

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland



CENTER FOR MEDICARE

April 30, 2026

Warning Letter - Medicare Coverage Gap Discount Program (CGDP): Notice of Determination to Impose a Civil Money Penalty for Pharmaceutical Manufacturer

Contract ID: P1090

Manufacturer Name: Ascend Laboratories, LLC

Wanda Agrisoni
Primary Contact
135 Route 202/206
Suite 15
Bedminster, New Jersey 07921

VIA EMAIL: wagrisoni@ascendlaboratories.com

RE: CGDP Notice of Determination to Impose a Civil Money Penalty for Pharmaceutical Manufacturer Contract Number Contract ID: P1090

Dear Wanda Agrisoni:

The Centers for Medicare & Medicaid Services (CMS) is issuing this notice of determination to impose a civil money penalty to Ascend Laboratories, LLC, P1090. Pursuant to 42 CFR §423.2340, CMS is providing notice of a civil money penalty (CMP) assessment in the amount of \$1.61.

Basis for Civil Money Penalty

CMS is imposing a CMP of \$1.61 on Ascend Laboratories, LLC, P1090 based on a report provided by the Third Party Administrator (TPA) for the Coverage Gap Discount Program. The information which the TPA provided indicates that your organization failed to pay specified Part D sponsors for applicable discounts within 38 calendar days from receipt of the 2025 fourth quarter invoice. This is a violation of 42 CFR §423.2315(b)(3) and Section II(b) of the Medicare Coverage Gap Discount Program Agreement (Discount Agreement).

Specifically, the following Part D sponsors did not receive payments within the requisite 38-day time period:

- 2 Part D Sponsors: \$6.43
 - H0562 HEALTH NET OF CALIFORNIA, INC. \$3.17
 - H9575 BCBS OF MICHIGAN MUTUAL INSURANCE COMPANY \$3.26

The CMP that your company owes is equal to:

- The 25% late payment penalty; \$1.61

The determination by CMS to impose a CMP will become final and due no later than sixty (60) calendar days, June 29, 2026, if you do not request a hearing to appeal in the manner and time frame described below under Right to Request a Hearing.

Please note that any further failures by Ascend Laboratories, LLC to comply with these or any other CMS requirements may subject your organization to termination as described in 42 CFR §423.2345 and section VIII of the Discount Agreement.

Method to Submit CMP Payments

You **must** contact the TPA, 1-877-534-2772, to pay any invoiced amounts your company has failed to pay to Part D sponsors. You **must** pay the 25% late payment penalty via Pay.gov. (Instructions on Attachment 1)

Pay.gov provides a free service to entities that make online payments to a Federal government agency. The Pay.gov Collection Service collects and processes the Internet-authorized deductions from a checking or savings account via Automated Clearing House

(ACH) debit entries processed at the Federal Reserve Bank of Cleveland (FRB-C). Your Pay.gov payment transaction will not require a Username and Password.

Companies sometimes have blocks on their bank accounts that will only allow designating transactions to be processed. It may be necessary to provide your banking institute with the following two pieces of information to unblock the bank account:

- **Originating Depository Financial Institution (ODFI):** FRB-C is the payment processor for ACH payments made through Pay.gov and will appear as the ACH ODFI. FRB-C processes Pay.gov ACH transactions under the American Bankers Association (ABA) routing numbers 041036046 and 042736141.
- **Company ID:** Every ACH batch contains a company ID number in accordance with the National Automated Clearing House Association (NACHA) requirements. CMS' company ID number for Pay.gov payments is 7505008012.

For Pay.gov technical issues contact Pay.gov Customer Service at (800) 624-1373 or (216) 579-2112, Monday-Friday from 7:00 A.M. to 7:00 P.M. Eastern Time.

You will find it helpful to have the following information available when you complete your payment:

- P# (P####)
- CMP payment demand letter from CMS
- Bank account and routing numbers
- Point of contact regarding the payment
- Business mailing address

Right to Request a Hearing

Your organization may request a hearing before an administrative law judge of the Department of Health and Human Services, Departmental Appeals Board (DAB) to appeal CMS' determination to impose a civil money penalty in accordance with Section IV(b) of the Discount Agreement. Procedures governing this process are set out in 42 C.F.R. § 423.2340.

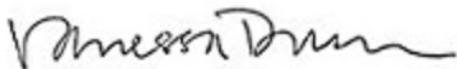
You must:

- either file your hearing request electronically or by mail no later than sixty (60) calendar days from the date on this letter; Monday, June 29, 2026. Follow instructions on Attachment 2.
- email a copy of your hearing request to CMS at CGDPandManufacturers@cms.hhs.gov.

If you've filed for bankruptcy or are involved in a bankruptcy proceeding, Medicare financial obligations will be handled in accordance with the applicable bankruptcy process. If you haven't already notified CMS, please inform us promptly of this bankruptcy so we can coordinate the Department of Justice to ensure your case is managed properly. When notifying us of the bankruptcy, include the name under which it was filed, the docket number, and the district where it was filed. If you dispute this determination, please follow the appropriate appeals process described in Attachment 2: Right to Request a Hearing.

Acknowledgement of this letter is required, please reply to CGDPandManufacturers@cms.hhs.gov. If you have any questions about this notice, please contact Sonia Eaddy, sonia.eaddy@cms.hhs.gov.

Sincerely,



Vanessa Duran, Director
Medicare Drug Benefit and C & D Data Group
Center for Medicare

CC via email:

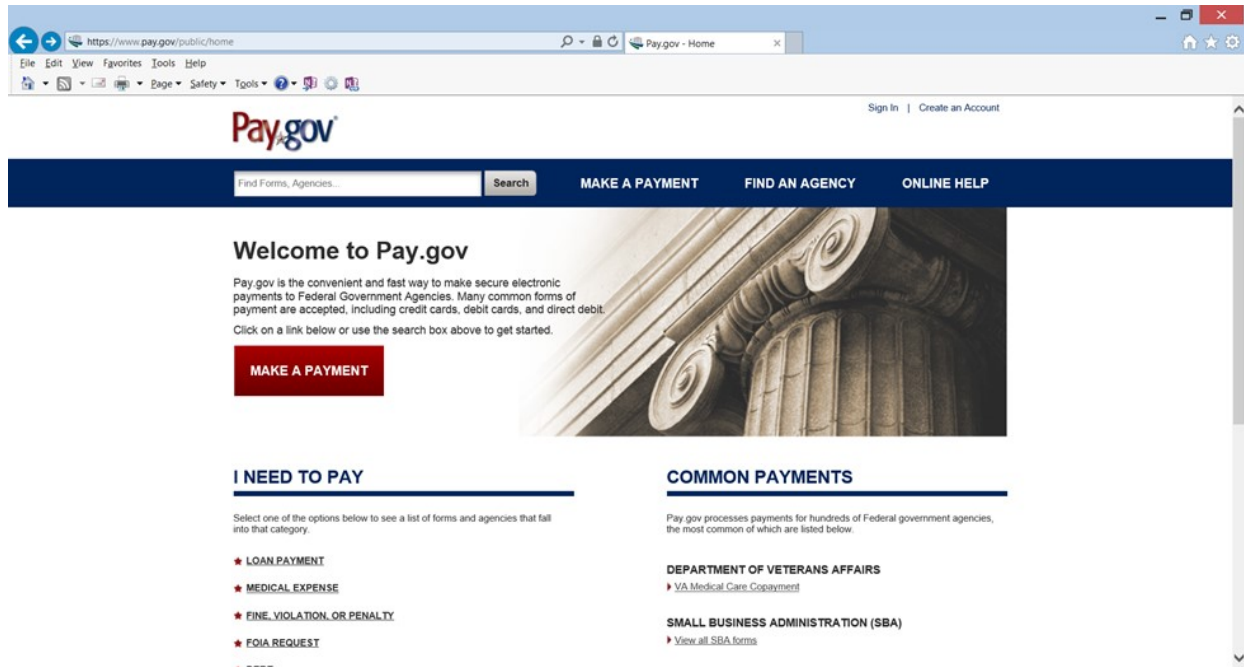
CGDPandManufacturers@cms.hhs.gov, MDBG, MPPG, OC, OGC

Attachment 1

Instructions for paying the 25% late payment penalty portion of the CMP via Pay.gov

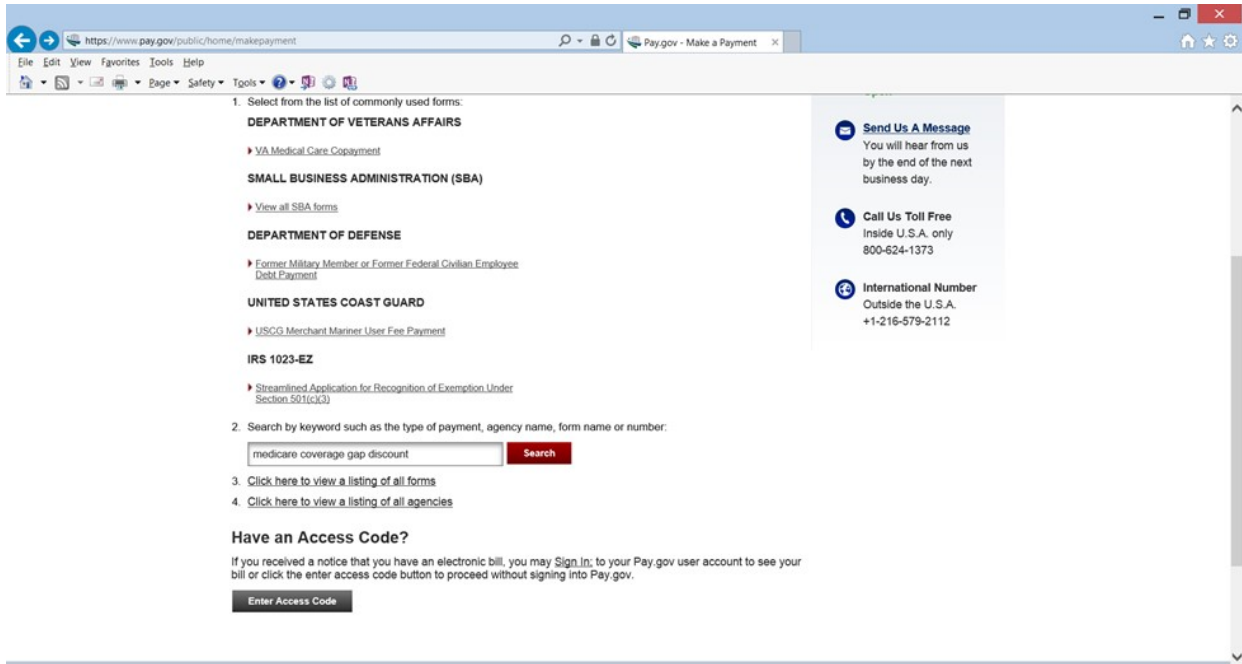
Step 1

Access Pay.gov at <https://www.pay.gov>



Step 2

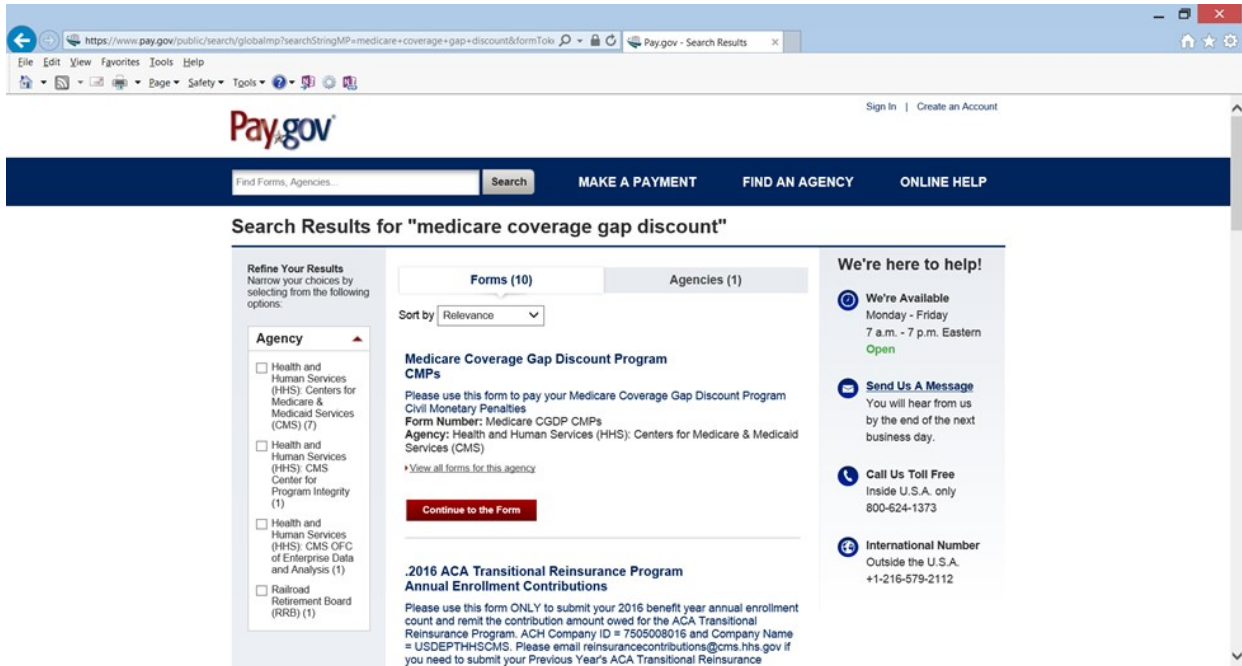
- In the **Search by keyword...** box (under number 2), Type: *Medicare Coverage Gap Discount (not case sensitive)*
- then click on Search



Step 3

Medicare Coverage Gap Discount Program CMPs

- Click on **Continue to the Form.**



Step 4

- You may Preview Form, cancel, or Continue to Form.
- Click on Continue to the Form. Have available your payment demand letter from CMS.

Pay.gov

Find Forms, Agencies Search MAKE A PAYMENT FIND AN AGENCY ONLINE HELP

Medicare Coverage Gap Discount Program CMPs

Before You Begin 1 Complete Agency Form 2 Enter Payment Info 3 Review & Submit 4 Confirmation

Please use this form to pay your Medicare Coverage Gap Discount Program Civil Monetary Penalties

Paying online with Pay.gov is safe, secure, and the preferred method to make a payment. To make a payment using one of the below accepted payment methods, please click the Continue to the Form button.

Accepted Payment Methods:

Bank account (ACH)

Preview Form Cancel Continue to the Form

This is a secure service provided by United States Department of the Treasury. The information you will enter will remain private. [Please review our privacy policy](#) for more information.

Need Help?
 Contact: Shelly Winston
 Email: [Click to email](#)
 Website: [Click to visit site](#)

Contact Us | Notices & Agreements | Accessibility Policy | Privacy & Security Policy | For Agencies | Fiscal Service

WARNING WARNING WARNING

You have accessed a United States Government computer. Unauthorized use of this computer is a violation of federal law and may subject you to civil and criminal penalties. This computer and the automated systems which run on it are monitored. Individuals are not guaranteed privacy while using government computers and should, therefore, not expect it. Communications made using this system may be disclosed as allowed by federal law.

Note: This system may contain Sensitive But Unclassified (SBU) data that requires specific data privacy handling.

Step 5

- Complete the required fields
 - **Manufacturer P Number:** (P####) must be a P followed by 4-digits
 - **Manufacturer Name:** manufacturer's complete name
 - **Point of Contact:** person authorized to make the payment
 - **Point of Contact Phone:** (***_**_****) telephone number must include dashes
 - **Point of Contact Email:** email address
 - **Mailing Address:** Street, city, state, and zip code
 - **Date of Demand Letter:** (MM/DD/YEAR) typed date on the demand letter received from CMS
 - **Quarter:** (Q1, Q2, Q3, Q4) use the drop arrow to select the calendar year quarter in which the invoice payment was late or unpaid
 - **Year:** use the drop down arrow to select the calendar year in which the invoice payment was late or unpaid
 - **Payment Amount:** the total amount indicated on the demand letter from CMS

Civil Money Penalty Payment

*Required Fields

*Manufacturer P Number:

*Manufacturer Name:

*Address:

*City:

*State:

*Zip Code:

*Point of Contact Name:

*Point of Contact Phone:

*Point of Contact Email:

*Date of Demand Letter:

Invoice Quarter for which Penalties are due:

*Quarter: *Year:

*Payment Amount: \$

(Note: This must be the total amount due)

- Review
- Click on Submit Data

NOTE: You will immediately receive a message if **any** of the required information is missing on the payment form. Click OK, complete the missing information, and click on Submit Data.



Step 6

Have your banking information available to enter the payment information. Enter bank information, review, and print your payment confirmation to complete your Pay.gov payment.

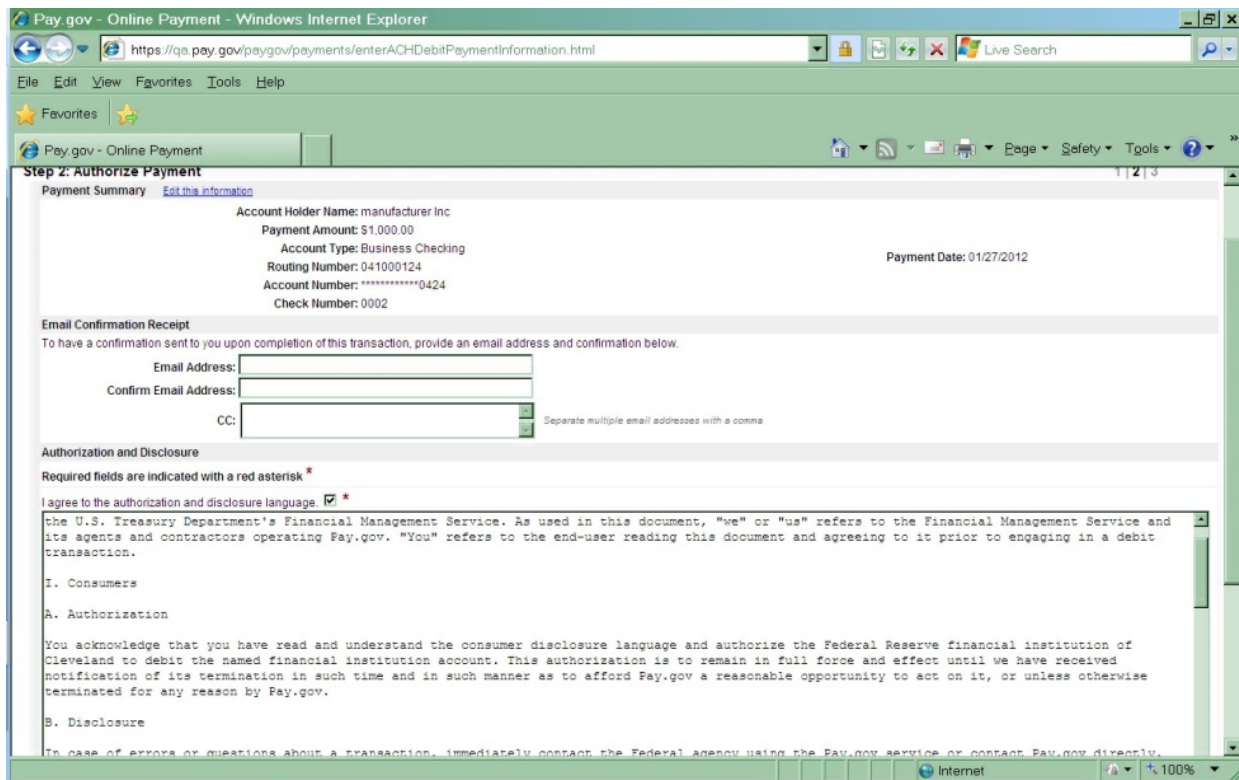
Notice the payment amount you entered on the previous screen has populated. Click on Return to Form at the bottom of the screen to correct the payment amount.

Enter,

- **Payment Amount**
- **Payment Date:** automatically populates the next available date in which the financial institutes can initiate the payment transaction
- **Account Holder Name:** name as it appears on the actual banking account
- **Select Account Type:** (Personal Checking, Personal Savings, Business Checking, or Business Savings) use the drop down arrow to select account type
- **Routing Number:** bank routing number
- **Account Number:** bank account number
- **Confirm Account Number:** re-type your bank account number

Click on Review and Submit Payment when you are ready

- Review the payment summary,



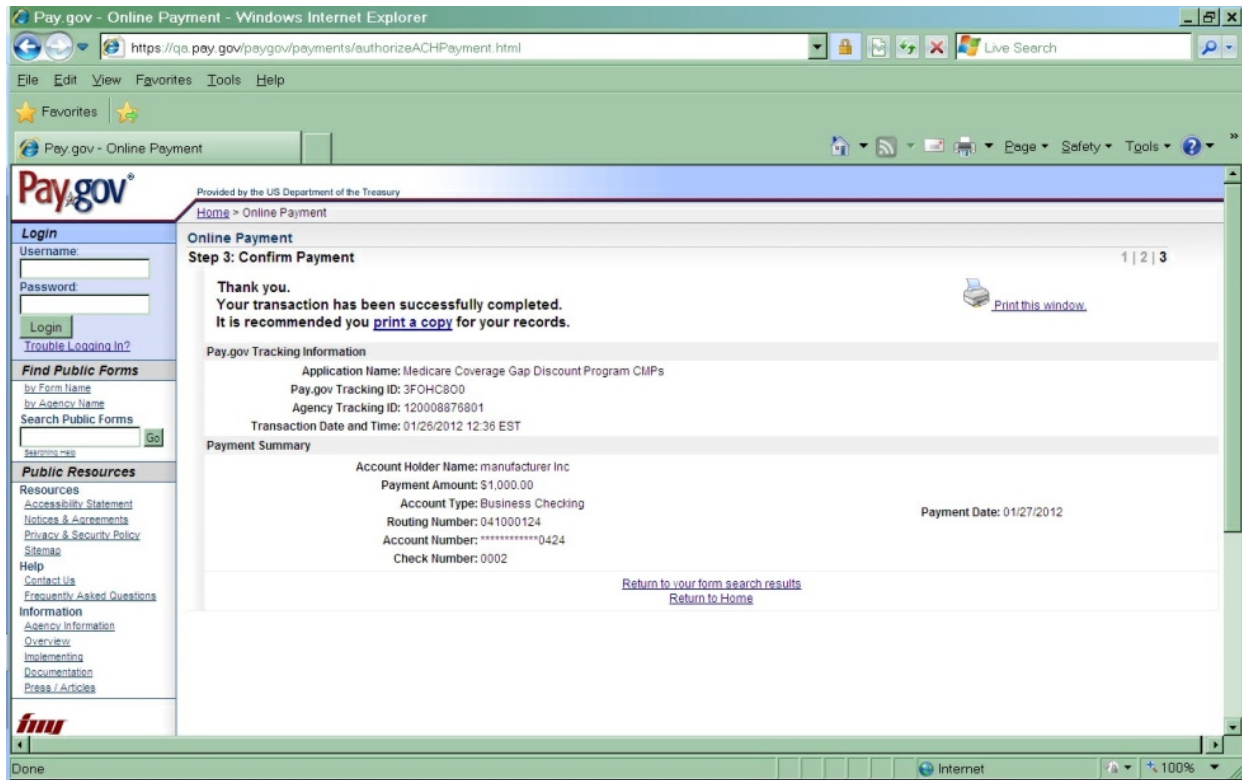
- Enter email address(es) to receive the payment confirmation
- Please add to the CC box: cgdp_manufacturers@cms.hhs.gov
- Read and/or print the Authorization and Disclosure. If you agree, Click, *I agree to the authorization and disclosure language*

Submit Payment - will submit your payment and move you to the final step of your payment

Cancel - will cancel all information entered during this session

Return To Your Form - will take you back to the Civil Money Penalty form

- Print the payment confirmation.



Attachment 2

Department of Health and Human Services, Departmental Appeals Board (DAB)

Registering to Use DAB E-File

To file a new appeal using DAB E-File, you first need to register a new account by:

- clicking “Register” on the DAB E-File home page;
- entering the information requested on the “Register New Account” form; and
- clicking “Register Account” at the bottom of the form. If you have more than one representative, each representative must register separately to use DAB-File on your behalf.

Filing an Appeal through DAB E-File

The e-mail address and password provided during registration must be entered on the login screen at http://dab.efile.hhs.gov/user_sessions/new to access DAB E-File. A registered user’s access to DAB E-File is restricted to the appeals for which he is a party or authorized representative. Once registered, you may file your appeal by:

- clicking the “File New Appeal” link on the “Manage Existing Appeals” screen, then clicking “Civil Remedies Division” on the “File New Appeal” screen; and
- entering and uploading the requested information and documents on the “File New Appeal - Civil Remedies Division” form.

At a minimum, the Civil Remedies Division (CRD) requires a party to file a signed request for hearing and the underlying notice letter from CMS that sets forth the action taken and the party's appeal rights. All documents must be submitted in Portable Document Format (*.PDF). Any document, including a request for hearing, will be deemed to have been filed on a given day, if it is uploaded to DAB E-File on or before 11:59 p.m. ET of that day. A party that files a request for hearing via DAB E-File will be deemed to have consented to accept electronic service of appeal-related documents that CMS files, or CRD issues on behalf of the Administrative Law Judge, via DAB E-File. Correspondingly, CMS will also be deemed to have consented to electronic service. More detailed instructions on DAB E-File for CRD cases can be found by clicking the CRD E-File Procedures link on the File New Appeal Screen for CRD appeals.

The DAB no longer accepts requests for a hearing submitted by U.S. mail or commercial carrier, unless you do not have access to a computer or internet services. In those circumstances you may contact the Civil Remedies Division to request a waiver from e-filing and provide an explanation as to why you cannot file electronically or you may mail a written request for a waiver along with your written request for a hearing. A written request for a hearing must be filed no later than sixty (60) days after receiving this letter, by mailing to the following address:

Department of Health and Human Services
Departmental Appeals Board, MS 6132
Director, Civil Remedies Division
330 Independence Avenue, S.W.
Cohen Building - Room G-644
Washington, D.C. 20201
(202) 565-9462

The request for a hearing will contain a statement as to the specific issues or findings of fact and conclusions of law in the notice letter with which the petitioner or respondent disagrees, and the basis for his or her contention that the specific issues or findings and conclusions were incorrect. 42 C.F.R. § 423.1020(b).