Nixon Peabody represents NH hospital in 340B prescription drug-pricing lawsuit

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Manchester, NH. Nixon Peabody LLP has filed a complaint on behalf of New Hampshire's Mary Hitchcock Memorial Hospital (MHMH) alleging that Eli Lilly & Co.'s (Lilly) employed unfair and deceptive trade practices related to the 340B Drug Pricing Program.

The lawsuit, filed July 27, 2026, in the US District Court for the District of New Hampshire, alleges that the drug company's demand for detailed claims data in exchange for discount drug pricing violates New Hampshire's Consumer Protection Act, which prohibits unfair and deceptive business conduct. Partner Morgan Nighan is leading the Nixon Peabody litigation team for this case.

The 340B program requires manufacturers that participate in Medicaid to provide discounts on prescription drugs to qualifying healthcare providers that serve a high volume of low-income and uninsured patients, known as covered entities. In July 2026, Lilly terminated 340B drug discounts to MHMH after the hospital refused to comply with the company's data demands.

The lawsuit alleges that Lilly is attempting to unjustly enrich itself by unlawfully demanding that MHMH produce detailed claims data in exchange for the discount drug pricing to which MHMH is otherwise entitled by law.

As alleged in the lawsuit, Lilly's refusal to offer discounted drug prices unless MHMH succumbs to its data demands would force MHMH—a nonprofit healthcare charitable trust and one of the most rural health systems in the country—to either divert scarce resources to collect and transmit patient claims data without sufficient privacy and security assurances or to forego the 340B drug discounts that MHMH uses to subsidize healthcare services.

The case is *Mary Hitchcock Memorial Hospital v. Eli Lilly and Company*, N.H. Dist. Ct., No. 1:26-cv-00616.