Maine Medical Use of Marijuana Program

January 1, 2018 – December 31, 2018

Annual Report to the Maine State Legislature

Office of Marijuana Policy Maine Department of Administrative and Financial Services

April 2019

Background

The State of Maine first legalized medical marijuana by referendum in 1999. In 2009, Maine voters again took up the topic of medical marijuana, this time establishing a legal distribution mechanism that had been nonexistent since 1999. The Maine Medical Use of Marijuana Program (MMMP) became operational in 2010 and was directed to carry out the implementation of the Maine Medical Use of Marijuana Act, with the first of Maine's medical marijuana dispensaries commencing operation in 2011.

The rules governing the program first became effective September 17, 2013 and today they inform:

- Procedures for issuing a certificate of registration to a medical marijuana dispensary;
- Procedures for issuing registry identification cards to qualified patients, caregivers, staff of hospice providers and nursing facilities;
- Requirements for dispensaries to obtain registry identification cards for their principal officers, board members and employees;
- Confidentiality requirements;
- · Payment of fees; and
- Enforcement.

During the 128th Maine Legislature, several pieces of legislation were considered that proposed significant changes to the State of Maine's laws on marijuana. Among these were LD 1719, An Act To Implement a Regulatory Structure for Adult Use Marijuana (effective May 2, 2018); LD 238, An Act To Amend the Maine Medical Use of Marijuana Act (effective July 6, 2018); and LD 1539, An Act To Amend Maine's Medical Marijuana Law (effective December 13, 2018).

LD 1539 significantly overhauled the medical program by, among other things, permitting caregivers to operate storefronts and hire an unlimited number of employees, eliminating all qualifying medical conditions for an individual to participate in the program, temporarily increasing the number of authorized dispensaries before permanently eliminating the cap in 2021, and removing the limitations on the number of patients that can be served by a caregiver. LD 1719 moved the MMMP from the Department of Health and Human Services (DHHS) to the Department of Administrative and Financial Services (DAFS) to ensure that both programs were regulated by the same department. In addition, a prohibition on locating the MMMP within the Bureau of Alcoholic Beverages and Lottery Operations (BABLO) was written into law.

In July of 2018, MMMP moved from the Maine Center for Disease Control (CDC), a part of the Department of Health and Human Services (DHHS), to the Department of Administrative and Financial Services (DAFS). All MMMP staff, equipment, files and technology—in place at the time of the move—were maintained by the program and are still in use now. Throughout 2018, MMMP resided, functionally, within the DAFS' Bureau of Business Management (BBM). In February 2019, DAFS created the Office of Marijuana Policy (OMP), with MMMP reporting directly to Director Erik Gundersen.

OMP and MMMP have been working aggressively on rule development. To complete the lab certification and extraction facility rules required by LD 238, MMMP contracted with Colorado-based consulting firm Freedman & Koski in October. They have worked with the MMMP and industry stakeholders, both remotely and in-person, on LD 238 rule development, with the finished work product expected to be completed shortly.

For further information, please contact:

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The rules and statute governing this program may be found at:

- Maine Medical Use of Marijuana Act: Title 22, Chapter 558-C
- Rules: 10-144 C.M.R. ch. 122

Executive Summary

In accordance with 22 M.R.S. § 2425-A(13), the Department shall submit to the joint standing committee of the Legislature having jurisdiction over health and human services matters, an annual report by April 1 each year that does not disclose any identifying information about cardholders or medical providers, but that does contain, at a minimum:

- The number of applications and renewals filed for registry identification card and registration certificates:
- The number of qualifying patients and registered caregivers approved in each county;
- The number of registry identification cards suspended or revoked;
- The number of medical providers providing written certifications for qualifying patients;
- The number of registered dispensaries, manufacturing facilities and marijuana testing facilities approved in each county;
- The number of officers, directors, and assistants of registered caregivers, registered dispensaries, manufacturing facilities and marijuana testing facilities;
- The revenue and expenses of the Medical Use of Marijuana Fund established in section 2430.

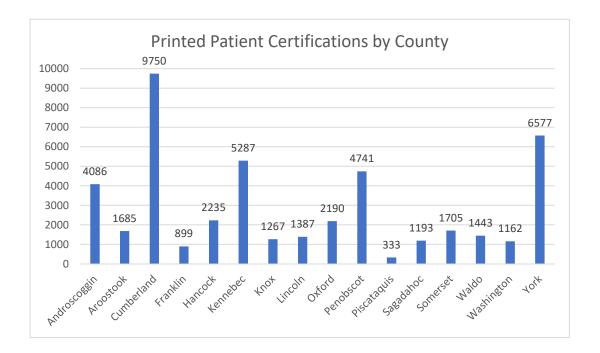
The data in this report reflects calendar year periods.

Key Takeaways - 2018

- The number of printed patient certifications increased 9.8 percent to 45,940.
- The number of licensed caregivers decreased 18 percent to 2,462.
- The number of caregiver cards issued decreased 7.2 percent to 10,582.
- The number of medical providers that are eligible to certify patients increased 29 percent to 569.
- Employment numbers for both caregivers and dispensaries increased in 2018.

Printed Patient Certifications by County, 2018

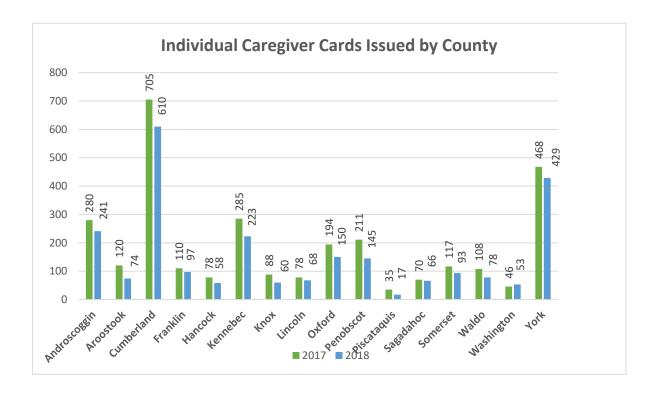
The online system recorded, in 2018, that 45,940 certifications were printed. A 9.8 percent increase from 41,858 printed in 2017.



^{*}This number is not an accurate reflection of the number of patients as it includes all certifications printed, including misprints, reissue of lost certifications and other anomalies.

Caregiver Individuals by County, 2018

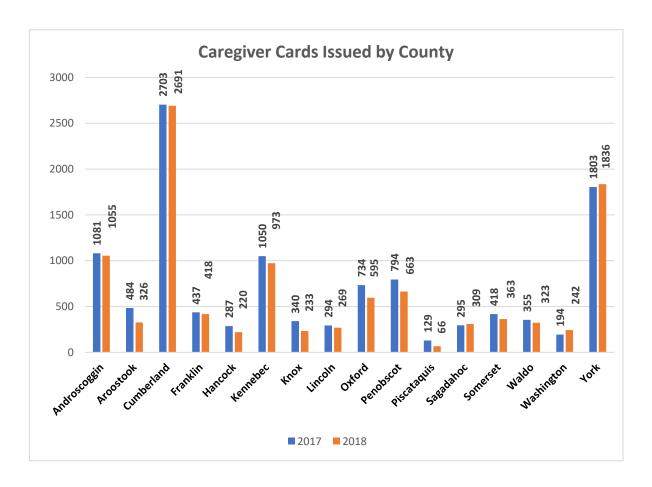
Individual caregivers decreased by 18 percent, from 2,993 in 2017 to 2,462 in 2018. There was a decrease of registered caregivers in all counties except for Washington.



^{*}This graph represents the number of registered individual caregivers there are in each county.

Caregiver Cards by County, 2018

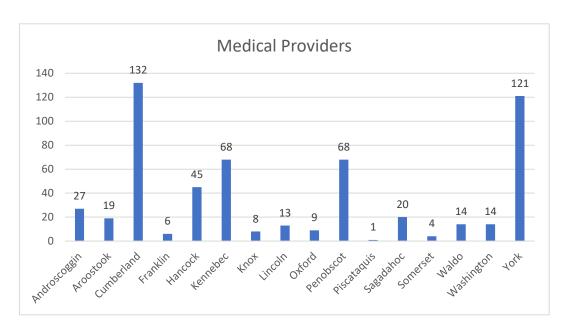
The number of caregiver cards decreased by 7.2 percent, from 11,398 in 2017 to 10,582 in 2018.



^{*}This graph represents how many caregiver cards are issued in each county. A caregiver may hold up to five caregiver cards.

Medical Providers, Employees, Principal Officers and Board Members, 2018

In 2018 there were a total of 569 Medical Providers registered in the system. This was an increase of 29 percent from 441 in 2017.



	2017	2018
Number of Caregiver Employees	302	360
Number of Caregiver Cards Revoked	2	8
Number of Registered Dispensaries	8	8
Number of Dispensary Employees	186	219
Number of Dispensary Board Members	21	21
Number of Dispensary Principal Officers	7	5

^{*}Once rules for manufacturing and testing facilities are adopted, new manufacturing and testing facilities will begin registering with the MMMP. There are currently no registered officers or directors for caregivers.

Revenue and Expenses

The State of Maine operates on a fiscal year that runs from July 1 through June 30. Accordingly, revenue and expense information from state fiscal year 2018 covers the period from July 1, 2017 through the conclusion of the fiscal year on June 30, 2018.

	FY 2017	FY 2018
Expenses	\$577,494.89	\$922,033.73
Revenues	\$2,550,697.00	\$2,444,917.74
Legislative Transfers	\$1,775,000.00	\$667,626.00