

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

NATIONAL ASSOCIATION OF
COMMUNITY HEALTH CENTERS,

Plaintiff,

v.

No. 1:20-cv-3032

XAVIER BECERRA, Secretary of the
United States Department of Health and
Human Services, *et al.*,

Defendants.

JOINT STATUS REPORT

On January 7, 2021, the Court granted the Parties’ joint motion to stay this case to permit Plaintiff National Association of Community Health Center (“NACHC”)—on behalf of its covered entity members—to pursue claims in the 340B Administrative Dispute Resolution (“ADR”) process established in the final ADR rule, 85 Fed. Reg. 80,632 (published Dec. 14, 2020, effective Jan. 13, 2021). Pursuant to the Court’s October 26, 2021 Minute Order, the parties respectfully submit this eighth Joint Status Report.¹

NACHC filed this case on October 21, 2020, seeking the promulgation of ADR regulations. ECF No. 1. Defendant HHS promulgated a final ADR Rule on December 14, 2020. On January 13, 2021, the first effective day of the ADR regulation, NACHC—on behalf of certain Federally-qualified health center (FQHC) members—filed a joint ADR claim against drug manufacturers Eli

¹ The Parties previously submitted Joint Status Reports on February 16, 2021, April 19, 2021, May 19, 2021, June 21, 2021, August 24, 2021, October 25, 2021, January 3, 2022, and March 3, 2022 advising the Court of relevant developments and requesting that the stay remain in place. ECF Nos. 13, 14, 15, 16, 17, 18, 19, 20, 21.

Lilly and Company, Sanofi-Aventis U.S. LLC, and AstraZeneca PLC alleging ongoing and unlawful overcharging and seeking equitable relief. As reported in prior status reports, NACHC's ADR claim has continued to move through the process established in the final ADR Rule.

Specifically, on March 28, 2022, following the ADR Panel's February 11, 2022 rejection of two manufacturers' motions to stay the ADR process pending resolution of all available appeals in their separate federal court cases described in prior status reports, the manufacturers moved to dismiss NACHC's ADR petition. NACHC filed its combined response in opposition to those motions on May 18, 2022. Replies are due no later than July 1, 2022.

In light of the foregoing, the parties propose the stay in this matter remain in effect through September 3, 2022, on which date an additional joint status report—which will indicate proposed next steps for this matter—will be due.

Dated: June 3, 2022

Respectfully submitted,

s/ Rosie Dawn Griffin

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