Medical Marijuana Advisory Board Meeting

Tuesday, November 16, 2021
10:00am to noon
I. Call to order and roll call
II. Approval of the minutes – meeting Aug. 17, 2021
III. Program Update
IV. Old Business
  a. Subcommittee Assignments
V. New Business
  a. Review the Qualifying Medical Conditions for Medical Marijuana Usage Applications
     i. Chronic Hepatitis
  b. Chapter 20 Medical Marijuana Research
  c. Processes and Procedures:
     i. Reports – proposed policy for reviewing recommendations and creating reports
     ii. Recommendation Submittal
     iii. Serious Medical Conditions (SMCs)
        1. Approving SMCs for Chapter 20 Research
        2. Submittals presented through recommendations
        3. Proposed revisions to current public submittal process
VI. Subcommittee Updates
VII. Additional Discussion/Q&A
VIII. Adjournment
Medical Marijuana Program Update

- Act 44 Implementation
- Medical Marijuana Assistance Program
- Patient Purchasing Activity
- Program Growth Metrics
- Permittee Pricing Trends
Medical Marijuana Program Update

- Program to date:
  - 681,504 Patients and Caregivers Registered;
  - 384,254 Active Patient Certifications;
  - 1,678 Approved Practitioners;
  - 16.5 Million Patient Dispensing Events;
  - 47.0 Million Products Dispensed;
  - $4.0 Billion in Total Sales;
  - $1.6 Billion by G/Ps to Dispensaries; and
  - $2.4 Billion by Dispensaries.
Act 44 Implementation
### Medical Marijuana Program Update

**Act 44 Implementation Status**

<table>
<thead>
<tr>
<th>Category / Area Impacted</th>
<th>In Design</th>
<th>Implementation In Progress</th>
<th>Implemented</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Project or New Program</td>
<td>2</td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Grower/Processors and Labs</td>
<td>4</td>
<td>3</td>
<td>7</td>
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<tr>
<td>Background Checks</td>
<td>1</td>
<td>4</td>
<td>5</td>
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<tr>
<td>Permitting</td>
<td>1</td>
<td>1</td>
<td>2</td>
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<tr>
<td>Dispensaries</td>
<td></td>
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<td>5</td>
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<tr>
<td>Governance/ Regulations</td>
<td></td>
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<td>5</td>
<td></td>
</tr>
<tr>
<td>Practitioners/ Caregivers</td>
<td></td>
<td>3</td>
<td>3</td>
<td></td>
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<tr>
<td>Research</td>
<td></td>
<td>4</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>0</td>
<td>8</td>
<td>25</td>
<td></td>
</tr>
</tbody>
</table>

**Progress Since Last MMAB:**

- Major Project or New Program: 4 → 0
- Grower/Processors and Labs: 6 → 8
- **Governance/Regulations:** 23 → 25

*Pennsylvania Department of Health*
Medical Marijuana Assistance Program (MMAP)
## Medical Marijuana Program Update

### Current and Planned Medical Marijuana Assistance

<table>
<thead>
<tr>
<th>MM Identification Card</th>
<th>Full Cost</th>
<th>Current Cost After Benefits</th>
<th>MMAP Phase 1 (Q1 2022)</th>
<th>MMAP Phase 2 (timing TBD)</th>
<th>MMAP Phase 3 (timing TBD)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$50.00</td>
<td>$25.00</td>
<td>No Cost</td>
<td>No ID card costs for eligible patients and caregivers</td>
<td></td>
</tr>
</tbody>
</table>

50% discount

35 P.S. Section 10231.902
# Medical Marijuana Program Update

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</thead>
<tbody>
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<td><strong>MM Identification Card</strong></td>
<td>$50.00</td>
<td>$25.00 (50% discount)</td>
<td>No Cost</td>
<td></td>
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</tr>
<tr>
<td><strong>Caregiver Background Checks</strong></td>
<td>$20.85</td>
<td>$7.60 (65% discount)</td>
<td></td>
<td>No Cost</td>
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</tr>
</tbody>
</table>

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35 P.S. Section 10231.902
## Medical Marijuana Program Update

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<td>65% discount</td>
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<td></td>
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<td>No cost for eligible caregiver background checks</td>
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<tr>
<td>Patient Product Cost</td>
<td>Dispensary Retail Price</td>
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<td>Assistance</td>
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<td></td>
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<td>Monthly value for eligible patients</td>
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</tbody>
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35 P.S. Section 10231.902
Patient Purchasing Activity
Medical Marijuana Program Update

Total Dispensary Sales

- Product Sales
- Cumulative

- Total sales range from $0 to $2,500,000,000
- Cumulative sales show a steady increase over the years.

Pennsylvania Department of Health
Medical Marijuana Program Update

Patient Purchasing Trends by Product Category

- Dry Leaf
- Vape
- Concentrate
- Infused
- Topicals
- Other

Percentage of Total Sales

2020-Jan
2020-Feb
2020-Mar
2020-Apr
2020-May
2020-Jun
2020-Jul
2020-Aug
2020-Sep
2020-Oct
2020-Nov
2020-Dec
2021-Jan
2021-Feb
2021-Mar
2021-Apr
2021-May
2021-Jun
2021-Jul
2021-Aug
2021-Sep
2021-Oct
Permittee Pricing Trends
Sales Volume Increases as Demand and Operational Dispensaries Grow

**Dry Leaf Sales**

- **January 2020 (Jan-20):** $77,000,000
- **February 2020 (Feb-20):** $80,000,000
- **March 2020 (Mar-20):** $95,000,000
- **April 2020 (Apr-20):** $100,000,000
- **May 2020 (May-20):** $117,000,000
- **June 2020 (Jun-20):** $129,000,000
- **July 2020 (Jul-20):** $138,000,000

These figures represent the growth in dry leaf sales over the period from January 2020 to October 2021, demonstrating the increasing demand and operational expansion within the medical marijuana program.
Sales Volume Increases as Demand and Operational Dispensaries Grow

Dry Leaf Sales and Pricing Trends

-15%  -13%  -11%  -9%  -7%  -5%  -3%  -1% 0% 1% 3% 5% 7% 9% 11% 13% 15%

$0  $10,000,000  $20,000,000  $30,000,000  $40,000,000  $50,000,000  $60,000,000


Pennsylvania DEPARTMENT OF HEALTH
Medical Marijuana Program Update

Wholesale Price Decline Trend More Inline With Retail Price Declines

Dry Leaf Retail and Wholesale Pricing Trends

- Operational Dispensaries
- Retail Price Trend
- Wholesale Price Trend

Pennsylvania Department of Health
Medical Marijuana Program Update

Dry Leaf Retail Pricing Tracking to Grower/Processor Wholesale Pricing

Dry Leaf Retail and Wholesale Pricing Trends

Retail Price/Gram Trend

Wholesale Price/Gram Trend

Jan-20 Apr-20 Jul-20 Oct-20 Jan-21 Apr-21 Jul-21 Oct-21
Medical Marijuana Program Update

Dry Leaf Retail and Wholesale Pricing Details

**Retail Price/Gram**

- Jan-20: $15.67
- Apr-20: $14.82
- Jul-20: $15.10
- Oct-20: $15.28
- Jan-21: $14.90
- Apr-21: $14.48
- Jul-21: $14.53
- Oct-21: $14.05

**Wholesale Price/Gram**

- Jan-20: $10.19
- Apr-20: $10.09
- Jul-20: $10.28
- Oct-20: $9.60
- Jan-21: $10.66
- Apr-21: $10.48
- Jul-21: $9.48
- Oct-21: $8.17
Medical Marijuana Program Update

Per Gram Retail Price Sampling Summary (Eastern Regions)

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<tr>
<th>$8</th>
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<th>$21</th>
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Northeast

- **ETHOS Allentown**
- **Columbia Care Allentown**
- **HARVEST Scranton**
- **BEYOND / HELLO Scranton**

Southeast

- **Restore Pottstown**
- **TERRAVIDA Malvern**
- **ETHOS NE Philadelphia**
- **BEYOND / HELLO University City**

Aug 2021 Dry Leaf per gram Avg. ($14.27)
Medical Marijuana Program Update

Per Gram Retail Price Sampling Summary (Central Regions)

Aug 2021 Dry Leaf per gram Avg. ($14.27)
Medical Marijuana Program Update

Per Gram Retail Price Sampling Summary (Western Regions)

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<td>Sunnyside</td>
<td>Pittsburgh</td>
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<td>goodblend</td>
<td>Pittsburgh</td>
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Subcommittee Assignments

- The Regulatory Subcommittee
  Janet Getzy Hart

- Medical Review Subcommittee
  Dr. Denise Johnson

- Medical Research Subcommittee
  Bhavini Patel

- Patient and Caregiver Subcommittee
  Molly Robertson

- Reports Subcommittee
  Luke Schultz
Review the Qualifying Medical Conditions for Medical Marijuana Usage Applications

- Chronic Hepatitis
## Ch. 20 Medical Marijuana Research

<table>
<thead>
<tr>
<th></th>
<th><strong>Current: Research Program</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1) When research can begin</td>
<td>Any time under DOH's proposed Chapter 20 temporary regulations</td>
</tr>
<tr>
<td></td>
<td><strong>28 Pa. Code § 1211.29</strong></td>
</tr>
<tr>
<td>2) Conditions studied</td>
<td>Only the serious medical conditions recognized by Act 16 of 2016 or DOH's current temporary regulations</td>
</tr>
<tr>
<td></td>
<td><strong>28 Pa. Code § 1211.21</strong></td>
</tr>
<tr>
<td>3) Manner in which medical marijuana is dispensed</td>
<td>Only in the forms recognized by Act 16 of 2016 or DOH's current temporary regulations</td>
</tr>
<tr>
<td></td>
<td><strong>28 Pa. Code § 1211.29(a)</strong></td>
</tr>
<tr>
<td>4) Who supervises the research</td>
<td>Research Approval Committee or Institutional Review Board as defined by DOH's proposed Chapter 20 temporary regulations</td>
</tr>
<tr>
<td></td>
<td><strong>28 Pa. Code § 1211.29(c)</strong></td>
</tr>
<tr>
<td>5) How medical marijuana is dispensed</td>
<td>By a clinical registrant dispensary only to patients or caregivers in accordance with Act 43 of 2018 and DOH's proposed Chapter 20 temporary regulations</td>
</tr>
<tr>
<td></td>
<td><strong>28 Pa. Code § 1211.29(a)</strong></td>
</tr>
</tbody>
</table>

|                                | **Research Project or Study**                                                                |
|                                | Upon amendment of the Controlled Substances Act, 21 U.S.C. § 812 (rescheduling marijuana), and notice in the Pennsylvania Bulletin by DOH in accordance with Section 2003 of Act 43 of 2018 and Section 2108 of Act 16 of 2016 |
|                                | **Act 43, Section 2003**                                                                     |
|                                | Any medical or psychological condition                                                      |
|                                | **28 Pa. Code § 1211.21**                                                                  |
|                                | Any form deemed medically safe by an institutional review board                             |
|                                | **28 Pa. Code § 1211.29(b)**                                                              |
|                                | Research Approval Committee or Institutional Review Board as defined by DOH's proposed Chapter 20 temporary regulations |
|                                | **28 Pa. Code § 1211.29(d)**                                                              |
|                                | By a clinical registrant dispensary to patients or caregivers or to an ACRC in accordance with Act 43 of 2018 |
|                                | **28 Pa. Code § 1211.29(b)**                                                              |
Processes and Procedures

• Reports – proposed policy for reviewing recommendations and creating reports

• Recommendation Submittal

• Serious Medical Conditions (SMCs)
  - Approving SMCs for Chapter 20
  - Research
  - Submittals presented through recommendations
  - Proposed revisions to current public submittal process
Proposed Reports Process

(1) After each meeting where a recommendation is approved by the advisory board to change the medical marijuana program, the reports subcommittee will produce a written report.

Recommendations to change the medical marijuana program include:
   (i) Whether to change the types of medical professionals who can issue certifications to patients.
   (ii) Whether to change, add or reduce the types of medical conditions which qualify as serious medical conditions under this act.
   (iii) Whether to change the form of medical marijuana permitted under this act.
   (iv) How to ensure affordable patient access to medical marijuana.
(2) Reports shall include approved recommendations and related findings. The reports may also include findings on recommendations not approved or other issues, other advisory board activities, and general information and updates on the medical marijuana program.

(3) Reports will be presented by the reports subcommittee to the advisory board for adoption at the next regularly scheduled public meeting.

(4) Adopted reports shall be provided to the Secretary of Health, the Governor, the Senate, the House of Representatives, and will be public record under the Right-to-Know Law.
Processes and Procedures

- Recommendation Submittal
- Serious Medical Conditions (SMCs)
  - Approving SMCs for Chapter 20 Research
  - Submittals presented through recommendations
  - Proposed revisions to current public submittal process
Subcommittee Updates

- Medical Research Review Subcommittee
  Bhavini Patel
- Patient and Caregiver Subcommittee
  Molly Robertson
- Regulatory Subcommittee
  Janet Getzy Hart
- Reports Subcommittee
  Luke Schultz
- Medical Review Subcommittee
  Dr. Denise Johnson
MMAB Meeting

• Additional Discussion

• Next Board Meeting
  January 27, 2022 (10:00am to noon)

• Adjournment