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Injunction Reversed In Michigan Pharmacy Case

A preliminary injunction against Michigan's pharmaceutical product list was improperly issued and has been reversed by the Michigan Court of Appeals, Michigan Department of Community Health (MDCH) Director James K. Haveman, Jr. said today. The appellate decision was issued this morning.

"We believed we would prevail and we are pleased that the Court of Appeals unanimously agreed with our arguments and the injunction has been permanently removed," Haveman said. "This allows us to continue to offer high quality health care to low-income Michigan citizens and prudently manage costs. We were careful to design and implement this program correctly to meet individuals' needs and at the same time save about \$850,000 in taxpayer dollars each week." Without the savings, millions in health care programs would have to be cut, Haveman said.

The Court of Appeals earlier allowed MDCH to implement the pharmaceutical program until the case could be decided.

The MDCH pharmaceutical program requires prior authorization for a small number of prescription drugs. A prior authorization process is in place for certain prescription drugs for nearly all individuals covered by private insurance, as well as Medicaid beneficiaries enrolled in managed care plans.

"The most important factor in this initiative is that doctors are not limited to prescribing certain drugs," Haveman said. "If the drug is medically necessary it is still available. If a less costly drug meets the medical need, it is available without prior authorization."

The preliminary injunction was issued by Ingham County Circuit Court in a suit by the Pharmaceutical Research & Manufacturers of America (PhRMA). Returning the case to the trial court, the Court of Appeals said the PhRMA case was not likely to prevail on the merits and that MDCH is statutorily authorized to implement the program.

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