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LEGISLATIVE REFERENCE BUREAU
State of Hawaii
State Capitol, Room 446
415 S. Beretania Street
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Written Testimony

**SB2488 SD2
RELATING TO MEDICAL CANNABIS**

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

Presented to the House Committee on Health and Human Services

Wednesday, March 14, 2018, 8:40 a.m.
Conference Room 329

Chair Mizuno and Members of the Committee:

Good morning Chair Mizuno 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, 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 staff, 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 staff, research, and drafting assistance to the working group, as currently drafted, it is unclear what type of staffing requirements is envisioned under the measure. If the intent is to have Bureau staff responsible for the ministerial operations of the working group, then we must note that Bureau staff has little to no experience in such activities. In addition, the Bureau does not possess any priority in securing meeting rooms or equipment for the activities of the working group. However, if the intent of the staffing request under the measure is limited to research and drafting assistance, then 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.

HAWAII EDUCATIONAL ASSOCIATION FOR LICENSED THERAPEUTIC HEALTHCARE

To: Representative John Mizuno, Chair Health and Human Services (HHS)
Representative Bertrand Kobayashi, Vice-Chair HHS
Members of the House HHS Committee

Fr: Blake Oshiro, Esq. on behalf of the HEALTH Assn.

Re: Testimony **In Support** on **Senate Bill (SB) 2488, Senate Draft 9SD) 2**
RELATING TO MEDICAL CANNABIS - Establishes the medical cannabis insurance reimbursement working
group to address the complexities surrounding the topic of making medical cannabis reimbursable by health insurance.

Dear Chair Mizuno, Vice-Chair Kobayashi, and Members of the Committee:

HEALTH is the trade association made up of the eight (8) licensed medical cannabis dispensaries under Haw. Rev. Stat. (HRS) Chapter 329D. We **support SB2488, SD2** which would help create a working group to examine the issues of health insurance coverage for medical cannabis.

The Act 230 working group, established by the 2016 legislature looked at the issue of health insurance coverage, but found that it was extremely complex and multi-layered. The purpose of this bill would be to establish a working group on that topic to dedicate the focus and energy needed to wrestle with this complicated area of the law.

We would note that the bill allows the Chairs to invite one representative from a licensed dispensary. We support inclusion of such a representative because we believe that we can provide a unique perspective not just from our experience with patients and their access, but also with their economic and payment issues, as well as the administration of the program and how it potentially would be able to interact with insurers should some form of coverage be implemented.

Thank you for your consideration.

SB-2488-SD-2

Submitted on: 3/12/2018 10:29:42 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

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

Comments:

supports its passage,

SB2488 SD2 is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it establishes a 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** establishes a working group on insurance reimbursement for medical cannabis, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativepriorities@gmail.com, Text/Tel.: (808) 258-8889



March 13, 2018

TO: House Committee on Health and Human Services
Representative John Mizuno, Chair; Bertrand Kobayashi, Vice Chair
House Committee on Consumer Protection & Commerce
Representative Roy M. Takumi, Chair; Linda Ichiyama, Vice Chair

FROM: Teri Freitas Gorman

RE: Testimony-**SUPPORT SENATE BILL (SB) 2488 SD2**
RELATING TO MEDICAL CANNABIS

Dear Chairs Mizuno, and Takumi and Vice-Chairs Kobayashi and Ichiyama and Members of the HHS and CPC Committees:

As Director of Community Relations & Patient Affairs for Maui Grown Therapies and a board member of the Hawai'i Educational Association for Licensed Therapeutic Healthcare, the trade association for all state-licensed dispensaries, mahalo for allowing me to testify in favor of SB 2488, HD2.

As Hawai'i's first medical cannabis dispensary, Maui Grown Therapies has welcomed patients from all walks of life over the past seven months. The majority of our patients are either retired or approaching retirement age and many of them live on fixed incomes. Because medical cannabis provides them with relief that is both safer and more effective than many prescription medications, they opt to pay for cannabis therapy out-of-pocket even if it means reducing their household budget for other expenditures.

A working group to study the complex issue of health insurance reimbursement for the purchase of medical cannabis may help patients to better afford medical cannabis therapy or at least identify the issues that currently prevent this from happening.

Mahalo for your consideration,

Teri Freitas Gorman

SB-2488-SD-2

Submitted on: 3/13/2018 12:27:54 AM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Wendy Gibson	Individual	Support	No

Comments:

Aloha Committee Chair, Vice Chair and Members of the Committee,

I'm a Cannabis Nurse and I support SB2488 because cannabis has been recognized as a medicine in Hawaii since 2000. I believe that insurance companies should pay for a patient's medications whether the source is a pharmacy or medical cannabis dispensary.

Canadian cannabis patients have a \$6,000.00 (per year) allowance for their medicine. A few injured worker's compensation patients in the U.S. have won court cases in which the insurance company paid for the medicine. These patients used cannabis to reduce the amount of prescription drugs they used, especially opioid medications.

A working group is a good start. I ask that you include a medical cannabis patient, a parent or caregiver of a child who uses medical cannabis and some type of medical cannabis healthcare professional on the working group.

Thank you for this opportunity to provide testimony.

Wendy Gibson PTA/RN

SB-2488-SD-2

Submitted on: 3/12/2018 2:47:16 PM

Testimony for HHS on 3/14/2018 8:40:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
ellen benton	Individual	Support	No

Comments: