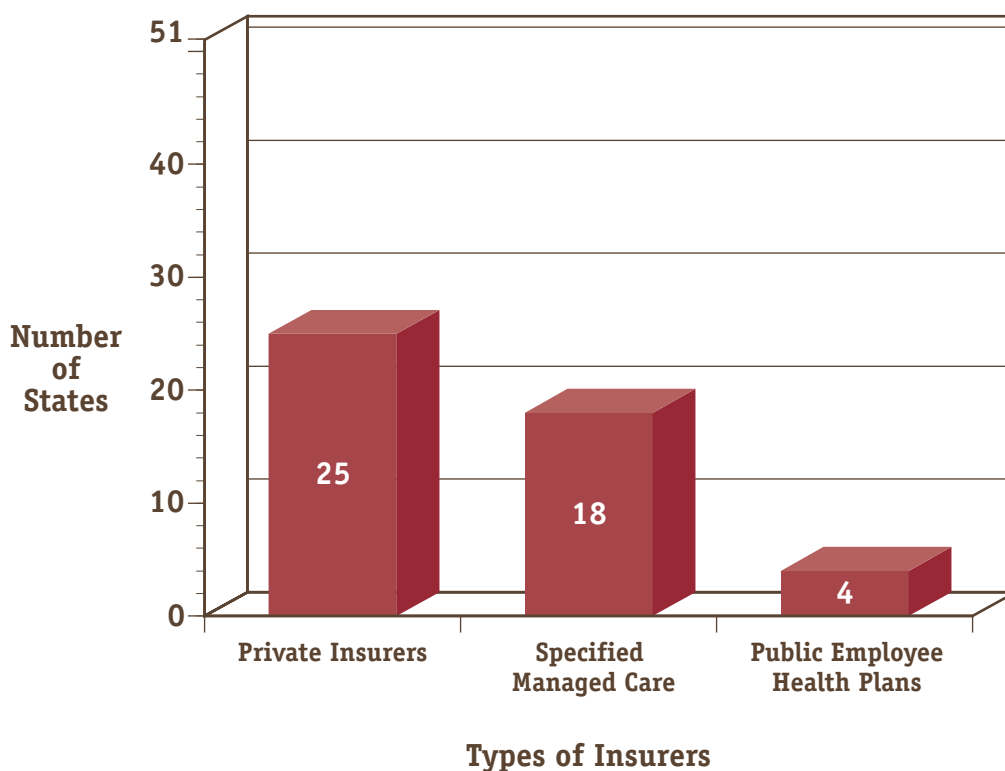


STATE LAWS REQUIRING THIRD-PARTY REIMBURSEMENT FOR THE OFF-LABEL USE OF PRESCRIPTION DRUGS FOR CANCER TREATMENT (as of June 30, 2002)



In 1989, **Michigan** became the first state to require certain insurers/third-party payers (collectively, insurers) to provide coverage for the off-label use of prescription drugs for the treatment of cancer. Since that time and through June 30, 2002, 24 other states—**Alabama, Arizona, Arkansas, Connecticut, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Minnesota, Mississippi, New Hampshire, New York, North Carolina, Ohio, Oklahoma, Rhode Island, South Carolina, South Dakota, and Virginia**—have followed suit with similar laws.

To illustrate the coverage requirement by type of insurer, insurers are divided into three categories. **Private Insurers** refers to any private insurers specified in the law, and may include individual and/or group insurers. **Specified Managed Care** means any managed care organization specified in the law, and may include health maintenance organizations, preferred provider organizations, and/or other managed care entities. **Public Employee Health Plans** includes any specified health plan for state or public employees.

All 25 states with off-label prescription drug use laws mandate coverage by specified private insurers. Eighteen states require cover-

age by private managed care entities and four states mandate coverage by public employee health plans.

The provisions contained in the off-label laws in 19 states require that, in order for certain drugs to be covered, they must be recognized for treatment of the specific type of cancer or indication by either standard reference compendia or medical/peer-reviewed literature. Three states specify that the drugs must be recognized by standard reference compendia only, and three states don't specify such requirements.

In addition to the specified coverage, 16 states also mandate coverage for medically necessary services required to administer the drug during treatment.

Notably, a number of states, including **California, Maryland, New Jersey, Oregon, and Tennessee**, have enacted off-label drug use laws that do not explicitly address cancer treatment; instead, they refer to life-threatening conditions or generic off-label indications. Because they are not cancer-specific, they fall outside the scope of the SCLD Program and are not included on the chart above. **Ohio** is unique in that it has enacted both a cancer-specific and a generic law.