

Fiscal Note



Fiscal Services Division

HF 732 – Medical Cannabidiol (LSB2764HV.2)

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Fiscal Note Version – Final Action

Description

<u>House File 732</u> amends the Iowa Medical Cannabidiol (mCBD) Program. Changes relevant to the fiscal impact include:

- Revises "untreatable pain" to "severe or chronic pain" on the list of debilitating medical conditions for which mCBD may be used.
- Expands the definition of "health care practitioner" to include physician assistants and advanced registered nurse practitioners and makes conforming program changes.
- Removes restrictions on felons.
- Removes the restriction on mCBD containing more than 3.0% tetrahydrocannabinol (THC).
- Adds a restriction that an mCBD dispensary cannot dispense more than a combined total of 25 grams of THC to a patient or primary caregiver in a 90-day period.
- Requires the Board of Medicine adopt rules to allow the mCBD Advisory Board to grant a
 waiver for patients to receive more than a combined total of 25 grams of THC in a 90-day
 period if the health care practitioner determines that a 25-gram supply is inadequate to
 alleviate the patient's debilitating medical condition and that the patient's debilitating medical
 condition is terminal with less than one year of life expectancy.
- Requires the Department of Public Health (DPH) to collect and evaluate data on patient clinical outcomes and quality of life outcomes for the purpose of reporting on benefits, risks, and outcomes for patients engaged in the use of mCBD.

Background

Sales of mCBD through the Iowa mCBD Program began in December 2018.

Assumptions

- Expanding the list of debilitating medical conditions for which mCBD may be used and allowing for more certifying health care practitioners will increase patient access to mCBD.
- The Seed-to-Sale tracking system will require updates to comply with the new purchasing cap.
- The DPH will require a community health consultant to be added to mCBD Program staff to conduct data collection and reporting on patient outcomes.
- The mCBD Program is a fee-sustaining program.

Fiscal Impact

To the extent that more patients qualify for the Program and more certifying health care practitioners are available to certify conditions, there will be increased applications to the DPH for mCBD registration. If the application volume increases enough, the DPH will need to hire additional registration clerks at approximately \$47,000 for every 3,000 applications received in a given year.

The addition of a community health consultant will increase mCBD Program expenditures by an estimated \$70,000.

Expenditures required to support the Seed-to-Sale tracking system changes are anticipated to be covered by the FY 2019 Technology Reinvestment Fund appropriation of \$350,000.

Sources

Department of Public Health

/s/ Holly M. Lyons
May 24, 2019

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.