

What is the Part B late enrollment penalty (LEP) and how can I appeal it?

For each 12-month period you delay enrollment in Medicare Part B, you will have to pay a 10% Part B premium penalty, unless you have insurance based on your or your spouse's current work (job-based insurance) or are eligible for a Medicare Savings Program (MSP). In most cases, you will have to pay that penalty every month for as long as you have Medicare. If you are enrolled in Medicare because of a disability, once you turn 65 you will no longer have to pay the premium penalty.

You can appeal your Part B LEP. To appeal, follow the instructions on the notice that you received informing you of the penalty. In order to successfully appeal your penalty, you will need to prove that you were enrolled either in Part B or had coverage through current employment during the relevant period of time. If your appeal is unsuccessful, you will have the right to request a hearing by an administrative law judge (ALJ). Follow the instructions on your appeal denial to request a hearing.

What is the Part D late enrollment penalty and how can I appeal it?

For each month you delay enrollment in Medicare Part D, you will have to pay a 1% Part D late enrollment penalty, unless you:

- Have creditable coverage, meaning coverage that is as good as or better than the basic Part D benefit.
- Qualify for the Extra Help program
- Prove that you received inadequate information about whether your drug coverage was creditable.

In most cases, you will have to pay that penalty every month for as long as you have Medicare. If you are enrolled in Medicare because of a disability and currently pay a premium penalty, once you turn 65 you will no longer have to pay the penalty.

You have the right to file an appeal with MAXIMUS regarding their LEP determination. MAXIMUS is the company contracted by Medicare to handle these appeals. You can appeal the penalty (if you think you were continuously covered) or its amount (if you think it was calculated incorrectly). You should complete the appeal form you received from your plan, attach any evidence you have, and mail everything to the address provided on the notice you received.

What is an IRMAA and how can I appeal it?

The Medicare Income-Related Monthly Adjustment Amount (IRMAA) is an amount you may pay in addition to your Part B and/or Part D premium if your income is above a certain level. Federal law sets income brackets that determine your (or your and your spouse's) IRMAA.

You can ask for a new IRMAA determination. If Social Security determines that you should pay an IRMAA, they will mail you a notice called an initial determination. This notice should include information on how to request a new initial determination. You can request that Social Security revisit its decision if you have experienced a life-changing event that caused an income decrease, or if you think the income information Social Security used to determine your IRMAA was incorrect or outdated. Social Security considers the following to be life-changing events:

- The death of a spouse
- Marriage
- Divorce or annulment
- You or your spouse stopped working or reduced the number of hours you work
- Involuntary loss of income-producing property due to natural disaster, disease, fraud, or other circumstances
- Loss of pension
- Receipt of settlement payment from a current or former employer due to the employer's closure or bankruptcy

You can make the case that Social Security used outdated or incorrect information when calculating your IRMAA if, for example, you:

- Filed an amended tax return with the IRS
- Have a more recent tax return that shows you are receiving a lower income than previously reported.

To request a new initial determination, submit a Medicare IRMAA life-changing event form or schedule an appointment with Social Security. You will need to provide documentation of either your correct income or the life-changing event that caused your income to decrease.