

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
118TH LEGISLATURE

SECOND REGULAR SESSION  
AND  
SECOND SPECIAL SESSION

BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE

MAY 1998

**MEMBERS:**

*Sen. Lloyd P. LaFountain III, Chair*  
*Sen. Robert E. Murray, Jr.*  
*Sen. I. Joel Abromson*

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**ONE HUNDRED EIGHTEENTH LEGISLATURE  
SECOND REGULAR AND SECOND SPECIAL SESSIONS**

**Summary Of Legislation Before The Joint Standing Committees  
May 1998**

We are pleased to provide this summary of bills that were considered by the Joint Standing Committees of the Maine Legislature. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet ([www.state.me.us/legis/opla](http://www.state.me.us/legis/opla)).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

*CON RES XXX*..... Chapter # of Constitutional Resolution passed by both Houses  
*CONF CMTE UNABLE TO AGREE*.....Committee of Conference unable to agree; bill died  
*DIED BETWEEN BODIES*.....House & Senate disagree; bill died  
*DIED IN CONCURRENCE*.....One body accepts ONTP report; the other indefinitely postpones the bill  
*DIED ON ADJOURNMENT*.....Action incomplete when session ended; bill died  
*EMERGENCY*.....Enacted law takes effect sooner than 90 days  
*FAILED EMERGENCY ENACTMENT/FINAL PASSAGE*.....Emergency bill failed to get 2/3 vote  
*FAILED ENACTMENT/FINAL PASSAGE*.....Bill failed to get majority vote  
*FAILED MANDATE ENACTMENT*.....Bill imposing local mandate failed to get 2/3 vote  
*INDEF PP*.....Bill Indefinitely Postponed  
*ONTP*..... Ought Not To Pass report accepted  
*OTP ND*..... Committee report Ought To Pass In New Draft  
*OTP ND/NT*..... Committee report Ought To Pass In New Draft/New Title  
*P&S XXX*..... Chapter # of enacted Private & Special Law  
*PUBLIC XXX*..... Chapter # of enacted Public Law  
*RESOLVE XXX*..... Chapter # of finally passed Resolve  
*UNSIGNED*.....Bill held by Governor  
*VETO SUSTAINED*.....Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is June 30, 1998 and July 9, 1998 for the Second Special Session. Second Special Session laws include Public Laws beginning with Chapter 718, Private and Special Laws beginning with Chapter 82 and Resolves beginning with Chapter 117.

Except under certain conditions, the law prohibits coordination of benefits with Medicare coverage for which the insured is eligible but not enrolled. And it requires that if a totally disabled person obtains replacement coverage the replacement plan is primary coverage during the extension of benefits period.

**LD 2068**

**An Act to Permit Off-label Use of Prescription Drugs for Cancer,  
HIV or AIDS**

**PUBLIC 701**

<u>Sponsor(s)</u> LAWRENCE		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> S-580
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LD 2068 proposed to require health insurance policies to provide coverage for off-label use of prescription drugs for the treatment of cancer, HIV or AIDS when such use is recognized in standard medical compendia or peer-reviewed professional journals.

This bill applies to all policies, contracts and certificates in effect on or after January 1, 1999 that provide coverage for prescription drugs.

**Committee Amendment “A” (S-580)** replaced the bill. The amendment proposed to add a definition of "medically accepted indication" and require that carriers determine whether or not use of a drug for the treatment of cancer is a medically accepted indication based upon guidance provided by the federal Department of Health and Human Services. The amendment retained the language in the original bill regarding coverage of off-label prescription drugs for the treatment of HIV or AIDS.

This amendment also proposed to amend the definition of "peer-reviewed medical literature" and clarify that coverage provisions for maximum benefits, coinsurance and deductibles apply to coverage for off-label prescription drugs to the same extent that the provisions are applicable to coverage of all prescription drugs.

The amendment also added a fiscal note to the bill.

***Enacted law summary***

Public Law 1997, chapter 701 requires that nonprofit hospital and medical service organizations, insurers and health maintenance organizations provide coverage for off-label use of prescription drugs for the treatment of cancer when the use of the drug is a medically accepted indication demonstrated by recognition of the use in standard medical compendia or the insurance carrier’s determination that the use is medically accepted based upon guidance provided by the federal Department of Health and Human Services.

Public Law 1997, chapter 701 also mandates insurance coverage for off-label use of prescription drugs for the treatment of HIV or AIDS when such use is recognized in standard medical compendia or peer-reviewed medical literature.

The requirements of chapter 701 apply to all individual and group policies, contracts and certificates in effect on or after January 1, 1999 that provide coverage for prescription drugs.