

Fact Sheet

Part D Drug Reconsideration Appeals Data – Q1 2025

Part D Drug Appeals Process

An appeal is the process by which an individual enrolled in a Medicare prescription drug plan (enrollee) may challenge a plan's coverage determination. Appeals begin with a request by an enrollee (or his or her representative) for a redetermination by the plan. If the enrollee is dissatisfied with the plan's redetermination, the enrollee may request a reconsideration by the Part D Independent Review Entity (IRE), which is also called the Part D Qualified Independent Contractor (Part D QIC). An enrollee who is dissatisfied with the IRE's decision may appeal to an Administrative Law Judge if their appeal meets the Amount in Controversy threshold. If the enrollee continues to be dissatisfied with the decision, additional appeal levels include the Medicare Appeals Council and federal judicial review.

The following data summarizes and highlights some of the key data on reconsiderations for the Medicare Prescription Drug Benefit Program from January 1, 2025, through March 31, 2025 (Quarter 1).

Reconsideration Volume

The Part D QIC received 20,737 reconsideration requests during Q1 of 2025. This represents a rate of 0.35 reconsiderations for each 1,000 Medicare beneficiaries enrolled.¹

Standard cases represented 72.07% of all appeals received and resulted in a rate of 0.26 standard cases for each 1,000 beneficiaries enrolled.

Retrospective cases represented 2.80% of all appeals received and resulted in a rate of 0.01 standard cases for each 1,000 beneficiaries enrolled.

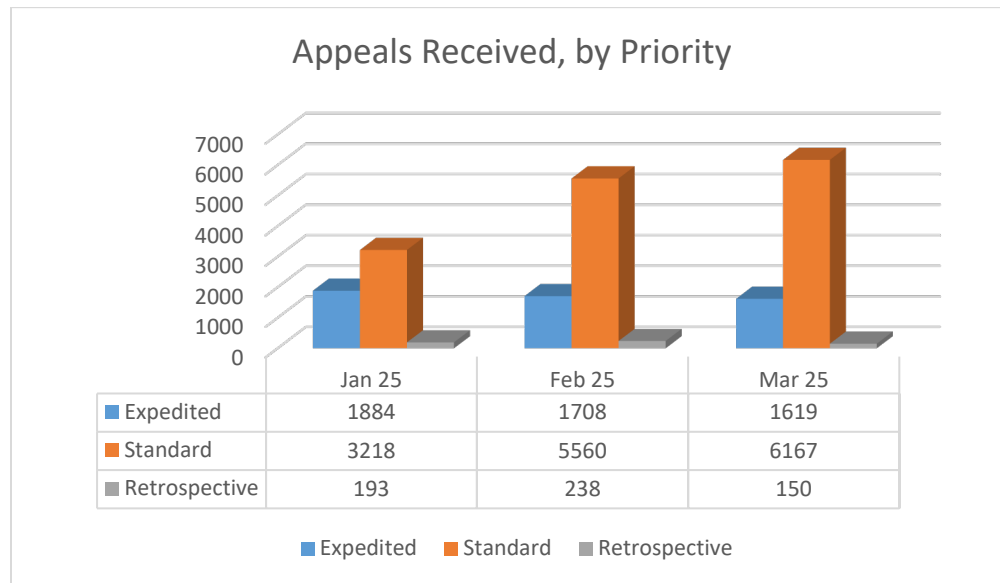
Expedited cases represented 25.13% of all appeals received and resulted in a rate of 0.09 expedited cases for each 1,000 beneficiaries enrolled.

Substantive cases are cases that include upheld, reversed or partially reversed decision only. Dismissals and withdrawals are not included in the substantive cases count.

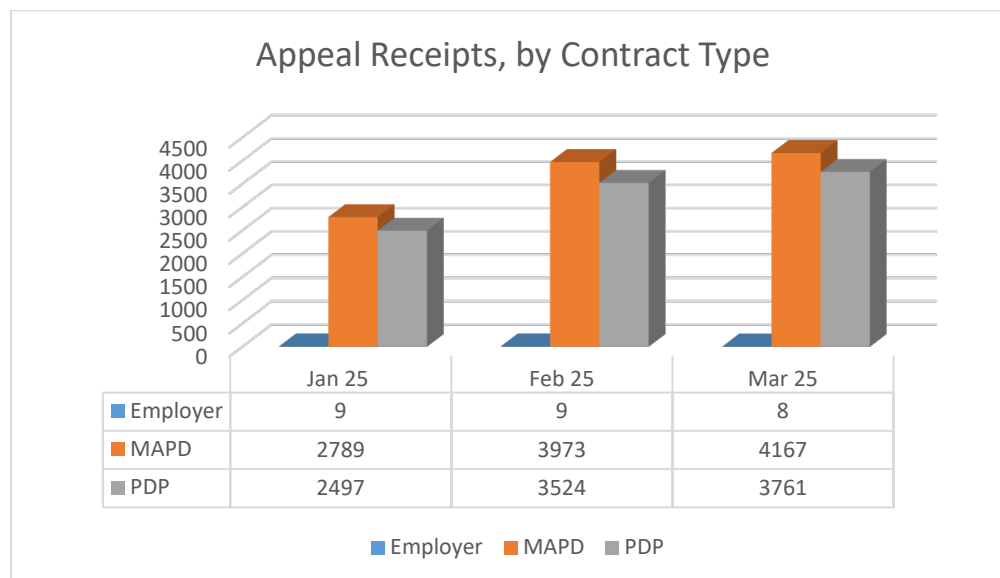
¹ Volume, divided by March enrollment (times 1,000), is used to calculate the annual rate of appeals per 1,000 enrollees.

Reconsideration Volume

Number of Appeals Received by the Part D Drug QIC, by Month



Part D Appeal Volume, by Contract Type



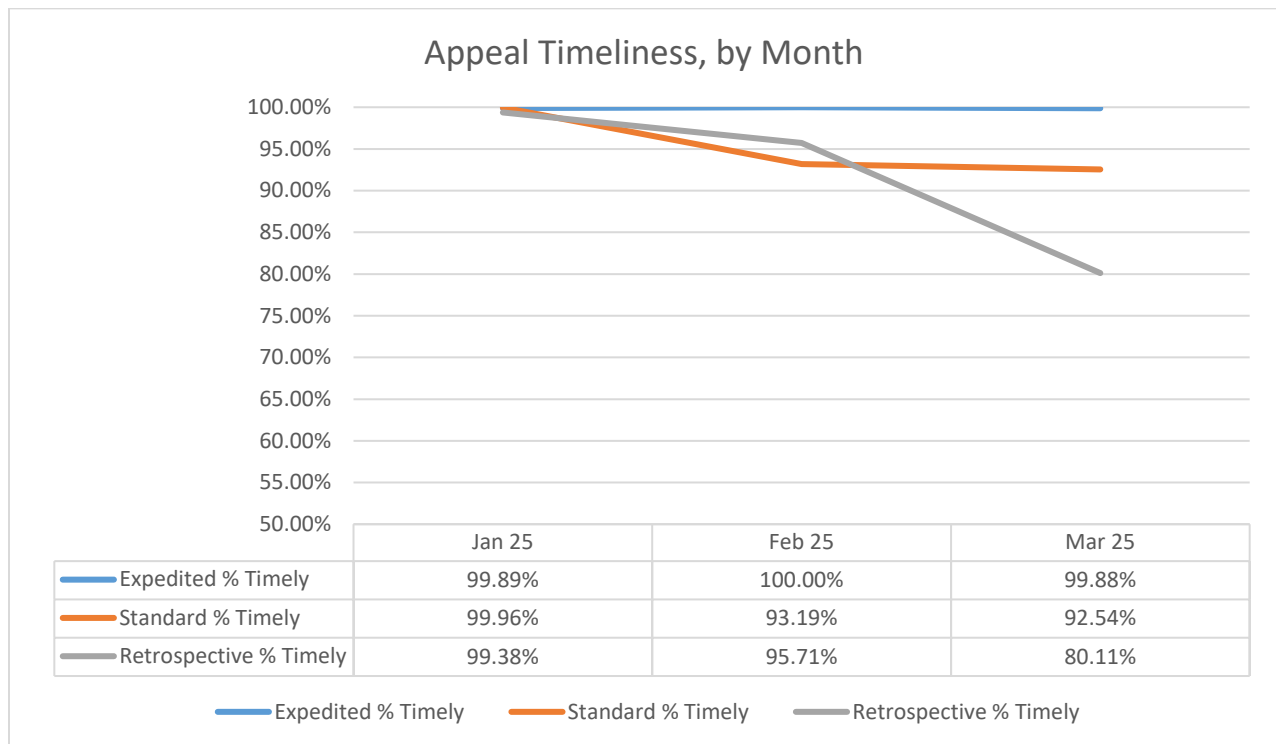
Note — MAPD: Medicare Advantage Prescription Drug Plan; PDP: Prescription Drug Plan; Employer: Prescription Drug Plan

Timeliness of Part D Reconsiderations

Overall Timeliness, by Month

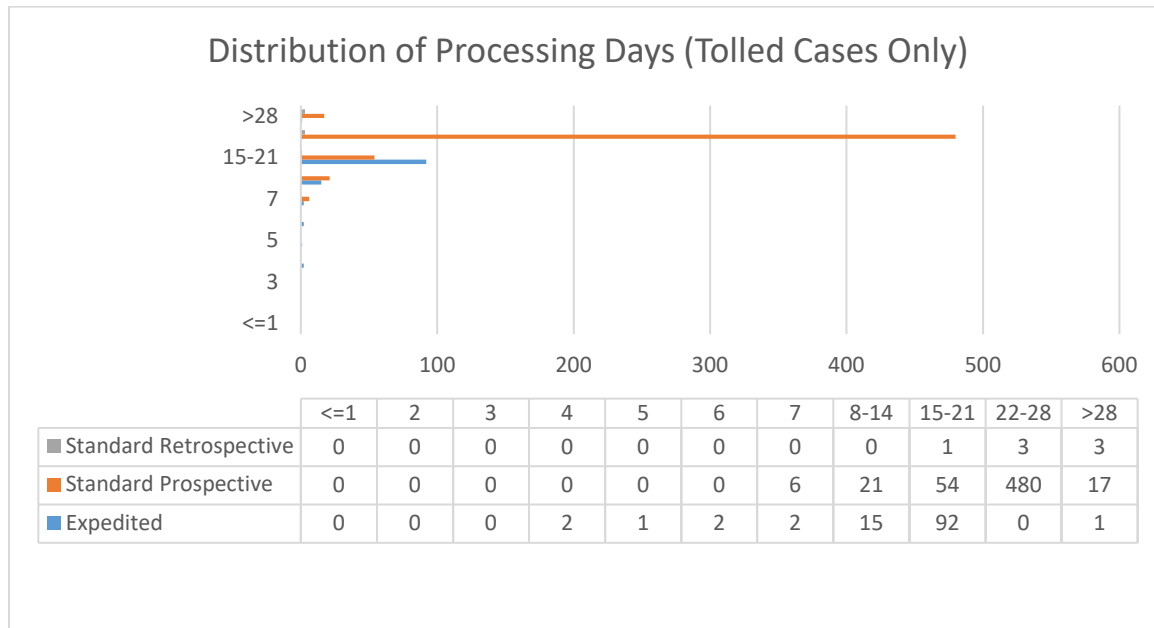
Month	Total Appeals Decided	Total Timely	% Timely
January	4467	4463	99.91%
February	6754	6422	95.08%
March	8612	8068	93.68%

Reconsideration Timeliness, by Priority

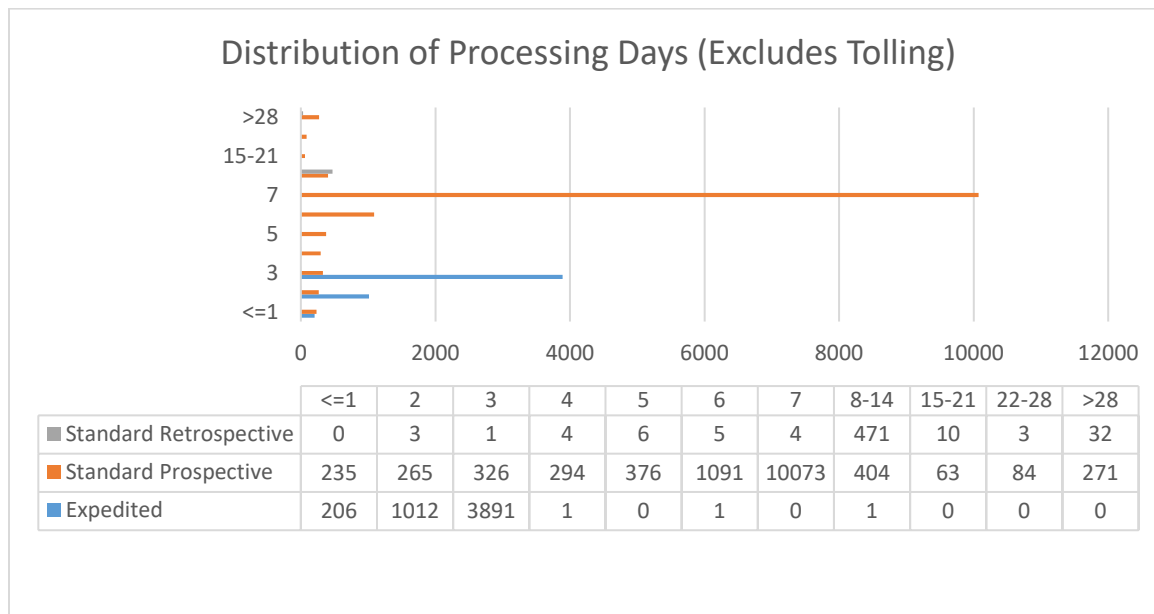


Adjudication timeframes vary based on appeal priority. Expedited appeals are completed within 72 hours unless tolling is warranted for a formulary exception request or an Appointment of Representation form for a representative-appellant. When tolling is warranted, the IRE may toll the case for up to 14 additional calendar days. Standard appeals are completed within 7 days for pre-service cases or 14 days for retrospective (payment) cases. Standard pre-service cases may also be tolled for up to 14 additional calendar days, as warranted, for a formulary exception request or an Appointment of Representation form.

Average Processing Days, by Priority



The table above includes cases that tolled for information necessary to adjudicate the case. This action extends the duration of the case in order to allow the necessary information to be received and reviewed.



The table above excludes cases that tolled for information necessary to adjudicate the case.

Overturn Details

Types of Appeals and Rates of Reversal of Plan Denials

Appeal Type	Total Cases	Substantive Cases	% of Cases	Reversals*	% Reversed	% of all Reversals
Cost Sharing	1162	349	30.03%	35	10.03%	3.27%
Not covered under Part D	9297	6564	70.60%	335	5.10%	31.31%
Out of Network (OON): drug not available in-network	6	5	83.33%	1	20.00%	0.09%
OON: Long Term Care facility	1	0	0.00%	0	0.00%	0.00%
OON: not timely in-area access	1	1	100.00%	0	0.00%	0.00%
Plan cost utilization tool disputed	4173	4006	96.00%	598	14.93%	55.89%
Request for tiering exception	1252	1175	93.85%	12	1.02%	1.12%
Request for drug not on formulary	3941	3807	96.60%	89	2.34%	8.32%
Grand Total	19833	15907	80.20%	1070	6.73%	100.00%

*Includes both partially favorable and fully favorable decisions

Plan Denial	Total Cases	Substantive Cases	% of Cases	Reversals*	% Reversed	% of all Reversals
At-Risk Determination	4	4	100.00%	0	0.00%	0.00%
Cost-Sharing	63	57	90.48%	8	14.04%	0.75%
Covered under A/B	409	407	99.51%	21	5.16%	1.96%
Drug is not FDA approved	121	116	95.87%	3	2.59%	0.28%
Not a Medically Accepted Indication	2097	2067	98.57%	82	3.97%	7.66%
Off-Formulary	3492	3371	96.53%	88	2.61%	8.22%
Other	8028	4497	56.02%	242	5.38%	22.62%
Out of Network	8	7	87.50%	1	14.29%	0.09%
Purchased Outside of the US	40	36	90.00%	0	0.00%	0.00%
Tiering Exception	1176	1148	97.62%	10	0.87%	0.93%
Utilization Management	4395	4197	95.49%	615	14.65%	57.48%
Grand Total	19833	15907	80.20%	1070	6.73%	100.00%

*Includes both partially favorable and fully favorable decisions

**Cases may include exclusions such as manufacturer not participating in GAP, drug is classified by the FDA as a medical device or a food product, DESI drug, enrollee is in a patient assistance program (PAP), or the drug is being provided "incident to" a physician's service

Plan Type and Appeal Dispositions

Contract Type	Substantive Disposition						Total
	Favorable		Partially Favorable		Unfavorable		
	Number	%	Number	%	Number	%	
Employer	0	0.00%	0	0.00%	25	100.00%	25
MAPD	529	6.48%	14	0.17%	7618	93.35%	8161
PDP	511	6.62%	16	0.21%	7194	93.17%	7721
Grand Total	1040	6.54%	30	0.19%	14837	93.27%	15907

Appeal Priority and Appeal Dispositions

Priority	Substantive Disposition						Total
	Favorable		Partially Favorable		Unfavorable		
	Number	%	Number	%	Number	%	
Expedited	360	7.54%	11	0.23%	4404	92.23%	4775
Standard	680	6.11%	19	0.17%	10433	93.72%	11132
Prospective	622	5.82%	12	0.11%	10057	94.07%	10691
Retrospective	58	13.15%	7	1.59%	376	85.26%	441
Grand Total	1040	6.54%	30	0.19%	14837	93.27%	15907

PART D DRUG FACT SHEET

Rates of Overturn of Plan Denial Reasons

Plan Denial Reason	Substantive Decisions	% of Substantive Decisions	Favorable (Reversals)	Partially Favorable (Part Reverse)	% Overturned	% of all Overturns
Cost-sharing						
Copay/Coinsurance Applied	13	0.08%	1	1	15.38%	0.19%
Deductible Not Met	5	0.03%	0	0	0.00%	0.00%
Drugs purchased prior to coverage criteria	73	0.46%	13	3	21.92%	1.50%
Initial Coverage Limit Reached	1	0.01%	0	0	0.00%	0.00%
Coverage Rules						
Other-Coverage Rules	23	0.14%	4	0	17.39%	0.37%
Prior Authorization rules not met	3017	18.97%	588	9	19.79%	55.79%
Quantity Limit rules not met	179	1.13%	9	1	5.59%	0.93%
Step Therapy rules not met	189	1.19%	26	0	13.76%	2.43%
Exception						
Brand/Generic Exception not met	1	0.01%	0	0	0.00%	0.00%
Not on formulary	3733	23.47%	103	2	2.81%	9.81%
Other-Exception	2	0.01%	0	1	50.00%	0.09%
PA Exception criteria not met	50	0.31%	6	1	14.00%	0.65%
Quantity Limit exception criteria not met	18	0.11%	0	0	0.00%	0.00%
Step Therapy exception criteria not met	2	0.01%	0	0	0.00%	0.00%
Tiering exception criteria not met	950	5.97%	5	0	0.53%	0.47%
Exclusion						
Anorexia drug	3	0.02%	0	0	0.00%	0.00%
Cosmetic Purposes or hair grow	12	0.08%	0	0	0.00%	0.00%
Covered under A or B	504	3.17%	27	3	5.95%	2.80%
DESI Drugs	10	0.06%	0	0	0.00%	0.00%
Fertility Drug	1	0.01%	0	0	0.00%	0.00%
Manufacturer Tying Arrangement	141	0.89%	0	0	0.00%	0.00%
Not FDA Approved Drug	170	1.07%	3	1	2.35%	0.37%
Not Medically Accepted Indication	3451	21.69%	152	2	4.46%	14.39%
OTC Drug	48	0.30%	0	1	2.08%	0.09%
Other-Exclusion	88	0.55%	1	0	1.14%	0.09%
Relief of Cough and Colds	17	0.11%	0	0	0.00%	0.00%
Sexual and Erectile Dysfunction	99	0.62%	1	0	1.01%	0.09%
Supply not directly associated with injection of insulin	2	0.01%	0	0	0.00%	0.00%
Vitamins and Minerals	57	0.36%	0	0	0.00%	0.00%
Weight loss or Weight Gain drug	1039	6.53%	9	0	0.87%	0.84%
OON						
OON	8	0.05%	0	0	0.00%	0.00%
No Exception	2001	12.58%	92	5	4.85%	9.07%
Grand Total	15907	100%	1040	30	6.73%	100.00%

PART D DRUG FACT SHEET

Rates of Substantive Reason by Substantive Decision

Reason	Substantive Decision						Total
	Favorable		Partially Favorable		Unfavorable		
	Number	%	Number	%	Number	%	
Appellant Dismissal-IRE Agrees with Plan	0	0.00%	0	0.00%	2	100.00%	2
Contract Ambiguity	0	0.00%	0	0.00%	14	100.00%	14
Cost Sharing / Benefit Limits	60	20.07%	4	1.34%	235	78.60%	299
Dosage/Form	0	0.00%	0	0.00%	4	100.00%	4
Exclusion - B vs D	12	2.19%	3	0.55%	532	97.26%	547
Not a Medically Accepted Indication	99	1.70%	1	0.02%	5729	98.28%	5829
Off-Formulary Exception	105	3.33%	3	0.10%	3041	96.57%	3149
OON Rules	0	0.00%	0	0.00%	9	100.00%	9
Prior Authorization Exception	67	78.82%	1	1.18%	17	20.00%	85
Prior Authorization Rules	665	26.56%	8	0.32%	1831	73.12%	2504
Quantity Limit Exception	9	32.14%	0	0.00%	19	67.86%	28
Quantity Limit Rules	6	2.67%	2	0.89%	217	96.44%	225
Statutory Exclusion	1	0.06%	2	0.11%	1803	99.83%	1806
Step-Therapy	10	14.29%	0	0.00%	60	85.71%	70
Step-Therapy Exception	3	33.33%	0	0.00%	6	66.67%	9
Tiering Exception (TE) Brand Drug, Lower Tier Generic	0	0.00%	1	1.79%	55	98.21%	56
TE Criteria Met	3	27.27%	0	0.00%	8	72.73%	11
TE Criteria Not Met	0	0.00%	3	0.48%	624	99.52%	627
TE for Non-Formulary Drug	0	0.00%	0	0.00%	5	100.00%	5
TE for Specialty Tier Drug	0	0.00%	0	0.00%	90	100.00%	90
TE for Tier 1 Drug	0	0.00%	0	0.00%	38	100.00%	38
TE No Lower Tier Alternatives	0	0.00%	2	0.41%	490	99.59%	492
Tier 4 Brand Drug, Lower Tier Generic	0	0.00%	0	0.00%	8	100.00%	8
Grand Total	1040	6.54%	30	0.19%	14837	93.27%	15907

Rates of Disposition by Tolling Type

Tolling Type	Substantive Decision						Total
	Favorable		Partially Favorable		Unfavorable		
	Number	%	Number	%	Number	%	
Appointment of Representation (AOR) Form	2	11.11%	0	0.00%	16	88.89%	18
Prescribing Physician Statement	23	9.47%	1	0.41%	219	90.12%	243
Grand Total	25	9.58%	1	0.38%	235	90.04%	261