

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001

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HOUSE BILL 967

Short Title: Collateral Source Evidence Rule.

(Public)

Sponsors: Representative Russell.

Referred to: Judiciary II.

April 4, 2001

A BILL TO BE ENTITLED

AN ACT TO PREVENT DOUBLE RECOVERIES IN PROPERTY DAMAGE,  
PERSONAL INJURY, AND WRONGFUL DEATH ACTIONS BY ALLOWING  
EVIDENCE OF OTHER SOURCES OF RECOVERY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 4 of Chapter 8C of the General Statutes, the North Carolina Rules of Evidence, is amended by adding a new section to read:

**"Rule 413. Collateral source of evidence.**

(a) For the purposes of this Rule, the term 'collateral source payments' means payments related to the injury, disability, or death in question made to the plaintiff, or on plaintiff's behalf, by or pursuant to:

- (1) A federal, state, or local income disability or workers' compensation act; or other public program providing medical expenses, disability payments, or similar benefits;
- (2) Health, accident, sickness, or automobile accident insurance or liability insurance that provides health benefits or income disability coverage; except that 'collateral source payments' shall not include life insurance benefits available to the plaintiff, whether purchased by the plaintiff or provided by others, payments made pursuant to the Social Security Act, or pension payments;
- (3) A contract or agreement of a group, organization, partnership, or corporation to provide, pay for, or reimburse the costs of hospital, medical, dental, or other health care services; or
- (4) A contractual or voluntary wage continuation plan provided by employers or any system intended to provide substitute wages during a period of disability.

(b) In a property damage, personal injury, or wrongful death action, the court shall allow into evidence proof of:

- 1           (1)   Collateral source payments;  
2           (2)   The amount of money which the party against whom the evidence of  
3                   collateral source payment is offered is required to repay as a result of  
4                   the collateral source payments received; and  
5           (3)   The amount of recovery which the party against whom the evidence of  
6                   collateral source payments is offered is required to pay toward the  
7                   expenses related to the party's property damage, injury, or death claim  
8                   after the collateral source payments were made."

9           **SECTION 2.** This act becomes effective October 1, 2001, and applies to  
10 causes of action arising on or after that date.