

Fact Sheet

Part D Drug Reconsideration Appeals Data – Q3 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 July 1, 2025, through September 30, 2025 (Quarter 3).

Reconsideration Volume

The Part D QIC received 14,389 reconsideration requests during Q3 of 2025. This represents a rate of 0.24 reconsiderations for each 1,000 Medicare beneficiaries enrolled.¹

Standard cases represented 64.04% of all appeals received and resulted in a rate of 0.16 standard cases for each 1,000 beneficiaries enrolled.

Retrospective cases represented 2.93% of all appeals received and resulted in a rate of 0.01 standard cases for each 1,000 beneficiaries enrolled.

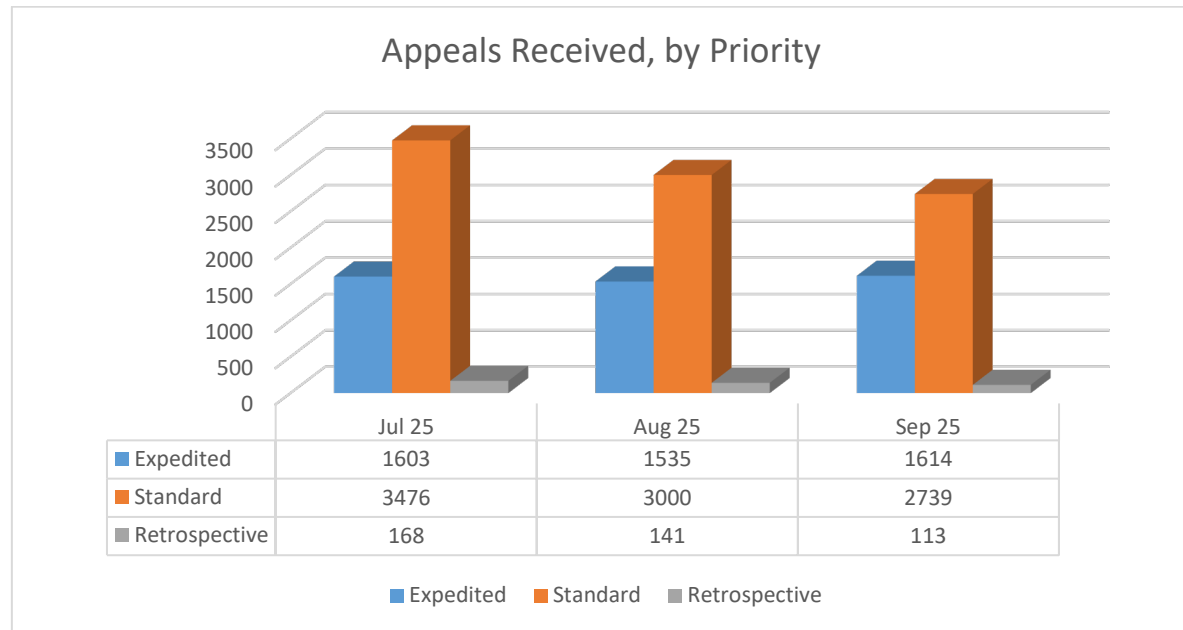
Expedited cases represented 33.03% of all appeals received and resulted in a rate of 0.08 expedited cases for each 1,000 beneficiaries enrolled.

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

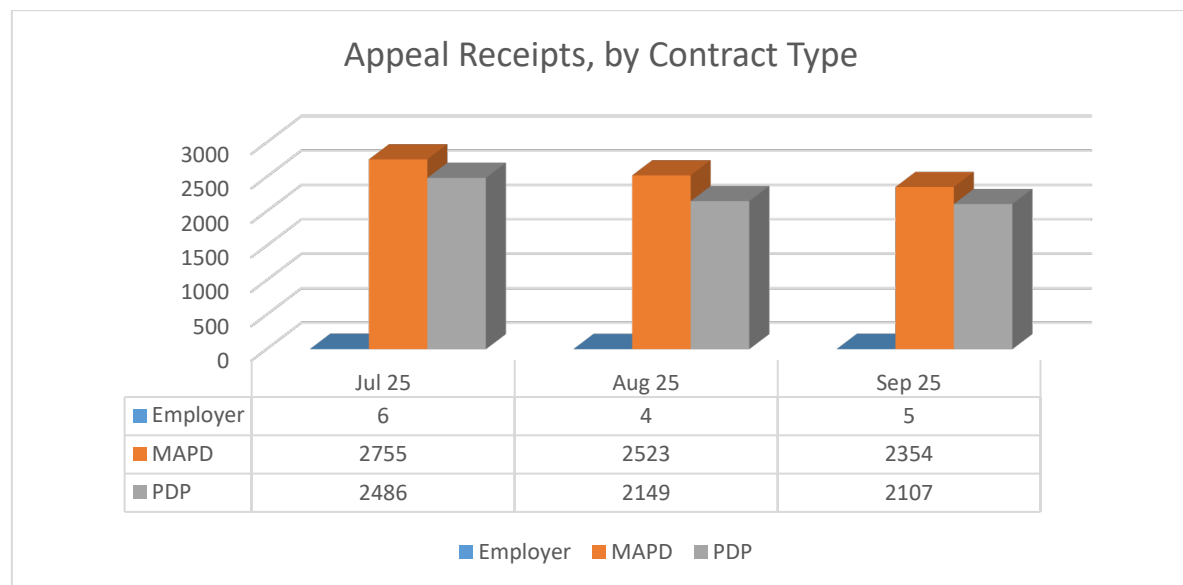
¹ Volume, divided by September enrollment (times 1,000), is used to calculate the annual rate of appeals per 1,000 enrollees.

Reconsideration Volume

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



Part D Appeal Volume, by Contract Type



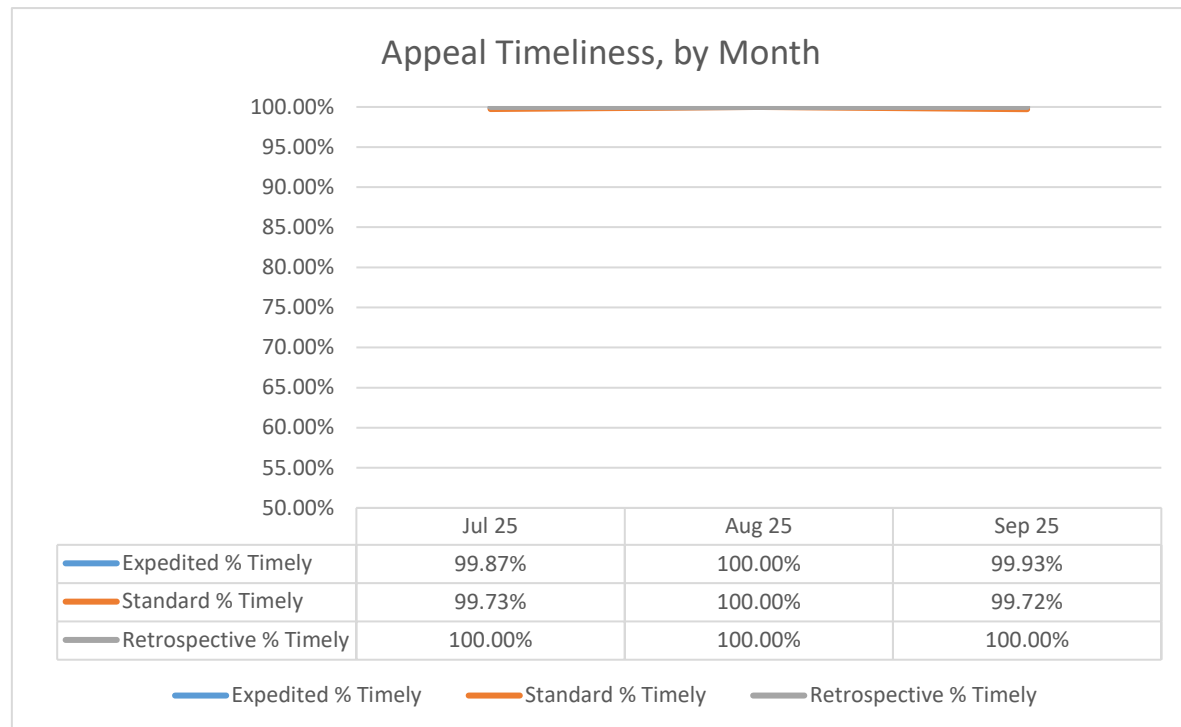
Note -- MAPD: Medicare Advantage Prescription Drug Plan; PDP: Prescription Drug Plan;
Employer: Prescription Drug Plan

Timeliness of Part D Reconsiderations

Overall Timeliness, by Month

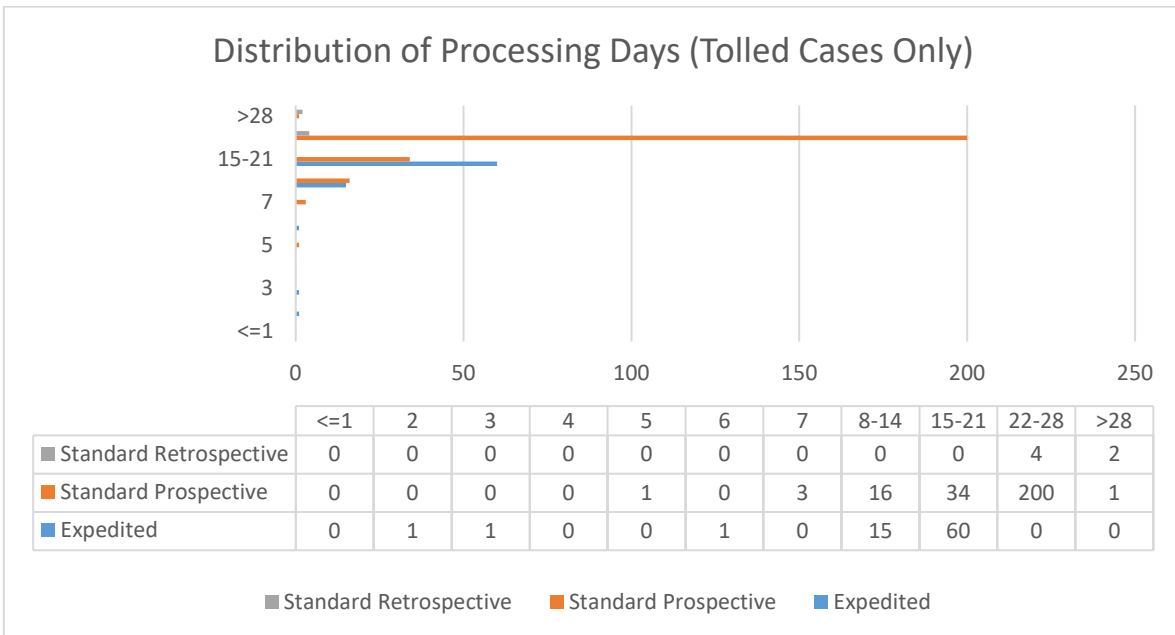
Month	Total Appeals Decided	Total Timely	% Timely
Jul	4997	4986	99.78%
Aug	4915	4915	100.00%
Sep	4474	4465	99.80%

Reconsideration Timeliness, by Priority

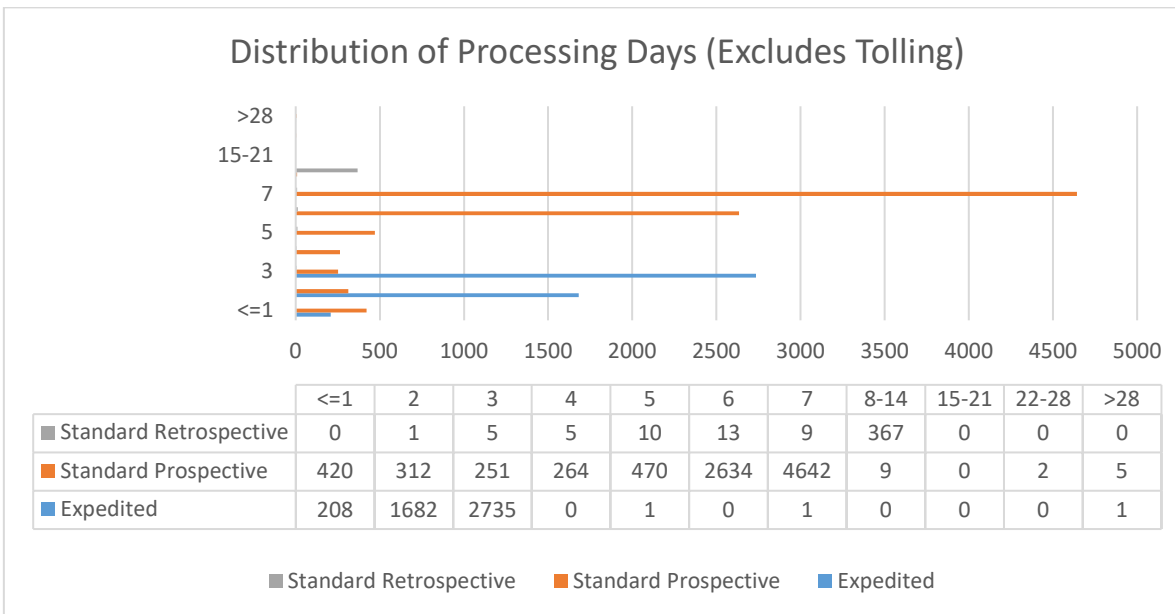


Adjudication timeframes vary based on appeal priority. Expedited appeals are completed within 72 hours unless tolling is warranted for a formulary exception request or an Appointment of Representation form for a representative-appellant. When tolling is warranted, the IRE may toll the case for up to 14 additional calendar days. Standard appeals are completed within seven 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	537	181	33.71%	15	8.29%	2.02%
Not covered under Part D	5941	4707	79.23%	195	4.14%	26.32%
Out of Network (OON): no access OOA travel	1	1	100.00%	0	0.00%	0.00%
Plan cost utilization tool disputed	3575	3449	96.48%	427	12.38%	57.62%
Request for tiering exception	562	526	93.59%	3	0.57%	0.40%
Request for drug not on formulary	3767	3618	96.04%	100	2.76%	13.50%
OON: drug not avail in-network	3	3	100.00%	1	33.33%	0.13%
Grand Total	14386	12485	86.79%	741	5.94%	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	9	9	100.00%	1	11.11%	0.13%
Cost-Sharing	82	74	90.24%	7	9.46%	0.94%
Covered under A/B	336	332	98.81%	4	1.20%	0.54%
Drug is not FDA approved	110	104	94.55%	4	3.85%	0.54%
Not a Medically Accepted Indication	2154	2121	98.47%	92	4.34%	12.42%
Off-Formulary	3199	3075	96.12%	90	2.93%	12.15%
Other	4049	2481	61.27%	96	3.87%	12.96%
Out of Network	9	9	100.00%	1	11.11%	0.13%
Purchased Outside of the US	45	42	93.33%	0	0.00%	0.00%
Tiering Exception	535	521	97.38%	4	0.77%	0.54%
Utilization Management	3858	3717	96.35%	442	11.89%	59.65%
Grand Total	14386	12485	86.79%	741	5.94%	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%	15	100.00%	15
MAPD	394	6.06%	8	0.12%	6095	93.81%	6497
PDP	335	5.61%	4	0.07%	5634	94.32%	5973
Grand Total	729	5.84%	12	0.10%	11744	94.06%	12485

Appeal Priority and Appeal Dispositions

Priority	Substantive Disposition						Total
	Favorable		Partially Favorable		Unfavorable		
	Number	%	Number	%	Number	%	
Expedited	343	7.29%	3	0.06%	4356	92.64%	4702
Standard	386	4.96%	9	0.12%	7388	94.92%	7783
Prospective	353	4.74%	6	0.08%	7083	95.18%	7442
Retrospective	33	9.68%	3	0.88%	305	89.44%	341
Grand Total	729	5.84%	12	0.10%	11744	94.06%	12485

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	20	0.16%	1	0	5.00%	0.13%
Deductible Not Met	3	0.02%	0	0	0.00%	0.00%
Drugs purchased prior to coverage criteria	84	0.67%	9	1	11.90%	1.35%
Coverage Rules						
Other-Coverage Rules	9	0.07%	6	0	66.67%	0.81%
Prior Authorization rules not met	2321	18.59%	371	2	16.07%	50.34%
Quantity Limit rules not met	137	1.10%	1	0	0.73%	0.13%
Step Therapy rules not met	244	1.95%	28	0	11.48%	3.78%
Exception						
Not on formulary	3345	26.79%	105	0	3.14%	14.17%
PA Exception criteria not met	12	0.10%	2	0	16.67%	0.27%
Quantity Limit exception criteria not met	16	0.13%	0	0	0.00%	0.00%
Tiering exception criteria not met	403	3.23%	2	1	0.74%	0.40%
Other-Exception	1	0.01%	1	0	100.00%	0.13%
Exclusion						
Anorexia drug	10	0.08%	0	0	0.00%	0.00%
Cosmetic Purposes or hair grow	9	0.07%	4	0	44.44%	0.54%
Covered under A or B	389	3.12%	0	1	0.26%	0.13%
DESI Drugs	7	0.06%	0	0	0.00%	0.00%
Fertility Drug	2	0.02%	0	0	0.00%	0.00%
Manufacturer Tying Arrangement	24	0.19%	0	0	0.00%	0.00%
Not FDA Approved Drug	153	1.23%	6	0	3.92%	0.81%
Not Medically Accepted Indication	3277	26.25%	139	3	4.33%	19.16%
OTC Drug	47	0.38%	0	0	0.00%	0.00%
Other-Exclusion	47	0.38%	1	0	2.13%	0.13%
Relief of Cough and Colds	12	0.10%	0	0	0.00%	0.00%
Sexual and Erectile Dysfunction	67	0.54%	1	0	1.49%	0.13%
Vitamins and Minerals	44	0.35%	0	0	0.00%	0.00%
Weight loss or Weight Gain drug	671	5.37%	2	0	0.30%	0.27%
Supply not directly associated with injection of insulin	1	0.01%	0	0	0.00%	0.00%
OON						
OON	12	0.10%	1	0	8.33%	0.13%
No Exception	1118	8.95%	49	4	4.74%	7.15%
Grand Total	12485	100%	729	12	5.94%	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	%	
Contract Ambiguity	0	0.00%	0	0.00%	3	100.00%	3
Cost Sharing / Benefit Limits	33	12.45%	2	0.75%	230	86.79%	265
Exclusion - B vs D	1	0.24%	0	0.00%	414	99.76%	415
Not a Medically Accepted Indication	57	1.05%	3	0.06%	5372	98.90%	5432
Off-Formulary Exception	111	4.86%	2	0.09%	2170	95.05%	2283
OON Rules	1	14.29%	0	0.00%	6	85.71%	7
Prior Authorization Exception	88	90.72%	1	1.03%	8	8.25%	97
Prior Authorization Rules	429	24.32%	3	0.17%	1332	75.51%	1764
Quantity Limit Exception	1	4.35%	0	0.00%	22	95.65%	23
Quantity Limit Rules	3	1.76%	0	0.00%	167	98.24%	170
Statutory Exclusion	0	0.00%	0	0.00%	1413	100.00%	1413
Step-Therapy	4	5.71%	0	0.00%	66	94.29%	70
Tiering Exception (TE) Brand Drug, Lower Tier Generic	0	0.00%	0	0.00%	5	100.00%	5
TE Criteria Met	1	33.33%	0	0.00%	2	66.67%	3
TE Criteria Not Met	0	0.00%	0	0.00%	237	100.00%	237
TE for Non-Formulary Drug	0	0.00%	0	0.00%	7	100.00%	7
TE for Specialty Tier Drug	0	0.00%	0	0.00%	41	100.00%	41
TE for Tier 1 Drug	0	0.00%	0	0.00%	14	100.00%	14
TE No Lower Tier Alternatives	0	0.00%	1	0.45%	220	99.55%	221
Tier 4 Brand Drug, Lower Tier Generic	0	0.00%	0	0.00%	9	100.00%	9
Dosage/Form	0	0.00%	0	0.00%	6	100.00%	6
Grand Total	729	5.84%	12	0.10%	11744	94.06%	12485

Rates of Disposition, by Tolling Type

Tolling Type	Substantive Decision						Total
	Favorable		Partially Favorable		Unfavorable		
	Number	%	Number	%	Number	%	
Appointment of Representation (AOR) Form	1	11.11%	0	0.00%	8	88.89%	9
Prescribing Physician Statement	14	9.59%	1	0.68%	131	89.73%	146
Grand Total	15	9.68%	1	0.65%	139	89.68%	155