



Agenda Date: 4/3/2007
Agenda Placement: 8F
Set Time: 11:00 AM PUBLIC HEARING
Estimated Report Time: 10 Minutes

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Shelli Brobst for Snowden, Randolph F. - Director
Health & Human Services
REPORT BY: Shelli Brobst, Contracts Analyst, 253-4720
SUBJECT: Public Hearing - Medical Marijuana Fees

RECOMMENDATION

Director of Health and Human Services requests adoption of a resolution increasing the fees for processing applications for medical marijuana identification cards.

EXECUTIVE SUMMARY

Senate Bill 420 (Chapter 875, Statutes of 2003) requires the State of California Department of Health Services to establish and maintain a statewide medical marijuana identification card and registry program for qualified patients and their caregivers. On October 18, 2005, the Board appointed the Public Health Officer as the administrator of the application process for medical marijuana identification cards and directed the Public Health division to collect fees to cover the cost of processing applications. The requested action increases fees for medical marijuana identification cards due to an increase in the State's cost to process applications as well as a slight increase in Public Health's cost to collect and verify enrollment information.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Public Health
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	This item is discretionary in that there is no mandate to increase fees. However, this increase will allow the County to recover all the costs associated with accepting and processing the County's portion of Medical Marijuana Identification Cards. Failure to increase this fee will result in the

	County covering a portion of the cost for an individual to obtain a Medical Marijuana Identification Card.
Is the general fund affected?	No
Future fiscal impact:	Since applications may be submitted at any time and ID cards must be renewed annually, there will be revenue in future fiscal years.
Consequences if not approved:	Napa County will be not be able to recover the costs associated with processing medical marijuana cards as allowed by law. The State of California has increased the cost to process these cards. If the fee is not increased, Napa County will have to absorb the processing fee that must be paid to the State.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

In 1996, California voters passed Proposition 215, also known as the Compassionate Use Act (the Act). The Act made the medical use of marijuana legal in California. However, it did not provide an effective way for law enforcement to properly identify patients who were legally protected by the Act. The intent of Senate Bill (SB) 420 (Chapter 875, Statutes of 2003) was to assist law enforcement in identifying Californians who are protected by the Act and to provide patients and their caregivers with a form of identification that will protect them against wrongful arrest and prosecution.

SB 420 also required the State of California Department of Health Services (CDHS) to establish and maintain a statewide medical marijuana identification card and registry program for qualified patients and their caregivers. As a result, the Medical Marijuana Program (MMP) was established in 2004. The MMP Unit is located in the CDHS Health Information and Strategic Planning Division's Office of County Health Services (OCHS) Branch. The MMP allows qualified patients to apply for and receive identification cards for themselves and their primary caregiver through their county of residence. Statutes governing the MMP can be found in Sections 11362.7 through 11362.83 of the Health and Safety (H&S) Code. Program regulations are contained in the California Code of Regulations, Title 17, Sections 39001 through 39009.

All California counties were required to implement applicable provisions of Senate Bill 420. The primary function of each county's participation in the MMP is to process applications for medical marijuana identification cards (MMICs). The process entails entering a limited amount of application information into the CDHS Medical Marijuana Automated System (MMAS), which produces the card and registers its validity on a verification Web site.

The Public Health Division of the Napa County Health and Human Services Agency serves as the Administering Agency for Napa County for the Medical Marijuana Program and provides the following services:

1. provides, receives, and processes applications for Medical Marijuana Identification Cards (MMIC);
2. takes an electronically-transmittable photo of the applicant (patient and/or primary caregiver) that meets criteria prescribed in the state protocols;

3. collects application fees from applicants and transmits the state portion of the fees to CDHS;
4. utilizes the Web-based system to transmit a limited amount of application information (i.e., designation of patient or primary caregiver, his or her photo, county designee and phone number, card expiration date) to CDHS's card production and data repository system;
5. receives state-produced ID cards and issues them to the cardholder; and
6. maintains various county records of the MMP.

The Medical Marijuana Program recently increased the state processing fee for medical marijuana cards by \$53 from \$13 to \$66 for non-Medi-Cal beneficiaries and \$26.50 from \$6.50 to \$33 for Medi-Cal beneficiaries. SB 420 allows counties to collect county fees from applicants to cover the cost of administering the program at the local level. The Public Health Division's cost for administering this program has only increased slightly over the last year. This is due to a change in the classification of the position performing the work as well as a decrease in operating costs, since Napa County now owns the equipment needed to take and transfer the photograph required for the card to MMAS. Medical marijuana cards will increase from \$63.74 to \$124 for non-Medi-Cal beneficiaries and \$31.87 to \$62 for Medi-Cal beneficiaries. The attached resolution includes the proposed fee increase for Napa County. This program is continued only to maintain Napa in statutory compliance with SB 420. The Board is not being asked to take a position on any policy issues implicit in this topic.

SUPPORTING DOCUMENTS

A . Resolution

CEO Recommendation: Approve

Reviewed By: Britt Ferguson