

# **Bond Case Briefs**

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## **MUNICIPAL CORPORATIONS - NORTH DAKOTA**

### **DiCesare v. Charlotte-Mecklenburg Hospital Authority**

**Supreme Court of North Carolina - December 18, 2020 - S.E.2d - 2020 WL 7415943**

Insureds filed putative class action against healthcare services provider, as quasi-municipal corporation organized under Hospital Authorities Act, seeking reimbursement for healthcare costs based upon claims for restraint of trade and monopolization pursuant to North Carolina General Statutes and Anti-Monopoly Clause in North Carolina's Constitution.

The Superior Court granted provider judgment on pleadings in part. Insureds noted appeal, and provider petitioned for writ of certiorari.

The Supreme Court held that:

- Provider was immune from suit under unfair trade practices and antitrust statutes, and
- Claim under Anti-Monopoly Clause was not sufficiently alleged.

Healthcare services provider, as quasi-municipal corporation organized under Hospital Authorities Act, not for-profit corporation, was not "person, firm, or corporation," within meaning of unfair trade practice and antitrust statutes, and thus, provider was immune from liability for insureds' class action statutory claims for restraint of trade and monopolization by allegedly encouraging insurers to steer insureds toward provider by offering insurers modest concessions on provider's market-power driven, premium prices while forbidding insurers from allowing provider's competitors to do same; provider was registered non-profit organization jointly operated by city and county and acting in its delegated legislative function of providing public rather than private healthcare facilities.

Insureds failed to sufficiently allege that healthcare services provider had monopoly in relevant market, as required to state class action claim against provider under Anti-Monopoly Clause of State Constitution; insureds did not adequately plead that provider controlled so large portion of market that it not only stifled competition and restricted freedom of commerce, but also controlled prices, as insureds alleged that provider only possessed approximately 50% share of acute inpatient hospital services in relevant market and that it faced sizeable competitors within that market, but did not allege that provider had ability to actually control prices in that market.