



# Broker Update



## Part D Late Enrollment Penalty Reminders

Attention Valued Partner,

A Late Enrollment Penalty (LEP) is an unwelcome surprise. An LEP can be confusing and frustrating to new members, and can often result in complaints.

When enrolling members, please take the time to explain the following important details:

### Late Enrollment Penalty (LEP) Details:

- Medicare beneficiaries may incur an LEP that is added to their Part D premium if there is a continuous period of 63 days or more at any time after the end of the individual's Part D initial enrollment period during which the individual was eligible to enroll, but was not enrolled in a Part D plan and was not covered under any creditable prescription drug coverage.
- Medicare plans that offer Part D benefits are required by CMS to notify enrollees in writing if they determine that a gap in coverage exists as described above. Members will receive instructions from Wellcare on how to attest to creditable coverage and a due date for the response.
- If a valid attestation is not received by the due date, Medicare will impose the LEP, which will be communicated by Wellcare. When this occurs, the member will receive instructions on the conditions and processes for filing a "reconsideration" (appeal).
- Members have 60 calendar days from the date on the LEP letter to request a reconsideration. If the 60-day timeframe for filing an LEP reconsideration has expired, the enrollee may request a good-cause extension, but must include an explanation why the request is late. If it is approved, the LEP will be removed in the next billing cycle.

Please remind your clients aging into or otherwise new to Medicare that, in order to avoid an LEP, they should enroll in (and remain continuously enrolled

in) a Medicare plan that offers Part D benefits when they first become eligible unless they have creditable prescription drug coverage through another source, such as a current or former employer or union.

For additional information, please refer to our [LEP FAQs Resource](#).

As always, we thank you for your continued partnership.



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