### HAWAII EDUCATIONAL ASSOCIATION FOR LICENSED THERAPEUTIC HEALTHCARE

To: Representative Roy Takumi, Chair

Representative Linda Ichiyama, Vice-Chair

Members of the Consumer Protection and Commerce Committee

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

Re: Testimony In Support on House Bill (HB) 2741

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 Takumi, Vice-Chair Ichiyama, 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 HB2741** which would help create a working group to examined 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.

On behalf of our licensed dispensary members, 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.

### HB-2741-HD-1

Submitted on: 2/20/2018 12:36:27 AM

Testimony for CPC on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

#### PRESENTATION OF THE

# OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES DEMOCRATIC PARTY OF HAWAI'I

TO THE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

THE HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

**REGULAR SESSION OF 2018** 

Wednesday, February 21, 2018

2:00 p.m.

Hawaii State Capitol, Conference Room 329

RE: Testimony in Support of HB 2741 HD1 RELATING TO MEDICAL CANNABIS

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

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 House Bill No.1602 HD1 relating to Medical Cannabis; Insurance Reimbursement; and a Working Group/

The OCC Legislative Priorities Committee is in favor of House Bill No. 2741 HD1 and support its passage.

House Bill No. 2741 HD1 is in alignment 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)).

Given that House Bill No. 2741 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 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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LEGISLATIVE REFERENCE BUREAU State of Hawaii State Capitol, Room 446 415 S. Beretania Street Honolulu, Hawaii 96813

### Written Testimony

## HB2741, 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, February 21, 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 H.B. No. 2741, 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 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.