

1
2
3 **UNITED STATES DISTRICT COURT**
4 **FOR THE EASTERN DISTRICT OF CALIFORNIA**
5

6 HORISONS UNLIMITED and HORIZONS
7 UNLIMIED HEATH CARE,

8 Plaintiffs,

9 v.

10
11 SANTA CRUZ-MONTEREY-MERCED
12 MANAGED MEDICAL CARE COMMISSION
13 d/b/a CENTRAL CALIFORNIA ALLIANCE FOR
14 HEALTH, THE COUNTY OF MERCED, and
15 THE BOARD OF SUPERVISORS OF
16 THECOUNTY OF MERCED AND THE
17 INDIVIDUAL MEMBERS THEREOF,

18 Defendants.

1:14-CV-00123-LJO-MJS

**ORDER FOR SUPPLEMENTAL
BRIEFING (Docs. 20, 23)**

19 Defendants Santa Cruz-Monterey-Merced Managed Medical Care Commission d/b/a Central
20 California Alliance for Health (“Alliance”) and the County of Merced (“the County”) in their
21 respective motions to dismiss Plaintiffs Horisons Unlimited and Horisons Unlimited Health Care’s
22 (collectively, “Horisons” or “Plaintiffs”) complaint argue that Horisons’ Sherman Act claim against
23 Defendants is deficient due to an antitrust exemption contained in 42 U.S.C. 1396u-2(a)(3)(C). (Doc.
24 21, pp. 16-18; Doc. 23, p. 4). Specifically, Defendants argue that a note, referred to in the statute as
25 “42 U.S.C. § 1396b note,” exempts Merced County from antitrust laws. The County further argues
26 that if Alliance’s position as the sole Medi-Cal managed care entity in Merced County is construed as
27 an unlawful monopoly, “then the Social Security Act provision would be repugnant to the Sherman
28 Antitrust Act.” (Doc. 21, p. 17). The County argues that the 42 U.S.C. § 1396b note “expressly
exempts Merced County” and that this confers implied antitrust immunity upon the County. *Id.* at 16-

