



Breaking News: Federal Judge Blocks Most Favored Nation Model

Injunction vacates MFN Model for failure to complete the notice and comment rulemaking requirements

Earlier today a federal judge in California granted a motion for a preliminary injunction (PI) against the Trump Administration's Most Favored Nation (MFN) Model. This action vacates the MFN Model final rule and requires the Centers for Medicare and Medicaid Services (CMS) to complete notice and comment rulemaking procedures before such a model may be implemented.

This opinion follows a separate, 14-day temporary restraining order (TRO) issued by a federal judge in Maryland on December 23, 2020, which prohibited CMS from implementing the Medicare Part B payment model on January 1, 2021.

Today's PI underscores last week's TRO opinion regarding the government's failure to follow notice and comment procedures required by the Administrative Procedures Act (APA). In part, the judge noted, "The plaintiffs have demonstrated that they are very likely—indeed virtually certain—to prevail on their claim that the government violated the APA's notice and comment requirements."

This ruling raises uncertainty concerning the future of the MFN Model. Further proceedings in the case may take many months, and the incoming Biden Administration has not publicly commented on the model.

The nationwide PI was issued in the case *California Life Sciences Association, et al. v. Center for Medicare and Medicaid Services, et al* by U.S. District Judge Vince Chhabria of the U.S. District Court for the Northern District of California in San Francisco. Like the ruling last week issued by Judge Catherine Blake in the case *Association of Community Cancer Centers, et al. v. Azar*, today's ruling applies even to parties not before the court.

To read Judge Chhabria's PI order, [CLICK HERE](#).

To read Judge Blake's TRO, [CLICK HERE](#).

To read Judge Blake's opinion, [CLICK HERE](#).