
A BILL FOR AN ACT

RELATING TO MEDICAL CANNABIS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that, among other things,
2 Act 230, Session Laws of Hawaii 2016, established a legislative
3 oversight working group to develop and recommend legislation to
4 improve the medical cannabis dispensary system in the State to
5 ensure safe and legal access to medical cannabis for qualifying
6 patients. The working group is tasked with addressing issues
7 related to the medical cannabis dispensary program in the State,
8 including operations, edibles, and any issues the working group
9 finds relevant to the medical cannabis dispensary program.

10 The legislature further finds that one of the topics
11 considered by the working group was the potential for medical
12 cannabis to be reimbursable via health insurance. However,
13 because the issues surrounding the topic of insurance
14 reimbursement for medical cannabis are extremely complex, the
15 legislature concludes it is prudent to establish a separate
16 working group specifically tasked with addressing this topic.



1 Accordingly, the purpose of this Act is to establish a
2 working group to address reimbursement by health insurance for
3 medical cannabis for qualifying patients.

4 SECTION 2. (a) There is established the medical cannabis
5 insurance reimbursement working group to address the
6 complexities surrounding the topic of making medical cannabis
7 reimbursable by health insurance. The working group shall
8 explore options and make recommendations on the following
9 issues:

- 10 (1) Actions taken in other states;
- 11 (2) Potential parallel reimbursement models for other
12 types of non-prescription therapies;
- 13 (3) Associated liability issues for health plans;
- 14 (4) The potential impact on insurance premiums;
- 15 (5) Insurance riders for alternative therapies, which
16 could serve as a model for medical cannabis
17 reimbursement; and
- 18 (6) Other relevant issues that may arise, at the
19 discretion of the working group.

20 (b) The working group shall consist of the following
21 members:



- 1 (1) The chairs of the senate committee on commerce,
2 consumer protection, and health and the house
3 committee on consumer protection and commerce, or
4 their designees, who shall serve as the chairs of the
5 working group;
- 6 (2) The chair of the house committee on health and human
7 services;
- 8 (3) A member of the senate who is selected by the
9 president of the senate to serve on the working group;
- 10 (4) The insurance commissioner;
- 11 (5) The administrator of the department of human services,
12 med-QUEST division;
- 13 (6) One representative each from the following, to serve
14 at the invitation of the chairs of the working group:
- 15 (A) A mutual benefit society;
- 16 (B) A health maintenance organization;
- 17 (C) A medicaid managed care plan; and
- 18 (D) A licensed medical cannabis dispensary; and
- 19 (7) Two participants in Hawaii's medical cannabis program,
20 one of whom is a qualifying patient eighteen years of
21 age or older, and one of whom is a parent or legal



1 guardian of a qualifying patient who is under the age
2 of ten.

3 (c) The working group shall be officially convened at the
4 pleasure of the chairs of the working group, but no later than
5 August 1, 2018.

6 (d) The working group may request assistance and feedback
7 from subject matter experts and other stakeholders, as needed,
8 to enable the working group to carry out its work.

9 (e) The working group shall provide periodic updates to
10 the legislature and shall make recommendations for any
11 legislative or administrative action the working group deems
12 appropriate to address issues surrounding health insurance
13 reimbursement for medical cannabis. The working group shall
14 submit a final report, including recommendations for further
15 action, to the legislature no later than twenty days prior to
16 the convening of the regular session of 2019.

17 (f) The legislative reference bureau is requested to
18 provide research and drafting assistance to the working group.

19 SECTION 3. This Act shall take effect on July 1, 3000.



Report Title:

Medical Cannabis; Health Insurance Reimbursement; Working Group

Description:

Establishes the Medical Cannabis Insurance Reimbursement Working Group to address the complexities surrounding the topic of making medical cannabis reimbursable by health insurance.
(SB2488 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



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Written Testimony

SB2488 HD1 RELATING TO MEDICAL CANNABIS

Testimony by the Legislative Reference Bureau
Charlotte A. Carter-Yamauchi, Director

Presented to the House Committee on Consumer Protection and Commerce

Wednesday, March 28, 2018, 2:00 p.m.
Conference Room 329

Chair Takumi and Members of the Committee:

Good afternoon Chair Takumi and members of the Committee, my name is Charlotte Carter-Yamauchi and I am the Director of the Legislative Reference Bureau. Thank you for providing the opportunity to submit written comments on S.B. No. 2488, S.D. 2, H.D. 1, Relating to Medical Cannabis.

The purpose of this measure is to establish a working group to address the complexities surrounding the topic of making medical cannabis reimbursable by health insurance.

Specifically, the measure requires the working group to explore options and make recommendations on the following issues:

- (1) Actions taken in other states;
- (2) Potential parallel reimbursement models for other types of non-prescription therapies;
- (3) Associated liability issues for health plans;
- (4) Potential impact on insurance premiums;
- (5) Insurance riders for alternative therapies, which could serve as a model for medical cannabis reimbursement; and
- (6) Other relevant issues that may arise, pursuant to the discretion of the working group.

The measure also requires the working group to:

- (1) Provide periodic updates to the Legislature and make recommendations for any legislative or administrative action it deems appropriate to address issues surrounding insurance reimbursement for medical cannabis; and
- (2) Submit a final report, including recommendations for further action, to the legislature no later than twenty days prior to the convening of the Regular Session of 2019.

The measure also requests that the Legislative Reference Bureau provide research and drafting assistance to the working group.

While the Legislative Reference Bureau takes no position on the measure, we submit the following comments for your consideration.

With regard to the request that the Bureau provide research and drafting assistance to the working group, the Bureau believes that it can accommodate this request; provided that the Bureau's interim workload is not adversely impacted by too many other studies or additional responsibilities, such as conducting, writing, or finalizing other reports, drafting legislation, or both, for other state agencies, task forces, or working groups that may be requested or required under other legislative measures.

Thank you again for your consideration.

SB-2488-HD-1

Submitted on: 3/27/2018 9:57:23 AM

Testimony for CPC on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i	Support	No

Comments:

To the Honorable Roy M. Takumi, Chair; the Honorable Linda Ichiyama, Vice-Chair and the Members of the Committee on Consumer Protection and Commerce:

Good afternoon, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") on Legislative Priorities of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on **SB2488 SD2 HD1** relating to Medical Cannabis; Health Insurance Reimbursement; and a Working Group.

The OCC Legislative Priorities Committee is in favor of **SB2488 SD2 HD1** and supports its passage,

SB2488 SD2 HD1 is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it establishes the Medical Cannabis Insurance Reimbursement Working Group to address the complexities surrounding the topic of making medical cannabis reimbursable by health insurance.

The DPH Platform states that "[w]e support fair and equitable access to medical marijuana to be administered by the State of Hawaii's Department of Health. (Platform of the DPH, P. 7, Lines 386-387 (2016)).

We support legalization and regulation of marijuana and other cannabis derivatives. (Platform of the DPH, P. 8, Line 395 (2016)).

Given that **SB2488 SD2 HD1** establishes the Medical Cannabis Insurance Reimbursement Working Group to address the complexities surrounding the topic of making medical cannabis reimbursable by health insurance, it is the position of the OCC on Legislative Priorities to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC on Legislative Priorities

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SB-2488-HD-1

Submitted on: 3/27/2018 1:59:12 PM

Testimony for CPC on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Carl Bergquist	Drug Policy Forum of Hawaii	Support	Yes

Comments:

This bill will help Hawai'i set a national standard for how medical cannabis can be reimbursed by insurance companies. There is no good reason that patients who are recommended and chose to use this particular form of medicine should be forced to pay for it out of pocket. The proposed working group will be able to look at the legal complexities surrounding this issue, and we respectfully urge you to pass it.

LATE

SB-2488-HD-1

Submitted on: 3/28/2018 9:51:38 AM

Testimony for CPC on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Miles W. Tuttle	Kush Bottles Hawaii	Support	No

Comments: