



Division of Medical Marijuana



Medical Marijuana Program Annual Report

Fiscal Year 2021

Table of Contents

| | |
|---|---|
| Background Information and Status of the Program..... | 2 |
| 67 th Legislative Assembly..... | 2 |
| State Law Reporting Requirements..... | 3 |

Glossary

Cardholder: A qualifying patient, designated caregiver, or compassion center agent who has been issued and possesses a valid registry identification card.

Compassion Center: A manufacturing facility or dispensary.

Designated Caregiver: An individual who agrees to manage the well-being of a registered qualifying patient with respect to the qualifying patient's medical use of marijuana.

Dispensary: An entity registered by the department as a compassion center authorized to dispense usable marijuana to a registered qualifying patient and a registered designated caregiver.

Health Care Provider: A physician, a physician assistant, or an advanced practice registered nurse.

Manufacturing Facility: An entity registered by the department as a compassion center authorized to produce and process and to sell usable marijuana to a dispensary.

Qualifying Patient: An individual who has been diagnosed by a health care provider as having a debilitating medical condition.

Registry Identification Card: A document issued by the department which identifies an individual as a registered qualifying patient, registered designated caregiver, or registered compassion center agent.

Usable Marijuana: A medical marijuana product or the dried leaves or flowers of the plant of the genus cannabis in a combustible delivery form. However, the term does not include a cannabinoid edible product. In the case of a registered qualifying patient who is a minor, "usable marijuana" is limited to pediatric medical marijuana.

Written Certification: A form established by the department which is executed, dated, and signed by a health care provider within ninety calendar days of the day of application, stating that the patient has a debilitating medical condition. A health care provider may authorize an enhanced amount of dried leaves or flowers of the plant of the genus cannabis in a combustible delivery form to treat or alleviate the patient's debilitating medical condition of cancer. A written certification may not be made except in the course of a bona fide provider-patient relationship.

Background Information and Status of the Program

In November 2016, an initiated measure, known as the “North Dakota Compassionate Care Act,” was approved by voters. In January 2017, the provisions of the North Dakota Compassionate Care Act were suspended through legislation passed by the Legislative Assembly. On April 18, 2017, a new state law became effective requiring the North Dakota Department of Health (NDDoH) to establish and implement a Medical Marijuana Program allowing for the production and processing, the sale and dispensing of usable marijuana, and medical use of marijuana. Since the effective date of the new state law, the NDDoH has been committed to implementing a well-regulated program that protects the health and safety of qualifying patients and the public.

State law requires the NDDoH to register no more than two manufacturing facilities unless the NDDoH determines additional entities are necessary to increase access to usable marijuana by registered qualifying patients and registered designated caregivers. Two manufacturing facilities received their registration certificates in fiscal year 2019. One manufacturing facility, Pure Dakota LLC, is in Bismarck. One manufacturing facility, Grassroots Cannabis (legal name: GR Vending ND, LLC), is in Fargo.

State law identifies the NDDoH is to register no more than eight dispensaries unless the NDDoH determines additional entities are necessary to increase access to usable marijuana by registered qualifying patients and registered designated caregivers. The NDDoH established eight regions within the state where dispensaries would be located. Regions are comprised of a 50-mile radius from selected cities. The first dispensary opened in Fargo in February 2019. Additional dispensaries opened during the 2019 calendar year with the eighth, and final, dispensary opening in December 2019 in Dickinson. During fiscal year 2021, the dispensaries located in Bismarck and Williston had a transfer of ownership. Also, due to a merger, the names of the dispensaries located in Devils Lake, Dickinson, Jamestown, and Minot were changed. The eight dispensary names and locations follow:

- Curaleaf in Devils Lake
- Curaleaf in Dickinson
- Curaleaf in Jamestown
- Curaleaf in Minot
- Pure Dakota Health in Bismarck
- Pure Dakota Health in Fargo
- Pure Dakota Health in Williston
- We-Mend (Strive Life) in Grand Forks

An online application process is used for registering qualifying patients and designated caregivers. During fiscal year 2021, a significant increase in registered qualifying patients occurred. As of June 30, 2020, there were approximately 3,200 registered qualifying patients. As of June 30, 2021, there were over 5,700 registered qualifying patients.

67th Legislative Assembly

A number of bills potentially impacting the Medical Marijuana Program were introduced during the 67th Legislative Assembly. A summary of changes to state law follows:

House Bill 1213
(Effective May 3, 2021)

- Definitions were added to state law as well as modifying current terms;
- The Department may waive the requirement of a criminal history record check of a designated caregiver assisting a registered qualifying patient with a terminal illness;
- A registered qualifying patient has 60 days to establish care with a new health care provider if the health care provider completing the written certification were to move to a location where it is not suitable to continue a bona fide provider-patient relationship;
- Additional data related to the Medical Marijuana Program may be provided; and
- New language was added related to ownership of a manufacturing facility or dispensary.

House Bill 1359
(Effective July 1, 2021)

- Removed \$50 designated caregiver application fee;
- Increased the number of designated caregivers a registered qualifying patient may have from one to five; and
- Modified the membership of the Medical Marijuana Advisory Board.

State Law Reporting Requirements

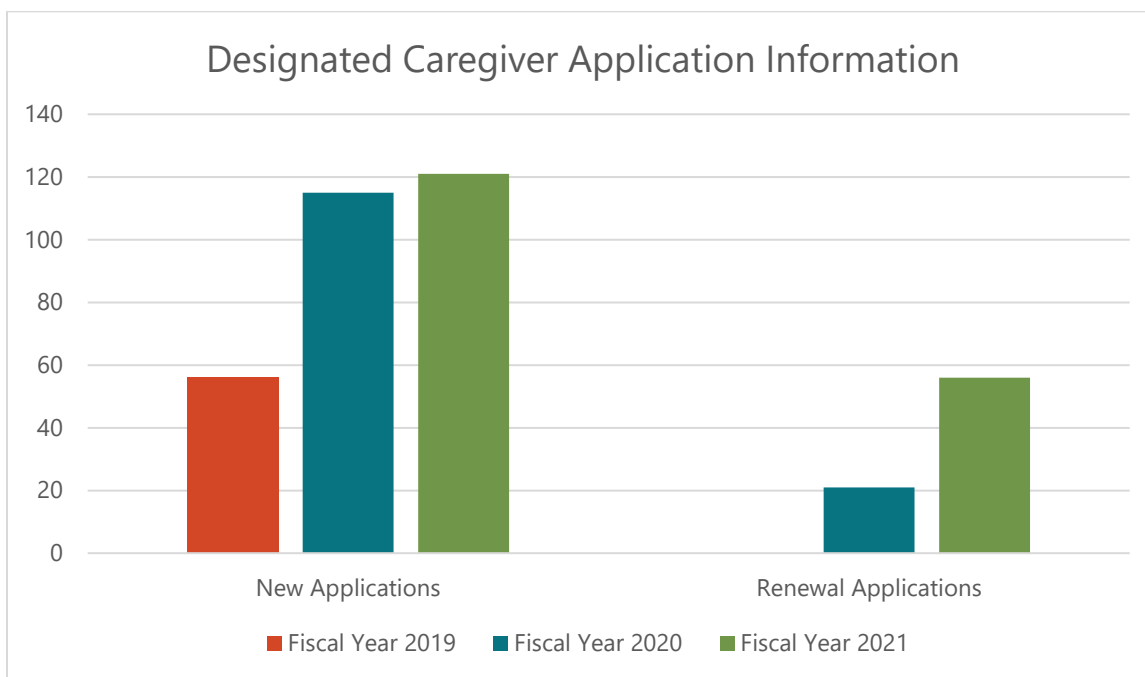
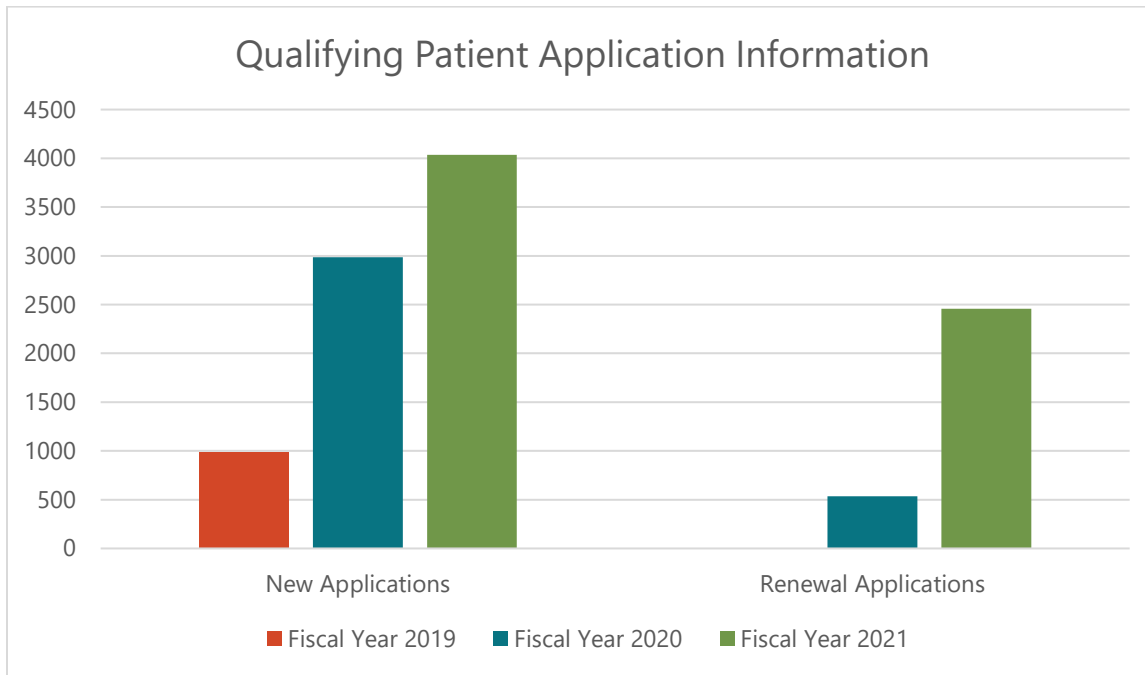
House Bill 1213 passed by the 67th Legislative Assembly modified NDCC Section 19-24.1-39. As the bill was declared an emergency, the changes to law were effective May 3, 2021. NDCC Section 19-24.1-39 requires the NDDoH to submit an annual report that contains the following information:

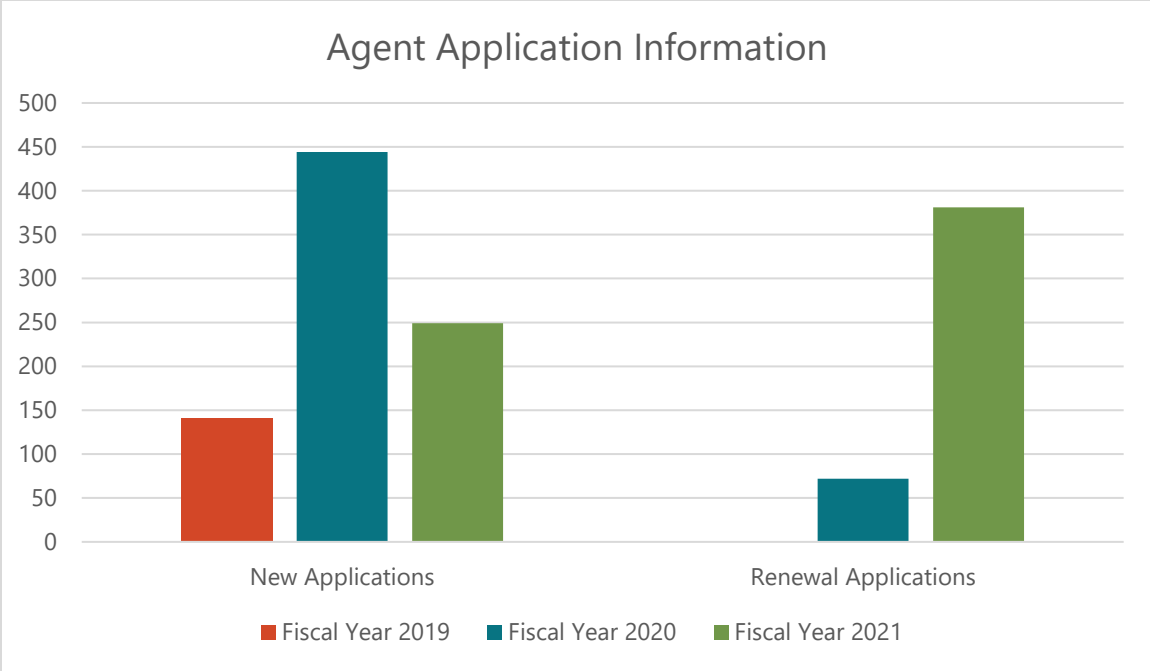
1. The number of registry identification card applications and renewals;
2. The number of registered qualifying patients, registered designated caregivers, and registered compassion center agents;
3. The nature of the debilitating medical conditions of the registered qualifying patients;
4. The number of registry identification cards revoked;
5. The number of health care providers providing written certifications for qualifying patients;
6. The number of compassion centers;
7. Any expenses incurred and revenues generated by the department from the medical marijuana program; and
8. Data for statistical purposes in a manner so that an individual person is not identifiable.

Data is reported as of June 30, 2021.

APPLICATIONS AND RENEWALS

Individuals applying to become registered qualifying patient, designated caregiver, or agent submit their application through the North Dakota Medical Marijuana Program online registration system. The graphs below identify new applications and renewal applications submitted during fiscal years 2019, 2020, and 2021. As identified in the graphs below, there was an increase in applications received by the NDDoH during the time period. Data from the Medical Marijuana Program online registration system.





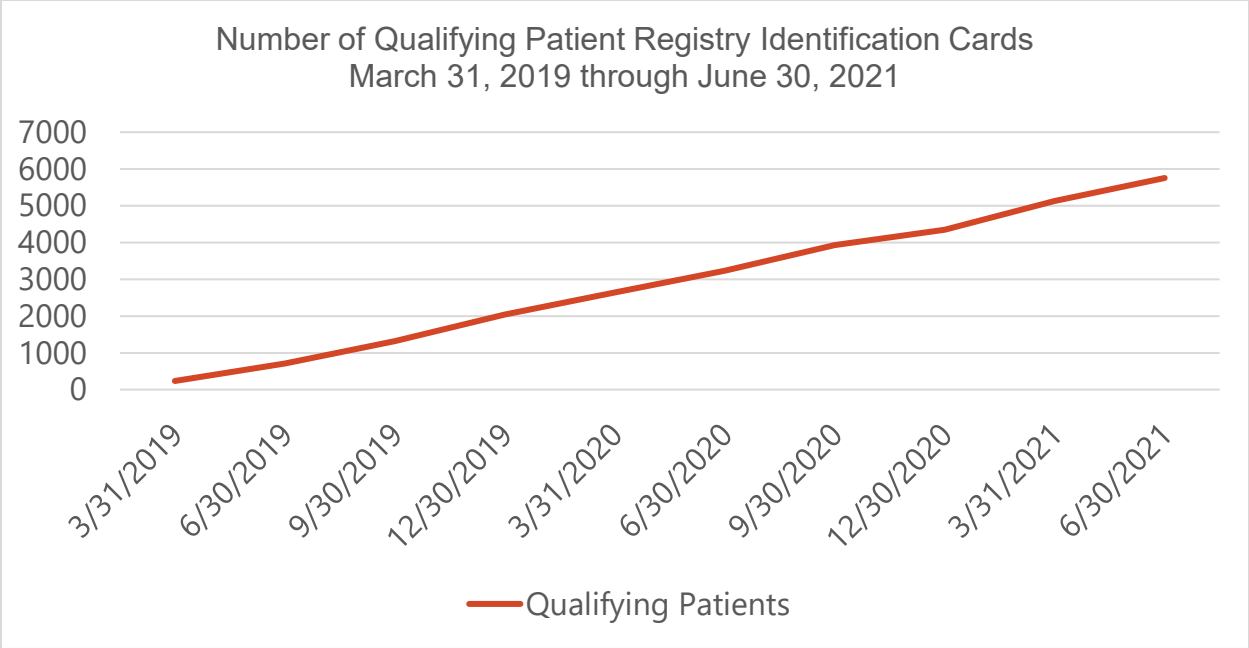
REGISTERED QUALIFYING PATIENTS AND DESIGNATED CAREGIVERS

An individual may possess more than one designated caregiver registry identification card (state law allows an individual to possess up to five designated caregiver cards). Also, individuals may be considered an agent of multiple registered manufacturing facilities/dispensaries. Thus, card numbers may not be reflective of the actual number of individuals with a registry identification card. The total number of registry identification cards as of June 30, 2019, 2020, and 2021 was (data from the Medical Marijuana Program online registration system):

| Fiscal Year End Registry Identification Card Data | | | |
|---|-----------|-----------|-----------|
| | 6/30/2019 | 6/30/2020 | 6/30/2021 |
| Qualifying patient cards * | 707 | 3,233 | 5,754 |
| Designated caregiver cards | 34 | 109 | 139 |
| Compassion center agent cards | 91 | 410 | 408 |

* Number of minor patients (those under the age of 19) was less than 30 in all three years.

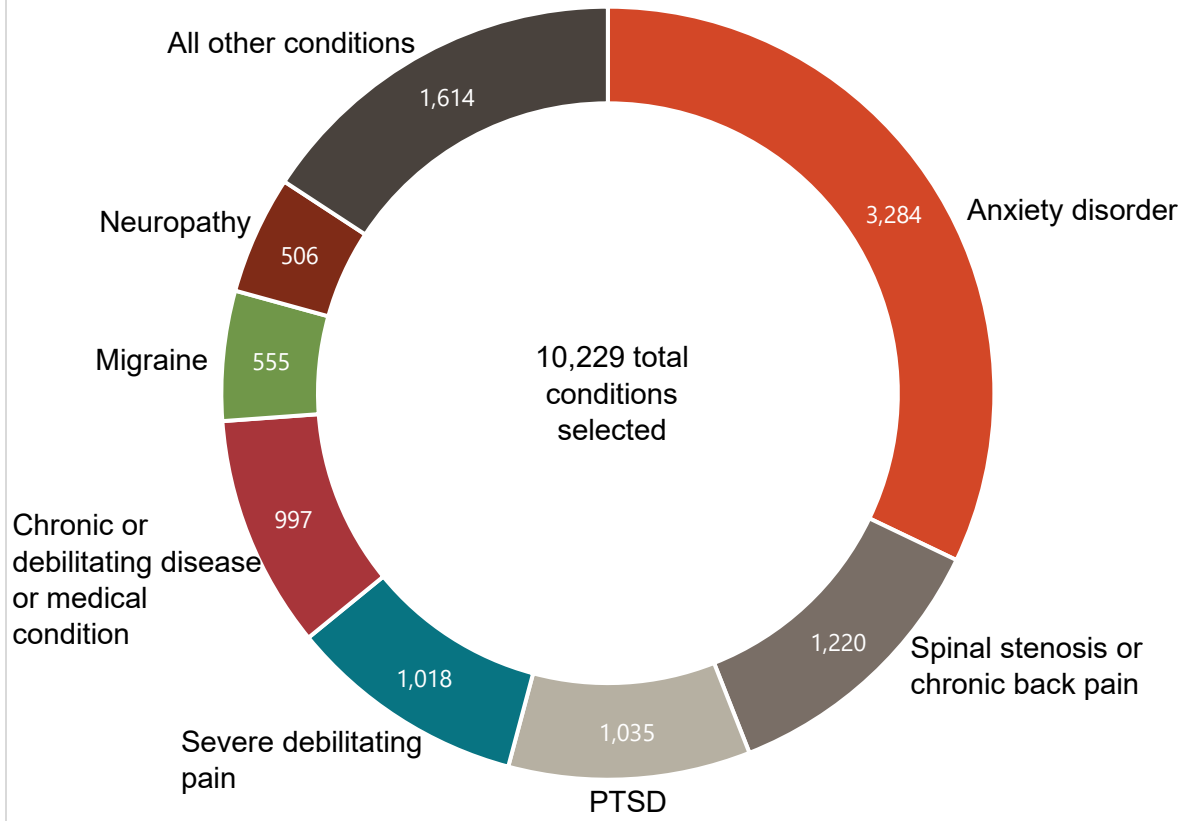
The chart on the following page identifies information related to the number of qualifying patient registry identification cards active in the Medical Marijuana Program since the first month a dispensary was open in the state (March 1, 2019). As seen by the graph, the number of registered qualifying patients has increased significantly (data from the Medical Marijuana Program online registration system).



DEBILITATING MEDICAL CONDITIONS

A qualifying patient application requires a health care provider to complete a written certification. A health care provider must select at least one of the debilitating medical conditions authorized in state law. A health care provider may select more than one debilitating medical condition on a written certification (thus, the total number of conditions exceeds the registered qualifying patient data). The graph on the following page identifies the medical conditions selected by health care providers for the 5,754 registered qualifying patients as of June 30, 2021 (data from the Medical Marijuana Program online registration system). As the graph identifies, the top two conditions selected were anxiety disorder and spinal stenosis or chronic back pain.

Debilitating Medical Conditions Selected by Health Care Providers for Registered Qualifying Patients as of June 30, 2021



REGISTRY IDENTIFICATION CARDS REVOKED

In fiscal year 2020, there was one qualifying patient registry identification card revoked. In fiscal year 2021, the total number of revoked cards was ten (breakout by card type follows, data from the Medical Marijuana Program online registration system)

- 7: qualifying patients
- 2: designated caregivers
- 1: agent

HEALTH CARE PROVIDERS PROVIDING WRITTEN CERTIFICATIONS

There were 297 health care providers who completed written certifications for the registered qualifying patients as of June 30, 2021. This was an increase of 22 health care providers compared to June 30, 2020. A breakdown of the 297 health care providers is below (data from the Medical Marijuana Program online registration system). The percentages remained relatively unchanged from the previous fiscal year.

- 60% Physicians
- 32% Advanced Practice Registered Nurses
- 8% Physician Assistants

House Bill 1283 of the 66th Legislative Assembly established a reasonable accommodation for veterans receiving treatment from a federal veterans' affairs (VA) entity. The accommodation was added to the qualifying patient application process. In lieu of a written certification, a veteran may be eligible to submit their medical records and a copy of their military discharge papers to the division. As of June 30, 2021, 236 registered qualifying patients were veterans who had used the reasonable accommodation.

COMPASSIONATE CARE CENTERS

Two manufacturing facilities

Eight dispensaries

DIVISION OF MEDICAL MARIJUANA EXPENSES AND REVENUE

| Expenditures* | | | | |
|----------------------|-----------|-----------|-----------|-----------|
| (by Fiscal Year) | | | | |
| | 2018 | 2019 | 2020 | 2021 |
| Salaries and Wages | \$269,289 | \$364,530 | \$443,012 | \$464,202 |
| Operating | \$94,137 | \$358,220 | \$153,498 | \$193,620 |
| Total Expenses | \$363,426 | \$722,750 | \$596,510 | \$657,822 |
| General Funds | | | | |
| General Funds | \$345,651 | \$331,413 | \$0 | \$0 |
| Special Funds | \$17,775 | \$391,337 | \$596,510 | \$657,822 |

| Revenue* | | | | |
|------------------------|----------|-----------|-----------|-------------|
| (by Fiscal Year) | | | | |
| | 2018 | 2019 | 2020 | 2021 |
| Medical Marijuana Fees | \$95,000 | \$928,300 | \$743,415 | \$1,130,959 |

* Expenditure and revenue data obtained from the state's accounting information system.



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