

STAND. COM. REP. NO. **2483**

Honolulu, Hawaii

FEB 16 2018

RE: S.B. No. 2488
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 2488 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL CANNABIS,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a working group to address the complexities surrounding the topic of reimbursement by health insurance for medical cannabis for qualifying patients.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaii Educational Association for Licensed Therapeutic Healthcare, Drug Policy Forum of Hawaii, and five individuals. Your Committee received comments on this measure from the National Association of Mutual Insurance Companies and Legislative Reference Bureau.

Your Committee finds that Act 230, Session Laws of Hawaii 2016, established a legislative oversight group to develop and recommend legislation to improve the medical cannabis dispensary system in the State to ensure safe and legal access to medical cannabis for qualifying patients. Your Committee further finds that the working group explored the potential for medical cannabis costs to be reimbursable through health insurance. However, your Committee finds that the issues surrounding health insurance



reimbursement for medical cannabis are complex enough to warrant a separate, dedicated working group modeled on the original working group.

Your Committee further finds that, in light of concerns raised by the Drug Policy Forum of Hawaii and individual testifiers, a plethora of voices are needed to ensure that all relevant interests are heard in the operations of this working group, including the interests of mutual benefit societies, health maintenance organizations, cannabis dispensaries, and adult and minor cannabis-using qualifying patients. Your Committee finds that language modeled on Act 230, Session Laws of Hawaii 2016, which established the original legislative oversight group, is appropriate to include these additional representatives.

Your Committee notes the concerns raised by the National Association of Mutual Insurance Companies but, as this measure deals exclusively with health insurance and not property or casualty insurance, finds that these concerns are not relevant to this measure.

Your Committee has amended this measure by:

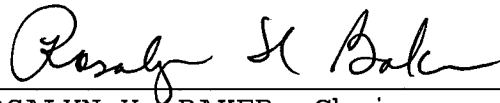
- (1) Amending the membership of the working group to:
 - (A) Allow designees of the Chairs of the Senate Committee on Commerce, Consumer Protection, and Health and House Committee on Consumer Protection and Commerce to serve on the working group;
 - (B) Remove the representatives from the Hawaii Medical Service Association, Kaiser Permanente Hawaii, AlohaCare, and Hawaii Education Association for Licensed Therapeutic Healthcare and include instead one representative each from a mutual benefit society, health maintenance organization, licensed cannabis dispensary, and Medicaid managed care plan, to serve at the invitation of the chairs of the working group; and
 - (C) Add an adult cannabis-using qualifying patient and a parent or legal guardian of a minor cannabis-using qualifying patient;



- (2) Authorizing the working group to request assistance and feedback from other stakeholders, as needed; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2488, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2488, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* SB 2488	Committee Referral: CPH, WAM	Date: 2/13/18		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TOKUDA, Jill N. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will				/
IHARA, Jr., Les	/			
NISHIHARA, Clarence K.	/			
RUDERMAN, Russell E.	/			
TOTAL	6			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes