

ACT 161

S.B. NO. 2488

A Bill for an Act Relating to Medical Cannabis.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that, among other things, Act 230, Session Laws of Hawaii 2016, established a legislative oversight working group 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. The working group is tasked with addressing issues related to the medical cannabis dispensary program in the State, including operations, edibles, and any issues the working group finds relevant to the medical cannabis dispensary program.

The legislature further finds that one of the topics considered by the working group was the potential for medical cannabis to be reimbursable via health insurance. However, because the issues surrounding the topic of insurance reimbursement for medical cannabis are extremely complex, the legislature concludes it is prudent to establish a separate working group specifically tasked with addressing this topic.

Accordingly, the purpose of this Act is to establish a working group to address reimbursement by health insurance for medical cannabis for qualifying patients.

SECTION 2. (a) There is established the medical cannabis insurance reimbursement working group to address the complexities surrounding the topic of making medical cannabis reimbursable by health insurance. The working group shall 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) The 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, at the discretion of the working group.
- (b) The working group shall consist of the following members:
  - (1) The chairs of the senate committee on commerce, consumer protection, and health and the house committee on consumer protection and commerce, or their designees, who shall serve as the chairs of the working group;
  - (2) The chair of the house committee on health and human services;
  - (3) A member of the senate who is selected by the president of the senate to serve on the working group;
  - (4) The insurance commissioner;
  - (5) The administrator of the department of human services, med-QUEST division;
  - (6) One representative each from the following, to serve at the invitation of the chairs of the working group:
    - (A) A mutual benefit society;
    - (B) A health maintenance organization;
    - (C) A medicaid managed care plan; and
    - (D) A licensed medical cannabis dispensary; and
  - (7) Two participants in Hawaii's medical cannabis program, one of whom is a qualifying patient eighteen years of age or older, and one of whom is a parent or legal guardian of a qualifying patient who is under the age of ten.
- (c) The working group shall be officially convened at the pleasure of the chairs of the working group, but no later than August 1, 2018.
- (d) The working group may request assistance and feedback from subject matter experts and other stakeholders, as needed, to enable the working group to carry out its work.
- (e) The working group shall provide periodic updates to the legislature and shall make recommendations for any legislative or administrative action the working group deems appropriate to address issues surrounding health insurance reimbursement for medical cannabis. The working group shall 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.
- (f) The legislative reference bureau is requested to provide assistance, including research and drafting, to the working group.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 10, 2018.)