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 was tasked with addressing issues related to the medical cannabis dispensary program in the State, including operations, edibles, and any issues the working group found 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 and workers' compensation. However, because the issues surrounding the topic of insurance reimbursement for medical cannabis are extremely complex, the legislature concluded that it was prudent to establish a separate working group specifically tasked with addressing this topic.
Such a working group was convened pursuant to Act 161, Session Laws of 2018, which included stakeholders from the medical cannabis patient community, a medical cannabis dispensary licensee, a mutual benefit society, a health maintenance organization, and a medicaid managed care plan. The legislature finds that the working group submitted a report on its findings prior to the regular session of 2019; however, it is still important to further examine the complexities of the topic of making medical cannabis reimbursable by health insurance.

Accordingly, the purpose of this Act 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.

SECTION 2. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to article 10A to be appropriately designated and to read as follows:

"§431:10A- Medical cannabis; manufactured cannabis products; qualifying patients; reimbursement; limits. (a) A qualifying patient who obtains medical cannabis or manufactured
cannabis products pursuant to part IX of chapter 329 and chapter 329D shall be eligible for reimbursement as follows:

1. A qualifying patient shall be eligible for a dollar-for-dollar reimbursement on any amount between $ and $ that is spent per month on medical cannabis or manufactured cannabis products, for a maximum monthly reimbursement of $.

2. Monthly amounts in excess of $ that are spent by a qualifying patient on medical cannabis or manufactured cannabis products shall be covered entirely by the qualifying patient and shall not be eligible for reimbursement under this section; and

3. A qualifying patient shall be limited to a yearly maximum of $ in reimbursements.

(b) Insurers shall establish a system to reimburse qualifying patients pursuant to this section on at least a quarterly basis.

(c) For purposes of this section:

"Manufactured cannabis product" shall have the same meaning as in section 329D-1.
"Medical cannabis" shall have the same meaning as the term "cannabis" in section 329-121.

"Qualifying patient" shall have the same meaning as in section 329-121."

SECTION 3. Chapter 432, Hawaii Revised Statutes, is amended by adding a new section to article 1 to be appropriately designated and to read as follows:

"§432:1- Medical cannabis; manufactured cannabis products; qualifying patients; reimbursement; limits. (a) A qualifying patient who obtains medical cannabis or manufactured cannabis products pursuant to part IX of chapter 329 and chapter 329D shall be eligible for reimbursement as follows:

(1) A qualifying patient shall be eligible for a dollar-for-dollar reimbursement on any amount between $_________ and $_________ that is spent per month on medical cannabis or manufactured cannabis products, for a maximum monthly reimbursement of $_________;

(2) Monthly amounts in excess of $_________ that are spent by a qualifying patient on medical cannabis or manufactured cannabis products shall be covered..."
entirely by the qualifying patient and shall not be
eligible for reimbursement under this section; and

(3) A qualifying patient shall be limited to a yearly
maximum of $________ in reimbursements.

(b) Mutual benefit societies shall establish a system to
reimburse qualifying patients pursuant to this section on at
least a quarterly basis.

(c) For purposes of this section:

"Manufactured cannabis product" shall have the same meaning
as in section 329D-1.

"Medical cannabis" shall have the same meaning as the term
"cannabis" in section 329-121.

"Qualifying patient" shall have the same meaning as in
section 329-121."

SECTION 4. Chapter 432D, Hawaii Revised Statutes, is
amended by adding a new section to be appropriately designated
and to read as follows:

"§432D-____ Medical cannabis; manufactured cannabis
products; qualifying patients; reimbursement; limits. (a) A
qualifying patient who obtains medical cannabis or manufactured
cannabis products pursuant to part IX of chapter 329 and chapter 329D shall be eligible for reimbursement as follows:

(1) A qualifying patient shall be eligible for a dollar-for-dollar reimbursement on any amount between $ and $ that is spent per month on medical cannabis or manufactured cannabis products, for a maximum monthly reimbursement of $;

(2) Monthly amounts in excess of $ that are spent by a qualifying patient on medical cannabis or manufactured cannabis products shall be covered entirely by the qualifying patient and shall not be eligible for reimbursement under this section; and

(3) A qualifying patient shall be limited to a yearly maximum of $ in reimbursements.

(b) Health maintenance organizations shall establish a system to reimburse qualifying patients pursuant to this section on at least a quarterly basis.

(c) For purposes of this section:

"Manufactured cannabis product" shall have the same meaning in section 329D-1.
"Medical cannabis" shall have the same meaning as the term "cannabis" in section 329-121.

"Qualifying patient" shall have the same meaning as in section 329-121."

SECTION 5. (a) The auditor shall conduct an impact assessment report pursuant to sections 23-51 and 23-52, Hawaii Revised Statutes, to assess the social and financial impacts of the mandates specified in sections 2, 3, and 4 of this Act.

(b) The auditor shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2021.

SECTION 6. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 2050.
Report Title:
Medical Cannabis; Manufactured Cannabis Product; Qualifying Patients; Reimbursement; Insurance

Description:
Permits 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. Limits the monthly amount of reimbursement. Requires the auditor to conduct impact assessment reports. Effective 7/1/2050. (HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.