

Fact Sheet

Part D Late Enrollment Penalty Reconsideration Appeals Data – Q2 2024

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, which is also called the Part D Qualified Independent Contractor (Part D QIC). Under Medicare regulations, the Part D QIC decision is final and not subject to further appeal.

Part D LEP Appeals Process

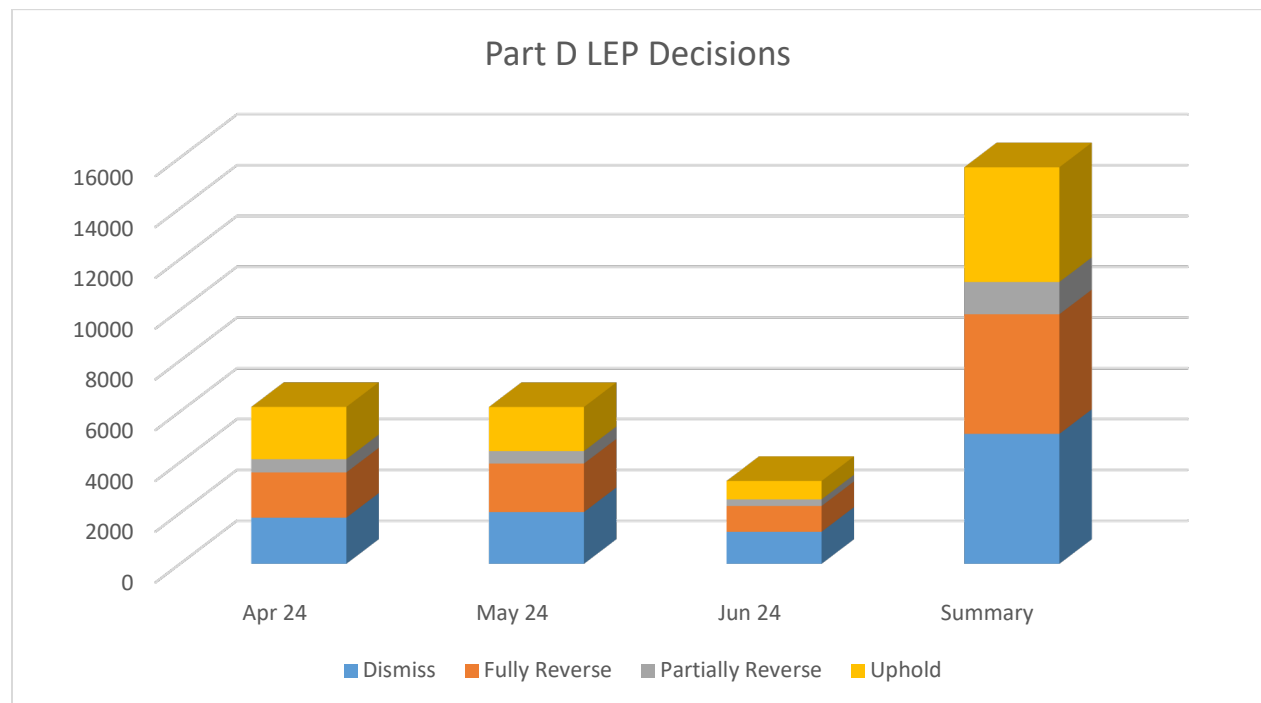
The following data summarizes and highlights some of the key data on reconsiderations during the 20th year (April 1, 2024 – June 30, 2024) of the Medicare prescription drug benefit program.

Reconsideration Volume

The Part D QIC closed 15,618 reconsiderations during the second quarter of calendar year 2024. This represents a rate of 0.27 reconsiderations for each 1,000 Medicare beneficiaries enrolled.¹

¹Volume, divided by June 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 Month

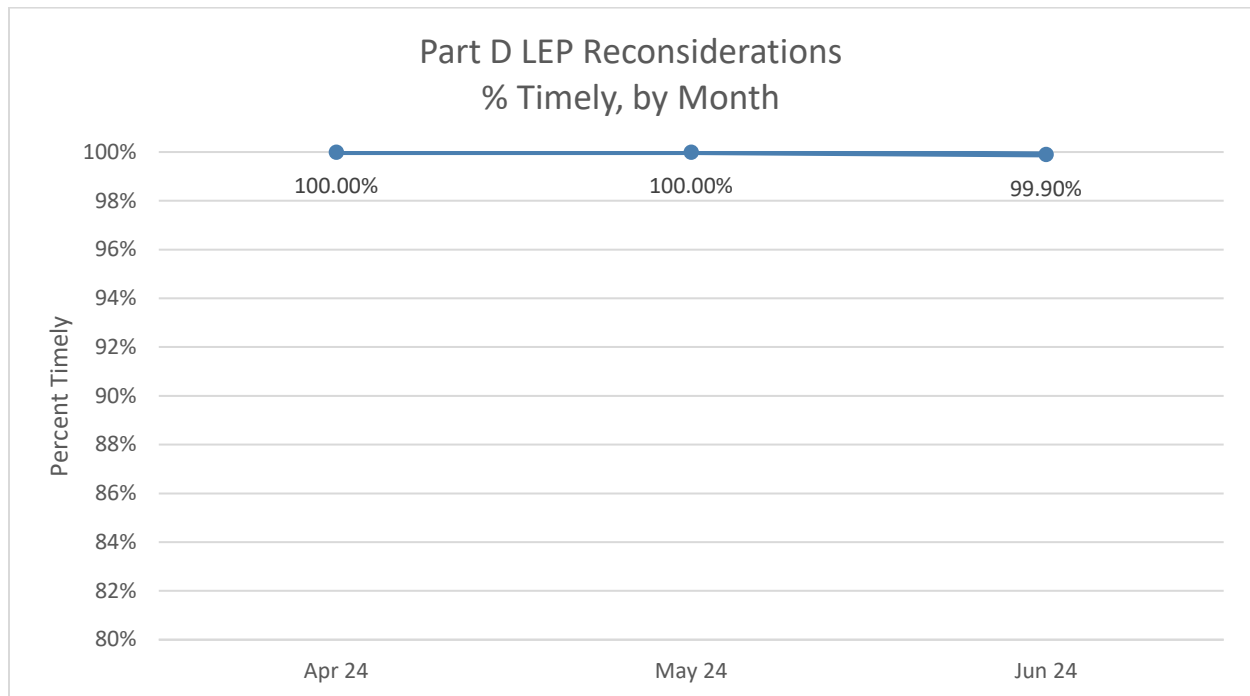


Part D LEP Appeal Volume, by Decision

| Month | Dismiss | Fully Reverse | Partially Reverse | Uphold | Grand Total |
|----------------|-------------|---------------|-------------------|-------------|--------------|
| Apr 24 | 1816 | 1784 | 521 | 2058 | 6179 |
| May 24 | 2039 | 1912 | 489 | 1736 | 6176 |
| Jun 24 | 1262 | 1015 | 261 | 725 | 3263 |
| Summary | 5117 | 4711 | 1271 | 4519 | 15618 |

² Excludes Reopening of LEP Appeals

Timeliness of LEP Reconsiderations Closed



| Month Closed | Total Cases | Timely Cases | % Timely |
|----------------|-------------|--------------|---------------|
| Apr 24 | 1156 | 1156 | 100.00% |
| May 24 | 1032 | 1032 | 100.00% |
| Jun 24 | 6154 | 6148 | 99.90% |
| Summary | 8342 | 8336 | 99.93% |