

NC Litigation Update: Rule 414 Alive and Well

June 22, 2016

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We get to be the bearer of some welcome news from Raleigh regarding the recently embattled Rule 414 of the North Carolina Rules of Evidence. As you are aware, this Rule of Evidence limits the Plaintiff's ability to offer evidence of medical expenses to the "amounts actually paid to satisfy the bills" or "evidence of the amounts actually necessary to satisfy the bills that have been incurred but not yet satisfied." We have seen open challenges by the Plaintiffs' bar as to the constitutionality of this Rule and as to its applicability to litigated cases and arbitrations in North Carolina.

Recently, the constitutionality of the rule was challenged in front of a three judge panel. N.C. Gen. Stat § 1-267.1 requires a panel of superior court judges to hear any facial challenge to a statute's constitutionality. Plaintiff challenged the Rule based on a significant difference between amounts paid and amounts billed. The panel recently issued its ruling, which it unanimously found that Rule 414 was not facially unconstitutional. While the next steps for the Plaintiffs' bar are unknown at present, it is clear that Rule 414 remains alive and well in North Carolina.

Aside from the clarity this ruling provides regarding Rule 414's applicability to all North Carolina cases, this ruling can also provide us with further persuasive authority when seeking to use Rule 414 in North Carolina arbitrations as well. The Order can be read [here](#).

If you have any questions about the impact of this ruling or Rule 414 in general, please contact one of MGC's North Carolina [litigation attorneys](#).

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