Federal judge rules against national pharmacy group in suit against ND

John Hageman Forum News Service

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A federal judge has ruled against a national pharmaceutical group that sued the state of North Dakota over two new laws passed by the Legislature earlier this year.

U.S. District Court Judge Daniel Hovland denied the Pharmaceutical Care Management Association's request for a preliminary injunction Tuesday, Nov. 7. He said the group, which represents third-party administrators known as pharmacy benefit managers or PBMs, had "not met its burden for establishing the necessity" of such a move.

The state had said it would not enforce Senate bills 2258 and 2301 until the judge ruled on the injunction. The laws were scheduled to go into effect Aug. 1 after Gov. Doug Burgum signed them in early April.

The laws regulate how PBMs categorize prescription drugs and require them to "make certain cost disclosures" to network pharmacies and plan participants, according to Hovland's order. The PCMA previously warned the changes would threaten patient safety and increase prescription drug costs, an argument the organization reiterated Monday.

"PCMA will continue to challenge the laws on the merits in the district court and if necessary the federal court of appeals," the group said in an emailed statement.

In a statement, Attorney General Wayne Stenehjem called the ruling a "useful first step."

"I will be meeting with our clients on Friday to discuss our plan going forward as a result of the ruling," he said.