

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

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**CIVIL MINUTES - GENERAL**

Case No. CV 09-722 CAS (MANx) Date April 16, 2010

Title CALIFORNIA PHARMACISTS ASSOCIATION, ET AL. V. DAVID  
MAXWELL JOLLY

Present: The Honorable CHRISTINA A. SNYDER

CATHERINE JEANG

Not Present

N/A

Deputy Clerk

Court Reporter / Recorder

Tape No.

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

Not Present

Not Present

**Proceedings: (Chambers:) Order Vacating this Court's March 9, 2009 Order and Granting Plaintiffs' Motion for Preliminary Injunction Pursuant to the Ninth Circuit Court of Appeals Mandate Issued March 25, 2010 (09-55365)**

The facts and procedural history of this action are known to the parties and summarized in this Court's March 9, 2009 order denying plaintiffs' motion for preliminary injunction with regard to the reimbursement rate reduction to hospitals in Assembly Bill 1183 ("AB 1183"), which was signed by the Governor and filed with the Secretary of State on September 30, 2008.

On March 3, 2010, the Ninth Circuit Court of Appeals reversed this Court's March 9, 2009 order. No. 09-55365, slip op. at 5 (9th Cir. Mar. 3, 2010). Specifically, the Ninth Circuit reversed the Court's denial of a preliminary injunction, and remanded to this Court "to enjoin AB 1183's five percent Medi-Cal reimbursement rate reduction as to the [relevant] hospital services." *Id.* On March 25, 2010, the Ninth Circuit issued a mandate that the judgment entered March 3, 2010 was to take effect this date.

Pursuant to the mandate from the Ninth Circuit, this Court hereby vacates the March 9, 2009 order denying plaintiffs' motion for preliminary injunction with regard to AB 1183's reimbursement rate reduction to hospitals. Accordingly, the Court hereby grants plaintiffs' motion for preliminary injunction and orders respondent Director, his agents, servants, employees, attorneys, successors, and all those working in concert with him to refrain from enforcing Cal. Welf. & Inst. Code § 14105.191 and 14166.245, as modified by AB 1183, beginning on April 16, 2010, by refraining from reducing by five percent payments to hospitals for services provided under the Medi-Cal fee-for-service

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program, which include non-contract inpatient hospital services, outpatient services,  
Distinct Part Nursing Facilities, and subacute services.

IT IS SO ORDERED.

Initials of Preparer 00 : 00  
CMJ