	1,553	242	1,639	7	4,378
Mar-17	1,012	1,772	305	1,653	3	4,745
Apr-17	964	1,851	332	1,322	11	4,480
May-17	840	2,048	335	1,190	14	4,427
Jun-17	863	1,628	203	764	6	3,464
Jul-17	552	1,280	149	448	2	2,431
Aug-17	665	1,406	137	403	1	2,612
Sep-17	553	1,021	107	316	3	2,000
Oct-17	634	1,278	101	322	4	2,339
Nov-17	519	1,397	94	347	3	2,360
Dec-17	516	1,078	119	723	4	2,440
Summary	8,937	17,629	2,334	10,699	65	39,664

² Excludes Reopening of LEP Appeals

³ Chart cannot show Partially Reverse or Withdraw volumes due to the limited volumes

Timeliness of LEP Reconsiderations Closed⁴, Calendar Year



Timeliness of LEP Reconsiderations Closed, Calendar Year 2017

Month Closed	Cases	Timely	Percent Timely
Jan-17	3,981	3,981	100.00%
Feb-17	4,371	4,371	100.00%
Mar-17	4,742	4,742	100.00%
Apr-17	4,469	4,462	99.84%
May-17	4,413	4,394	99.57%
Jun-17	3,458	3,444	99.60%
Jul-17	2,429	2,428	99.96%
Aug-17	2,611	2,609	99.92%
Sep-17	1,997	1,992	99.75%
Oct-17	2,335	2,331	99.83%
Nov-17	2,357	2,354	99.87%
Dec-17	2,436	2,436	100.00%
Summary	39,599	39,544	99.86%

⁴ Excludes Reopening and Withdraw of LEP Appeals.