STAND. COM. REP. NO. 1062-20

Honolulu, Hawaii

, 2020

MAR 13

RE: S.B. No. 2586

S.D. 1 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 2586, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to permit qualifying patients to be reimbursed by health insurers, mutual benefit societies, and health maintenance organizations for amounts spent on medical cannabis and manufactured cannabis products.

Your Committee received comments in support of this measure from the Hawaii Cannabis Industry Association, Aloha Green Holdings Inc., and Kush Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees, and American Family Life Assurance Company of Columbus.

Your Committee finds that New Mexico was the first state to pass laws and rules to allow for medical cannabis reimbursement under the Workers' Compensation Administration, a program that has been active now for four years. Additionally, Connecticut, Maine, Minnesota, and New Jersey also cover medical cannabis for workers' compensation.

Your Committee notes that concerns were raised by the Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees regarding how medical cannabis costs will legally be reimbursed, even under a paper claim process, by the insurers, pharmacy benefit managers, and payors since cannabis, even for medical purposes, is considered a controlled substance under federal law.

Your Committee has amended this measure by:

- (1) Requiring the Auditor to conduct an impact assessment report on the social and financial impacts of the mandatory health insurance coverage proposed by this measure; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2586, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2586, S.D. 1, H.D. 1, and be referred to your Committees on Consumer Protection & Commerce and Judiciary.

Respectfully submitted on behalf of the members of the Committee on Health,

OHN M. MIZUNO, Chai

State of Hawaii House of Representatives The THIRTIETH Legislature



Record of Votes of the Committee on Health

Bill/Resolu		Committee Referral:	,	Date:	
813	2586,501	HT, CACIS	uo, FIN	3-12-2	0
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: ☐ Pass, unamended (as is) ☐ Pass, with amendments (HD) ☐ Hold ☐ Pass short form bill with HD to recommit for future public hearing (recommit)					
Table short form one with the to recommit for future public nearing (recommit)					
	HLT Members	Ayes	Ayes (W	R) Nays	Excused
1. MIZU	JNO, John M. (C)				
2. KOB	AYASHI, Bertrand (VC)				
3. BELA	ATTI, Della Au				V
4. NAK	AMURA, Nadine K.				ko janan j <mark>iliji e</mark> spesa sa az
5. SAN 1	BUENAVENTURA, Joy A.				
6. SAY,	Calvin K.Y.				
7 TOK	IOV A. James Vanana				
7. TOK	IOKA, James Kunane				
8. WAR	D, Gene				
o. WAN	D, Gene				
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	TOTAL (8)	6	Ð	- 0	2
The recommendation is: Adopted Not Adopted					
Lif joint referral, did not support recommendation.					
Vice Chair's or designee's signature:					
·U					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					