



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: RES 18-007, **Version:** 1

Adopt a Resolution Amending Article I.b. of the Monterey County Master Fee Resolution effective March 1, 2018, to adjust certain fees related to the Health Department's Public Health Bureau Medical Marijuana Identification Card Program (MMICP) pursuant to the attached Fee Schedule.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Adopt a Resolution Amending Article I.b. of the Monterey County Master Fee Resolution effective March 1, 2018, to adjust certain fees related to the Health Department's Public Health Bureau Medical Marijuana Identification Card Program (MMICP) pursuant to the attached Fee Schedule.

SUMMARY/DISCUSSION:

The Medical Marijuana Identification Card (MMIC) Program was established by the State of California following the passage of SB 420. MMIC Program requires counties to administer a voluntary card registration program that identifies medical marijuana patients. Patients can use the identification card as evidence that they have received a recommendation from their physician to use marijuana for medicinal purposes.

The card can assist law enforcement officials in determining whether an individual using marijuana meets the requirements of the Compassionate Use Act, which states that with the recommendation of a physician, a seriously ill patient may obtain and use marijuana for personal medical purposes.

The Health Department's Public Health Bureau (Public Health) currently operates the MMIC Program to persons recommended by their physicians. In late June, SB 94, the budget trailer bill aligning the Medical Cannabis Regulation and Safety Act and the Adult Use of Marijuana Act (AUMA), passed the legislature. SB 94 maintains the provisions of the AUMA that, effective March 1, 2018, allows the sale of tax-exempt medicinal cannabis and products only if the buyer presents a valid state-issued medical marijuana ID card.

SB 94 also contains provisions that affect the fees that can be charged for the ID cards. While counties may still set fees as delineated in the Health and Safety Code section 11362.755, effective March 1, there will no longer be a state fee. These provisions allows local MMIC programs to change card program operations.

Based on the changes of the provision within SB 94, the Health Department will establish their fees based on what the State of California allows pursuant to Health and Safety code section 11362.755.(e) that states in the event the fees charged and collected by a county health department are not sufficient to pay for the administrative costs incurred in discharging the county health department's duties with respect to the mandatory identification card system, the Legislature, upon request by the county health department, shall reimburse the county health department for those reasonable administrative costs in excess of the fees charged and collected by the county health department.

Health requests an increase from the current fee of \$50 to the proposed fee of \$80. Medi-Cal beneficiaries would be charged \$40 per ID card, due to a 50% fee reduction per Health and Safety Code Section 11362.755; additional statutory fee reductions may apply. Attached is a copy of the fee study utilized to support the fee

calculation. Actual cost of \$80.54 per card is determined by multiplying the staffs' cost per hour by the number of hours spent processing each card.

The proposed request will support the Monterey County Health Department's 2011-2015 Strategic Plan Initiatives: 1. Empower the community to improve health through programs, policies, and activities; 2. Enhance community health and safety by emphasizing prevention; and 3. Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. Additionally, this work supports three of the ten essential public health services: inform, educate, and empower people about health issues; link people to needed personal health services and assure the provision of health care when otherwise unavailable; and assure competent public and personal health care workforce.

It is the intent of the Department to return before the end of the current fiscal year with an update, adjustment, and substantial revision of this fee article section to reflect changes in the remainder of the section to take effect July 1, 2018, but the Department is proceeding at this time with this adjustment due to the more pressing need to update this fee in light of the statutory changes.

OTHER AGENCY INVOLVEMENT:

A copy of the Proposed Resolution and the Proposed fee schedule (in two formats: comparison to current and prior year amounts if applicable (changes in italics/strikeouts at the base of page one), and clean versions) are attached to this report and on file with the Clerk of the Board, along with additional calculations documenting the recommended fees.

FINANCING:

Health requests an increase from the current fee of \$50 to the proposed fee of \$80. If approved, the fee will generate approximately \$2,000 per year in new revenue for Public Health (HEA003-8124), and a reduced utilization of Health Realignment monies.

The calculations in support of the fee adjustment recommended herein are on file with the Clerk of the Board and are attached to this report. The proposed fees reflect no more than the actual, reasonable, fully loaded costs of the services provided to the payor/applicant. Additional fee waivers/adjustments are permitted by statute for those meeting particular criteria. By definition, this service charge is not a "tax" and is exempt from voter approval pursuant to Article XIII C Section 1(e)(1)-(3) of the California Constitution (Prop. 26: charge imposed for specific benefit conferred/privileges/service or product/reasonable regulatory costs provided or granted to the payor).

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

☐ **Economic Development:**

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ **Administration:**

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ **Health & Human Services:**

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

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Approved by: Elsa M. Jimenez, Director of Health, 4526

Attachments:

Proposed Resolution on file with the Clerk of the Board

Proposed Article I.b. fee schedule (comparison version with previous, current and proposed fees if applicable shown for comparison) on file with the Clerk of the Board

Proposed Article I.b fee schedule (clean; effective 2015) on file with the Clerk of the Board

Public Health Bureau fee schedule calculations justification on file with the Clerk of the Board

Copy of Health and Safety Code section 11362.755 on file with the Clerk of the Board