



December 31, 2018

The Honorable Larry Hogan
Governor
State of Maryland
Annapolis, MD 21401-1991

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401-1991

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401-1991

RE: Report on the Number of Medical Cannabis Providers, Amount of Medical Cannabis Sold, and Average Consumer Price, Pursuant to Health-General § 13-3305

Dear Governor Hogan, President Miller, and Speaker Busch:

Pursuant to Health-General Article, §13-3305, Annotated Code of Maryland, the Natalie M. LaPrade Medical Cannabis Commission (the “Commission”) respectfully submits this legislative report to the Governor and the Maryland General Assembly on the number of medical providers certifying medical cannabis patients, the amount of medical cannabis sold, and the average consumer price paid for medical cannabis.

In Maryland, medical cannabis became available on December 1, 2017. This report provides patient, provider, and sales data for the period from December 1, 2017 through November 30, 2018. If you have questions, or require additional information, please contact Will Tilburg, Director, Policy and Government Relations, at (410) 487-8069 or william.tilburg@maryland.gov.

Sincerely,

Joy A. Strand, MHA
Executive Director

cc: Brian Lopez, Chair, Maryland Medical Cannabis Commission
William C. Tilburg, JD, MPH, Director, Policy and Government Relations, Maryland Medical Cannabis Commission
Sarah Albert, Mandated Reports Specialist, Department of Legislative Services

**Report on the Number of Medical Cannabis Providers, Amount of Medical Cannabis Sold,
and Average Consumer Price**

Submitted by the Natalie M. LaPrade Medical Cannabis Commission

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I. Introduction

Health-General Article, §13-3305 requires the Natalie M. LaPrade Medical Cannabis Commission (the “Commission”) to submit a report on or before January 1 each year on: (1) Providers certified under this Subtitle; and (2) The amount sold, by condition treated, and average consumer price for medical cannabis products provided in accordance with this Subtitle. This report satisfies these requirements.

Under Health-General Article, Title 13, Subtitle 33, a “certifying provider” is an individual who is statutorily authorized to provide a written certification to patients to lawfully obtain medical cannabis. Specifically, Health-General, §13-3301(c), authorizes any individual who (1) is in good standing as a licensed physician, dentist, podiatrist, nurse practitioner, or a certified nurse midwife, (2) has a State controlled dangerous substances registration, and (3) is registered with the Commission to issue written certifications for qualifying patients to obtain medical cannabis. The total number of providers across each profession who registered with the Commission to issue written certifications for medical cannabis is included in Section II below.

The Maryland Medical Cannabis Program (the “Program”) became operational on December 1, 2017. As of the initial date of operation, nine (9) medical cannabis dispensaries were licensed to dispense medical cannabis in the State. Since December 1, 2017, an additional sixty-two (62) dispensaries have become licensed and operational, and tens of thousands of patients have registered with the Program. A total of seventy-one (71) dispensaries are currently licensed and operational in Maryland. Section III of the report details the amount of medical cannabis sold, conditions for which qualifying patients have been certified to obtain medical cannabis, and average consumer price paid for medical cannabis for the 12-month period from December 1, 2017 through November 30, 2018.

II. Certifying Providers

Since December 1, 2017, the total number of certifying providers nearly doubled from 606 to 1,174. Physicians continue to be the largest single group of providers, but the total number of providers increased significantly across each provider group in 2018. A detailed breakdown on the total number of certifying providers registered with the Commission is included in Table 1 (below).

Table 1. Certifying providers registered with the Commission (As of December 6, 2018)

Provider Group	Number of Providers Registered with the Commission
Physicians	723
Dentists	70
Nurse Practitioners or Certified Nurse Midwives	369
Podiatrists	12
Total	1,174

III. Amount Sold, Patient Conditions, and Average Consumer Price

(a) *Amount Sold*

The Code of Maryland Regulations (COMAR) 10.62 allows licensed medical cannabis dispensaries to distribute medical cannabis to qualifying patients. Medical cannabis means (1) any product containing usable cannabis (the dried leaves and flowers of the cannabis plant (flower)) or (2) medical cannabis-infused product (any oil, wax, ointment, salve, tincture, capsule, suppository, dermal patch, cartridge, or other product that has been processed so that the dried leaves and flowers are integrated into other material). COMAR 10.62.01.01B.(18) and (21). The seed-to-sale tracking system medical dispensaries use to report sales data, categorizes all transactions using the terms flower and infused products.

Table 2 below shows the amount of medical cannabis sold during the first 12 months of the Program (December 1, 2017-November 30, 2018) by transaction type (flower or infused product), number of transactions, and dollar amount. During the reporting period, 729,309 infused products and 10,800 pounds of flower were sold to qualifying patients. The total number of transactions was 1,999,043, which resulted in a gross revenue of \$96,314,260 across all dispensaries.

Table 2. Amount Sold, December 1, 2017 – November 30, 2018

	Infused Products Sold (each)	Flower Sold (lbs.)	Total Transactions	Total Dispensary Sales
Dec. 1, 2017 – Nov. 30, 2018	729,309	10,800	1,999,043	\$96,314,260

(b) *Patient Conditions*

Health-General Article, § 13-3304(d) encourages the Commission to accept provider applications to treat patients with medical cannabis for the following medical conditions: (1) Cachexia, (2)

Anorexia, (3) Wasting syndrome, (4) Severe pain, (5) Chronic pain, (6) Severe nausea (7) Seizures, (8) Severe or persistent muscle spasms; and (9) a chronic or debilitating disease or medical condition that results in a patient being admitted into hospice or receiving palliative care. The Commission is also authorized to approve applications that include “any other condition that is severe and for which other medical treatments have been ineffective if the symptoms reasonably can be expected to be relieved by the medical use of cannabis.” Health-General Article §13-3304(e). Pursuant to this authority, the Commission added glaucoma and post-traumatic stress disorder (PTSD) to the list of qualifying medical conditions through its regulations. COMAR 10.62.03.01B.

Table 3 shows the number of certified medical cannabis patients by qualifying medical condition. As of December 5, 2018, the Commission has 51,589 certified medical cannabis patients, who are certified for 82,446 medical conditions. The number of certified medical conditions exceeds the number of certified patients because many patients are certified to obtain medical cannabis for more than one medical condition.

The “other” category includes any medical condition that a certifying provider is registered with the Commission to treat that is (1) severe, (2) for which other medical treatments have been ineffective, and (3) the symptoms can reasonably be expected to be relieved by the medical use of cannabis. Certifying providers must include the medical conditions for which they will certify a patient at the time the provider registers with the Commission.

Table 3. Number of Certified Patients by Medical Condition

Medical Condition	Number of Certified Patients
PTSD	3,726
Wasting Syndrome	266
Seizures	726
Severe or persistent muscle spasms	3,518
Cachexia	345
Severe Pain	9,203
Severe Nausea	2,273
Anorexia	1,062
Chronic Pain	34,623
Glaucoma	537
Other	26,167

(c) *Average Consumer Price*

Health-General Article §13-3305(2) requires the Commission to report the average consumer price for medical cannabis products provided in accordance with this subtitle. The seed-to-sale tracking system that monitors all medical cannabis transactions categorizes sales by transaction type. The two broad categories of products sold in Maryland are flower and infused products (see Section III(a) for additional information on these categories). For dispensary sales these categories are further divided into the following: (1) bud, (2) pre-roll, (3) concentrate (by weight), and (4) concentrate (by item). Concentrate refers to a wide range of products manufactured through an extraction process where solvents (e.g., butane, CO2, ethanol, etc.) strip compounds from the *Cannabis sativa* plant, leaving behind a product with concentrated levels of cannabinoids. The term concentrate includes any oil, wax, tincture, capsule, cartridge, suppository, dermal patch, or other product where the flower is processed into other material. The seed-to-sale system divides concentrate products into those sold by weight (such as oils and tincture) and those sold by item (colloquially referred to as “eaches”).

Table 4 shows the average consumer cost per gram or per item (referred to as “per each”) across these product categories. Since the number of medical cannabis dispensaries has steadily increased over the past 12 months, the average consumer price for the three-month period of September through November 2018 is most reflective of the current market. Prior to September there were significantly fewer dispensaries operating in the State and certified patients eligible to obtain medical cannabis.

Table 4. Average Consumer Price by Product Category

Product Category	Average Consumer Price	Sales Type
Bud	\$10.11	Per Gram
Pre-Roll	\$10.79	Per Gram
Concentrate	\$39.39	Per Gram
Concentrate (Each)	\$45.84	Per Each

IV. Conclusion

The Maryland Medical Cannabis Program became operational on December 1, 2017. Since then the number of certifying providers and certified patients has grown steadily each month. The number of medical conditions for which patients have been certified exceeds the number of certified patients because many patients are certified for multiple conditions. Chronic and severe pain is the most common qualifying medical condition, making up nearly one-half of all qualifying

conditions. This is consistent with general certifying trends for medical cannabis where chronic or severe pain is the most common diagnosis for medications.¹

The number of licensed medical cannabis dispensaries increased from nine (9) to seventy-one (71) over the past twelve (12) months. Over the same period dispensary gross revenue increased significantly and average consumer price decreased steadily. For the period of September-November 2018, which best reflects the current market, the average consumer price was \$10.11 for flower product (per gram) and \$39.39 for concentrate products (per gram). The average consumer price for flower product is less than the average consumer price across other medical cannabis states (\$11.40). The average consumer price in other states ranges from \$7.40 to \$21.27 per gram. The Commission will continue to provide updated data on providers, patients, qualifying conditions, and average consumer price on its website: mmcc.maryland.gov.

¹ U.S. Centers for Disease Control and Prevention, *Prevalence of Chronic Pain and High-Impact Chronic Pain Among Adults – United States, 2016*, Morbidity and Mortality Weekly Report, September 14, 2018, 67(36):1001-1006.