

STAND. COM. REP. NO.

2592

Honolulu, Hawaii

FEB 13 2020

RE: S.B. No. 2586
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 2586 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 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 testimony in support of this measure
from the Hawai'i Cannabis Industry Association, Pono Life Maui,
Aloha Green Holdings Inc., Kush Hawaii, and seven individuals.
Your Committee received comments on this measure from the
Department of Commerce and Consumer Affairs, Akamai Cannabis
Clinic, and Hawaii Medical Service Association.

Your Committee finds that a legislative oversight working
group was established by Act 230, Session Laws of Hawaii 2016, 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. One of the topics
considered by the working group was the potential for medical
cannabis to be reimbursable via health insurance and workers'
compensation. However, because the issues surrounding the topic



of insurance reimbursement for medical cannabis are extremely complex, a separate working group was established to specifically address this topic, demonstrating how critical it is to further examine the complexities of the topic of making medical cannabis reimbursable by health insurance to support patient access.

Your Committee notes that the reimbursement by health insurers, mutual benefit societies, and health maintenance organizations for medical cannabis and manufactured cannabis products would not constitute a new benefit, but simply be another drug covered by an existing health plan's drug benefit program.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment 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. 2586, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2586, S.D. 1, and be referred to your Committees on Judiciary and 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
Thirtieth Legislature
State of Hawai'i

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

Bill / Resolution No.:*	Committee Referral:	Date:		
SB2586	CPH, JDC/WAM	1/31/20		
<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)	✓			
CHANG, Stanley (VC)	✓			
NISHIHARA, Clarence K.	✓			
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
WAKAI, Glenn	✓			
FEVELLA, Kurt		✓		
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