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## **N.C. Supreme Court: Quasi-Municipal Corporations Are Immune from State Antitrust and Section 75-1.1 Liability**

We have [previously discussed](#) whether a local-government entity can be sued for money damages based on a federal antitrust violation. Today's post discusses a similar question: are quasi-municipal corporations—a type of local-government entity—exempt from liability under section 75-1.1 and North Carolina's antitrust laws? Last month, the Supreme Court of North Carolina [unanimously](#) answered yes to that question.

### **The cases against Atrium Health**

On three occasions ([here](#), [here](#), and [here](#)), we've discussed a group of high-profile antitrust cases involving Atrium Health, the large public-hospital system in Charlotte formerly known as the Charlotte-Mecklenburg Hospital Authority. These cases target "steering restrictions" in Atrium's contracts with insurance companies. The steering restrictions limit an insurer's ability to direct their insureds to healthcare providers other than Atrium. The plaintiffs—insured patients who have received care at Atrium—allege that Atrium's steering restrictions have anti-competitive effects, including that they give Atrium's competitors less incentive to keep costs low and to be more efficient.

One case against *Atrium*, *DiCesare v. Charlotte-Mecklenburg Hospital Authority*, landed in the North Carolina Business Court. The plaintiffs alleged that Atrium's steering restrictions violate multiple provisions of [chapter 75](#), including section 75-1.1 and North Carolina's antitrust laws.

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