

# Strategies to address product availability concerns

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1. Identify the problem
2. Patient product product request options
  - a. Pharmacy voluntary product product request option (status quo)
  - b. Processor patient product product request option
  - c. State patient product request option
3. Issue additional medical cannabis pharmacy licenses
  - a. Additional licenses without conditions
  - b. Additional licenses with condition of never having ownership connection with a Utah-licensed cultivator
  - c. Additional licenses with RFP awarding additional points for being an existing Utah independent processor (w/o cultivation license) or where licensee is obligated to a minimum shelf space mandate
4. Medical cannabis pharmacy minimum shelf-space mandate

# Presentation outline

# Problem definition

Some patients can't find the medical cannabis product needed to treat their medical condition at the medical cannabis pharmacy nearest to them or available through delivery.

# DHHS 2022 medical cannabis market analysis survey results

- Utah medical cannabis pharmacies consistently have the product(s) that I need.
  - **27% disagreed – 61% agreed – 12% undecided.**
- Utah medical cannabis pharmacies have a good variety of available products.
  - **25% disagreed – 57% agreed – 17% undecided.**

# Is there support for a patient product request order?

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- 3 entities could theoretically receive the order:
  - a processor themselves;
  - a medical cannabis pharmacy;
  - or
  - a state-run patient portal.
- Licensees were equally split on whether a processor or pharmacy should be able to receive and transact a patient product request.

## Pros

1. Patients have the power of product selection.
2. Pharmacies will feel more pressure to sell a better variety of products.

## Cons

1. Pharmacies and pharmacists are best equipped to guide patients to products that treat medical conditions.
2. Pricing and discounts will influence patient choice, and be logistically challenging.

**Processor-facilitated patient product request system**

## Pros

1. Pharmacies already interact with patients, verify orders, and are responsible for helping patients find products.
2. Transactions should remain with the license type they were intended for.

## Cons

1. Keeping the status quo means some processors won't get their products on shelves and some patients won't be able to access them.
2. Pharmacies aren't likely solicit and fulfill patient product requests.

## Pharmacy-facilitated patient product request system

## Pros

1. As a third party, the state could fill a patient need gap that licensees aren't due to business decisions.
2. A state-run system could compel licensees to work together.

## Cons

1. The software will be difficult for the state to manage.
2. The state shouldn't obligate licensees to work together.
3. Concerns about artificial market manipulation.

**State-facilitated patient product request system**



# Should pharmacies be required to receive, store, and dispense patient product request orders?

**The majority of processors didn't believe a pharmacy should be obligated** to receive and dispense a product that a patient has requested from a processor. Reasons for this include:

- dispensing a product the pharmacy doesn't endorse;
- charging the patient a holding fee; and
- requiring licensees to work with other licensees they don't have a relationship with.

**3 processors explicitly supported the idea of requiring pharmacies to receive and dispense any product request order**, arguing that pharmacies shouldn't choose what access patients have to products.

# **Options to reduce retail price of specialty product requests**

1. Deliver specialty product request orders with regularly scheduled processor shipments.
2. State delivers patient product requests.
3. Require multi-unit orders.

## **1. Patient product request options**

- a.** Pharmacy voluntary patient product request option (status quo)
- b.** Processor patient product request option
  - i.** Voluntary pharmacy participation?
  - ii.** Mandatory pharmacy participation?
- c.** State patient product request option

## **2. Issue additional medical cannabis pharmacy licenses after UDAF market analysis**

- a.** Additional licenses without conditions
- b.** Additional licenses with condition of never having ownership connection with a Utah-licensed cultivator
- c.** Additional licenses with RFP awarding additional points for being an existing Utah independent processor (without cultivation license) or where licensee is obligated to a minimum shelf-space mandate

## **3. Medical cannabis pharmacy minimum shelf-space mandate**

# **Recommendation options**