



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 9/12/2017
Agenda Placement: 9D
Set Time: 9:40 AM PUBLIC HEARING
Estimated Report Time: 10 Minutes

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: JoAnn Melgar for Howard Himes - Director
Health & Human Services Administration

REPORT BY: JoAnn Melgar, Staff Services Analyst II - 707-253-4722

SUBJECT: Adoption of a Resolution Modifying Medical Marijuana Identification Card Issuance Fee Schedule

RECOMMENDATION

Director of Health and Human Services requests adoption of a resolution amending Policy Manual Part III, Part 120 Health and Human Services, Section 120.090, Medical Marijuana Identification Card Issuance Fees, effective September 12, 2017, to reflect mandated decreases pursuant to the amendment of Health and Safety Code section 11362.755.

EXECUTIVE SUMMARY

On November 8, 2016, the State of California passed Proposition 64 to legalize recreational marijuana. Section 5.3 of Proposition 64 also resulted in the amendment of Health and Safety Code section 11362.755, which governs the issuance of medical marijuana ID cards. In accordance with the amended Health and Safety Code, it is necessary to establish a revised fee schedule to modify the cost of medical marijuana ID cards, which will decrease from \$124 to \$100 for non-Medi-Cal clients and from \$62 to \$50 for Medi-Cal clients. In addition, for participants in the County Medical Services Program the fee is waived.

Adoption of this resolution will implement revised fees effective immediately upon approval. The Board is not being asked to take a position on any policy issues implicit in this topic.

PROCEDURAL REQUIREMENTS

1. Open Public Hearing.
2. Staff reports.
3. Public comment.
4. Close Public Hearing.

5. Motion, second, discussion and vote on the item.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Health & Human Services Public Health
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	This item is discretionary in that there is no mandate to charge a fee. However, the charge will allow the County to recover a portion of the costs associated with accepting and processing the Medical Marijuana Identification Cards. Failure to decrease this fee may result in the County being out of compliance with Health and Safety Code 11362.755.
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 decreased the allowable charge to process these cards. If the fee is not decreased, Napa County may be out of compliance with Health and Safety Code 11362.755.
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 Public Health (CDPH) 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 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 CDPH;
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 CDPH'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.

On November 8, 2016, the State of California passed Proposition 64 to legalize recreational marijuana. Section 5.3 of Proposition 64 also resulted in the amendment of Health and Safety Code section 11362.755, which states in part that: (a) Each county health department or the county's designee may charge a fee for all costs incurred by the county or the county's designee for administering the program pursuant to this article, (b) In no event shall the amount of the fee charged by a county health department exceed one hundred dollars (\$100) per application or renewal, and (c) Upon satisfactory proof of participation and eligibility in the Medi-Cal program, a Medi-Cal beneficiary shall receive a 50 percent reduction in the fees established pursuant to this section.

In accordance with the amended Health and Safety Code, it is necessary to establish a revised fee schedule to reduce the cost of medical marijuana ID cards, which will decrease from \$124 to \$100 for non-Medi-Cal clients and from \$62 to \$50 for Medi-Cal clients. In addition, for participants in the County Medical Services Program the fee is waived. The Board is not being asked to take a position on any policy issues implicit in this topic.

The proposed fees are specifically exempt from the voting requirements of Article XIIC of the California Constitution because they are charges imposed for specific government services requested by payers, provided directly to the payers, and are not enjoyed by anyone who does not pay the charge. These charges do not exceed reasonable costs to the government for providing the service or product.

SUPPORTING DOCUMENTS

A . Resolution

CEO Recommendation: Approve

Reviewed By: Bret Prebula