

# How to Calculate the Part D Late Enrollment Penalty

Someone who's gone without coverage for 10 months



*Example based on the 2022 National Base Beneficiary Premium*

## What if I don't agree with the penalty?

You may request for Medicare to review the penalty, called a "reconsideration", through your Medicare plan.

To request a review, you will need to fill out a form supplied by your Medicare plan. This form will then need to be mailed or faxed within 60 days of the date on the letter informing you that you will be expected to pay a late enrollment penalty.

Medicare will generally make a decision within 90 days. You cannot ignore the penalty. Medicare plans may disenroll members who do not pay their penalty.

## Under what circumstances would I need to pay a penalty?

A person enrolled in a Medicare plan may be subject to a late enrollment penalty if they are without Part D or other creditable prescription drug coverage for a continuous period of 63 days or more following their Initial Enrollment Period (IEP) for Part D.

Creditable prescription drug coverage (or "creditable coverage") is comparable coverage to Medicare coverage meaning it will pay, on average, at least as much as Medicare's standard prescription drug coverage.

