

# SB2488

Measure Title: RELATING TO MEDICAL CANNABIS.

Report Title: Medical Cannabis; 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.

Companion: [HB2741](#)

Package: None

Current Referral: CPH, WAM

Introducer(s): BAKER, GABBARD, GALUTERIA, KEITH-AGARAN, RUDERMAN, TOKUDA, Ihara, Kim

**SB-2488**

Submitted on: 2/12/2018 3:34:42 AM

Testimony for CPH on 2/13/2018 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:

**PRESENTATION OF THE  
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES  
DEMOCRATIC PARTY OF HAWAII  
TO THE COMMITTEE ON CONSUMER PROTECTION AND  
HEALTH**

THE SENATE

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Tuesday, February 13, 2018

9:00 a.m.

Hawaii State Capitol, Conference Room 229

**RE: Testimony in Support** of SB 2488, RELATING TO MEDICAL CANNABIS

To the Honorable Rosalyn H. Baker, Chair; the Honorable Jill N. Tokuda, Vice-Chair and the Members of the Committee on Energy and Environmental Protection:

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on Senate Bill No.2488 relating to a working group on insurance reimbursement for medical cannabis.

The OCC Legislative Priorities Committee is in favor of Senate Bill No. 2488 and supports its passage,

Senate Bill No.2488 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 Hawaii 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 Senate Bill No.2488 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

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Director

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LEGISLATIVE REFERENCE BUREAU  
State of Hawaii  
State Capitol, Room 446  
415 S. Beretania Street  
Honolulu, Hawaii 96813

## Written Testimony

### **SB2488 RELATING TO MEDICAL CANNABIS**

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

Presented to the Senate Committee on Commerce, Consumer Protection, and Health

Tuesday, February 13, 2018, 9:00 a.m.  
Conference Room 229

Chair Baker and Members of the Committee:

Good morning Chair Baker 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, 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: Senator Rosalyn Baker, Chair Consumer Protection and Health (CPH)  
Senator Jill Tokua, Vice-Chair CPH  
Members of the Senate Committee

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

Re: **Testimony In Support on Senate Bill (SB) 2488**  
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 Baker, Vice-Chair Tokuda, 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 SB2448** 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 request that the committee consider the addition of a representative from a medical cannabis licensed dispensary since 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**

Submitted on: 2/11/2018 1:53:23 AM

Testimony for CPH on 2/13/2018 9:00:00 AM

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

Comments:

The Drug Policy Forum of Hawai'i supports this measure and suggests adding the following members to the proposed working group:

- a medical cannabis patient;
- a caregiver for a medical cannabis patient who is a minor.

Hawaii State Legislature  
Senate Committee on Commerce, Consumer Protection, and Health

February 13, 2018

*Filed via electronic testimony submission system*

**RE: SB 2488, Relating to Medical Cannabis – NAMIC’s Testimony in Support/Suggested Amendment**

Dear Senator Baker, Chair; Senator Tokuda, Vice-Chair; and honorable committee members:

Thank you for providing the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to your committee for the February 13, 2018 public hearing. Unfortunately, I will not be able to attend the public hearing, because of a previously scheduled professional obligation. NAMIC’s written comments need not be read into the record, so long as they are referenced as a formal submission and are provided to the committee for consideration.

The National Association of Mutual Insurance Companies (NAMIC) is the largest property/casualty insurance trade association in the country, with more than 1,400 member companies. NAMIC supports regional and local mutual insurance companies on main streets across America and many of the country’s largest national insurers. NAMIC members represent 40 percent of the total property/casualty insurance market, serve more than 170 million policyholders, and write nearly \$225 billion in annual premiums. NAMIC has 84 members who write property/casualty/workers’ compensation in the State of Hawaii, which represents 28% of the insurance marketplace.

NAMIC commends the bill sponsor and legislature for being thoughtful and deliberate in its consideration of the legal, business, and consumer implications of possible insurance coverage for medical cannabis.

Many states have legalized medical cannabis and these jurisdictions are now having to deal with the practical realities of the growth and widespread use of cannabis products as an alternative medicine. Since the study group will be evaluating the issue of whether insurance coverage should be required for an alternative medicine that has clear recreational use applications and potential for abuse, NAMIC suggests that the study group have a representative from the property and casualty insurance industry and the workers’ compensation industry participate in the evaluation and assist in the creation of legislative recommendations. We appreciate that the bill recommends that the



Commissioner of Insurance be part of the study group and we agree with this recommendation. However, we believe that the study group will benefit from having private-sector insurance industry representatives on the committee along with the public-sector state regulator, so that the committee has the benefit of gathering and considering both sides of the insurance coverage equation.

Thank you for your time and consideration. Please feel free to contact me at 303.907.0587 or at [crataj@namic.org](mailto:crataj@namic.org), if you would like to discuss NAMIC's written testimony.

Respectfully,

A handwritten signature in black ink, appearing to read "Christian John Rataj". The signature is fluid and cursive, with a large initial "C" and "R".

Christian John Rataj, Esq.  
NAMIC Senior Regional Vice President  
State Government Affairs, Western Region

**SB-2488**

Submitted on: 2/10/2018 8:03:56 PM

Testimony for CPH on 2/13/2018 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Joseph A. Bobich		Support	No

Comments:

Dr. Myron Berney

## SUPPORT SB 2488

SB 2488

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.

SUPPORT

Thank you in advance for your consideration of these bills and amendments

**SB-2488**

Submitted on: 2/12/2018 7:34:43 AM

Testimony for CPH on 2/13/2018 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Marilyn Mick		Support	No

Comments:

SUPPORT with the amendment that a medical cannabis patient and a caregiver for a minor medical patient cannabis be appointed as members of the working group.

**SB-2488**

Submitted on: 2/12/2018 8:50:44 AM

Testimony for CPH on 2/13/2018 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Teri Heede		Support	No

Comments:

**SB-2488**

Submitted on: 2/12/2018 9:32:14 AM

Testimony for CPH on 2/13/2018 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jari S.K. Sugano		Support	No

Comments:

Sb2488

Chair Baker, Vice Chair Tokuda and members of the CPH committee.

I am a parent and a caregiver to a 9 year old child who starting using medical cannabis at the age of 4. Cannabis is dose specific and for it to be effective the patient needs a dose that is targeted for their respective condition and weight in balance with the right cannabinoid profile.

We strongly SUPPORT SB2488. Insurance would help ensure MJ receives the required dose for effective epilepsy management and the corresponding cost are within our budget.

We ask that patients be included in this working group and that a representative from various patient groups be included in this proposed working group. Please also include representation from the various dispensary associations.

Mahalo,

Jari Sugano

Cannabis caregiver of a minor since 2013

Medical Marijuana Working Group Member

Act 230 Working Group Member