



2022 Annual Report for the Center for Medical Cannabis

State of Utah
Center for Medical Cannabis
November 2022

To: Health and Human Services (HHS) Interim Committee
From: Richard Oborn, Director, Center for Medical Cannabis
Subject: 2022 Annual Report for the Center for Medical Cannabis

The Utah Department of Health and Human Services (DHHS) Center for Medical Cannabis is pleased to submit this annual report as required by Utah Code Annotated [26-61a-703](#). This annual report provides general information and statistics in regard to the Utah medical cannabis program as of September 30, 2022.

Key program developments from the past year:

- Number of active medical cannabis card holders increased by 51%. As of September 30, 2022, there were 57,139 medical cannabis card holders with active status—an increase of 51% since October 1, 2021.
- Number of participating medical providers increased by 9%. As of September 30, 2022, there were 852 qualified medical providers (QMPs) registered by the DHHS. The number of QMPs has increased by 9% during the past year.

The attached table of contents outlines information provided in the subsequent annual report with corresponding page numbers. Comments or questions about the annual report may be sent to the Center for Medical Cannabis at medicalcannabis@utah.gov.

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1. Background and duties

On November 6, 2018, Utah voters approved Proposition 2, which legalized use of medical cannabis in Utah for qualifying patients. Since its passage, the Utah Medical Cannabis Act (Utah Code 26-61a) has been amended multiple times by the Utah lawmakers. Utah Code 26-61a designates the Utah Department of Health and Human Services (DHHS) as the state agency responsible for licensing and oversight of medical cannabis pharmacies, registration of medical providers, and issuance of medical cannabis cards to qualifying patients. Qualifying patients first legally purchased medical cannabis in Utah on March 2, 2020.

The Center for Medical Cannabis carries out the department's duties under the Utah Medical Cannabis Act. The department's responsibilities include:

- Licensing and regulation of medical cannabis pharmacies and medical cannabis couriers;
- Registration of medical cannabis cardholders (patients, guardians, and caregivers), qualified medical providers, medical cannabis pharmacy agents, cannabis courier agents, and pharmacy medical providers;
- Establishment and enforcement of administrative rules regulating the medical cannabis industry;
- Inspection, audit, and investigation of complaints filed against licensees;
- Selection and oversight of vendors responsible for the medical cannabis software used to run the electronic verification system (EVS) and inventory control system (ICS); and
- Administrative support of the Compassionate Use Board and the Cannabis Research Review Board (formally known as the Cannabinoid Product Board) as they perform their duties under the Act.

2. Achievements

Key achievements during the past year include:

- **Automated approval for initial medical cannabis patient applications.** As of July 2022, all applications for an initial registration or renewal of a medical cannabis card from individuals 21 or older with a qualifying condition are activated automatically by the EVS system as soon as the application and fee are complete.
- **Access to medical cannabis in rural areas.** Between October 1, 2021, and September 30, 2022, medical cannabis pharmacies made 81,186 deliveries of medical cannabis to cardholder homes throughout Utah. Home deliveries first launched in January 2021 in response to the COVID-19 pandemic to make medical cannabis more accessible for individuals living in rural areas and those unable to visit pharmacies in person. Additionally, a 15th medical cannabis pharmacy location will open in the rural location of Price, Utah, at the end of 2022.

- **Limited medical providers (LMP) program launch.** The [LMP program](#) was created in January 2022 to improve patient access to cannabis-recommending providers. To use the LMP program, a medical provider must be a Utah-licensed MD, DO, APRN, PA, or DPM with a license to prescribe a controlled substance. LMPs may provide medical cannabis recommendations for up to 15 qualifying patients who are 21 or older. Since January 19, 2022, LMPs have submitted 347 recommendations for their patients. Many of these were new patients to the program. Around 25% of these certifications were renewals for patients who were previously certified for medical cannabis through a qualified medical provider (QMP). Those renewals patients are now able to rely on their established medical provider for access to the medical cannabis program.
- **Medical cannabis visit cost website launch.** In January 2022, medical cannabis patients began to use the [medical cannabis visit cost website](#). On this site, patients compare prices charged by qualified medical providers (QMPs) for initial and renewal medical cannabis evaluation visits. In September 2022 alone, this website had 1,719 unique users—an 83% increase since the January launch. Only QMPs and medical clinics who represent (online or in printed material) that they offer medical cannabis evaluations are required to report their fees.
- **Medical cannabis card information available in the Utah Controlled Substance Database (CSD).** In August 2022, medical cannabis card information became viewable in the Utah Controlled Substance Database. This means that all licensed prescribers with a controlled substance license may log into the CSD and verify if their patient has a medical cannabis card.
- **Educational resources for medical cannabis patients, providers, and medical cannabis pharmacies.** DHHS staff have expanded access to educational materials by sharing up-to-date health information about medical cannabis in monthly updates, industry bulletins, educational presentations, and printable handouts. A [resource library](#) launched in September 2022. Additionally, in November 2022 the department will launch an educational social media campaign focused on responsible use and storage of medical cannabis.
- **Research for the use of medical cannabis to treat acute pain.** The 2022 legislative session added a new qualifying condition of acute pain. The department collaborated with a contracted research pharmacist to create a review of the available evidence for the use of cannabinoids to treat acute pain. The findings were presented to the Cannabis Research Review Board during the June 2022 board meeting and are summarized in the linked [document](#). In September 2022, the department shared with the Cannabis Research Review Board updated research for the use of medical cannabis to treat chronic pain. The department contracted a research pharmacist to examine the Living Systematic Review on

Cannabis and Other Plant-Based Treatments for Chronic Pain published by the Pacific Northwest Evidence-Based Practice Center. A summary of the findings is available in the linked [document](#).

- **University of Utah School of Medicine was awarded funding to conduct a study of the Utah medical cannabis program.** In July 2022, the department posted a request for proposals (RFP) for an academic research team to conduct a study of patient experiences in the Utah medical cannabis program. A study proposal from the University of Utah School of Medicine was selected and the \$538,000 of one-time funding will be used to gather information about patient experiences in the program. A comprehensive, fully edited, and ready-for-publication final report will be available in December 2024.
- **Software changes.** Several changes were made during the past year to the software used for the Utah medical cannabis program. New functions added to the software include:
 - Pharmacy medical providers have access to enter patient certifications in the EVS on behalf of limited medical providers.
 - Pharmacy agents have EVS access to patient information, so that they may serve the patient in the pharmacy and assist the pharmacist.
 - Caregivers for terminally-ill patients receive an active conditional caregiver card as soon as they have completed the registration, instead of having to wait for completion of the fingerprint background check.
 - The step requiring patients “save and submit for registration” at the time of renewal was removed, so the patient logs in to the system fewer times.
 - Initial patient cards are activated immediately upon receipt of the fee, eliminating the manual approval step and expediting approval.

3. Medical cannabis product availability analysis

The availability of medical cannabis products has dramatically improved since the first medical cannabis pharmacy opened in March 2020. Licensed cultivators and processors have expanded operations to keep up with the number of medical cannabis card holders, which has nearly doubled during the past year.

The Utah Department of Agriculture and Food (UDAF) reports that between October 1, 2021 and September 30, 2022, cultivators produced 95,979 pounds of cured biomass. In contrast, between October 1, 2020 and September 30 2021, cultivators produced 32,856 pounds of cured biomass.

While medical cannabis card holders see a variety of medical cannabis products to choose from, some report low availability of medical cannabis products with high CBD and low THC content. Patients seeking these types of products have reported that it is difficult to find

low-THC products in dosage types recommended by the medical provider. The figures below report the following:

- 90% of cartridges sold had a ratio of 20:1 or more of THC to CBD.
- 75% of flower products sold do not contain CBD.
- 57% of gummy products sold do not contain CBD; 30% have a ratio of 1:1 THC to CBD.

Figure 1. Quantity of cartridges sold by THC:CBD ratio from October 1, 2021 to September 30, 2022

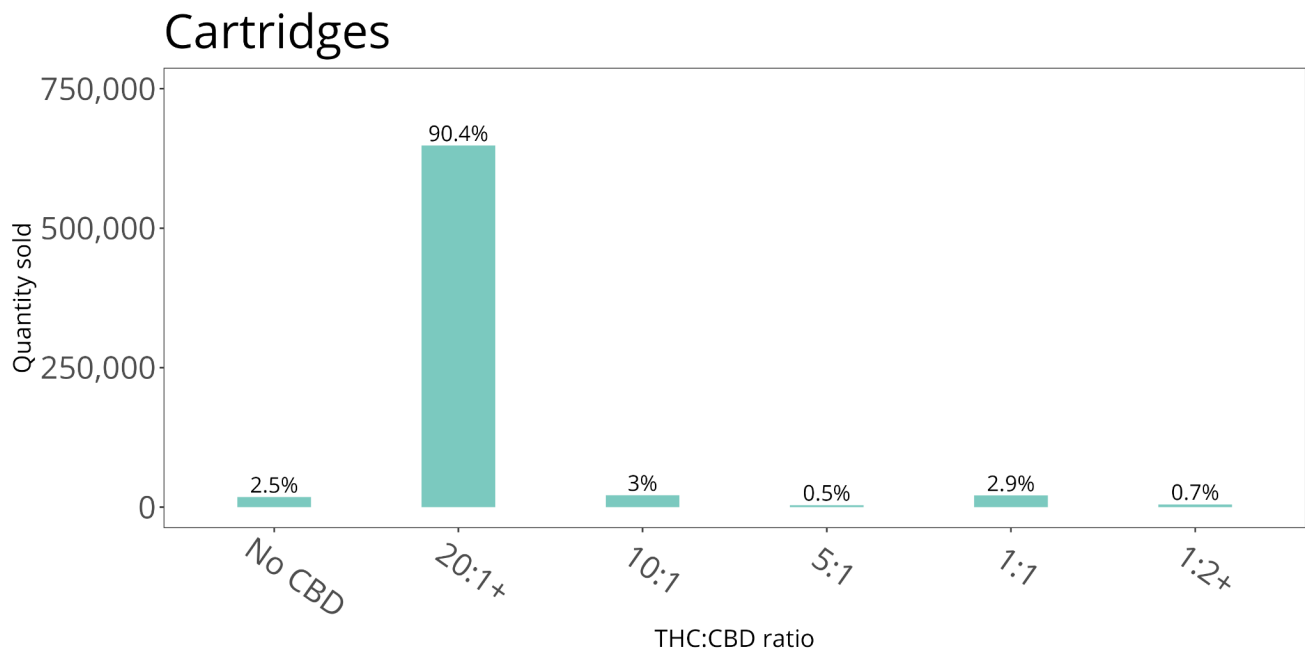


Figure 2. Quantity of flower sold by THC:CBD ratio from October 1, 2021 to September 30, 2022

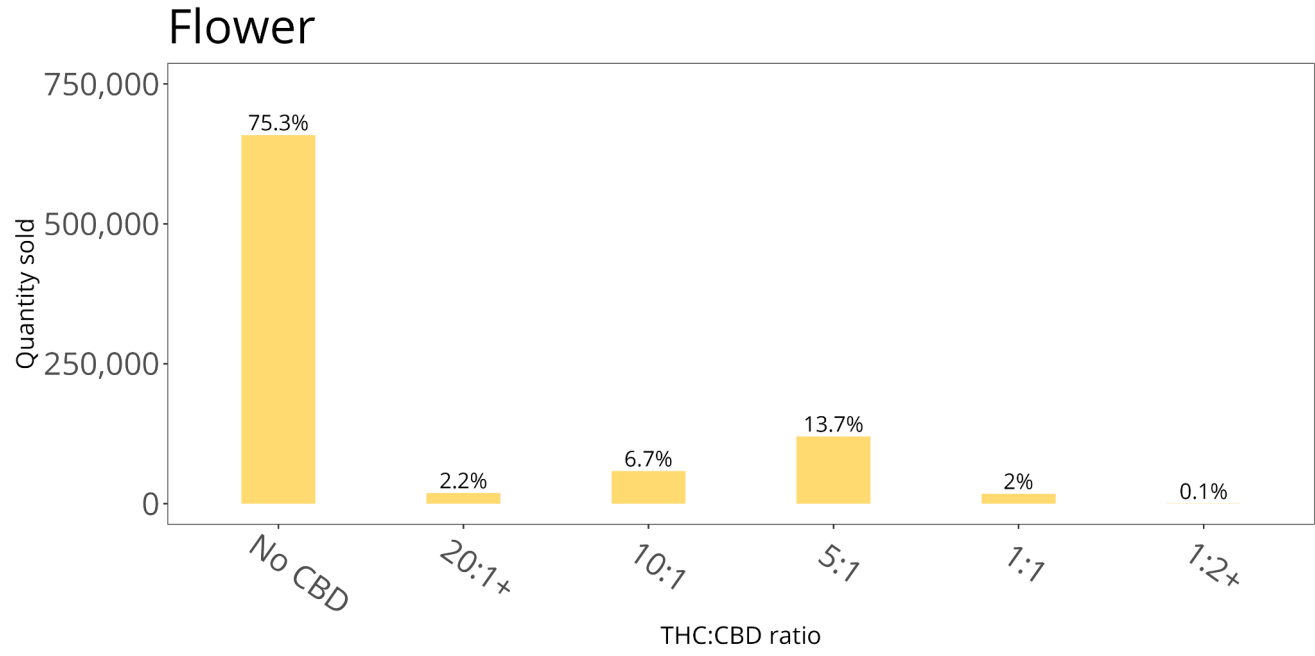
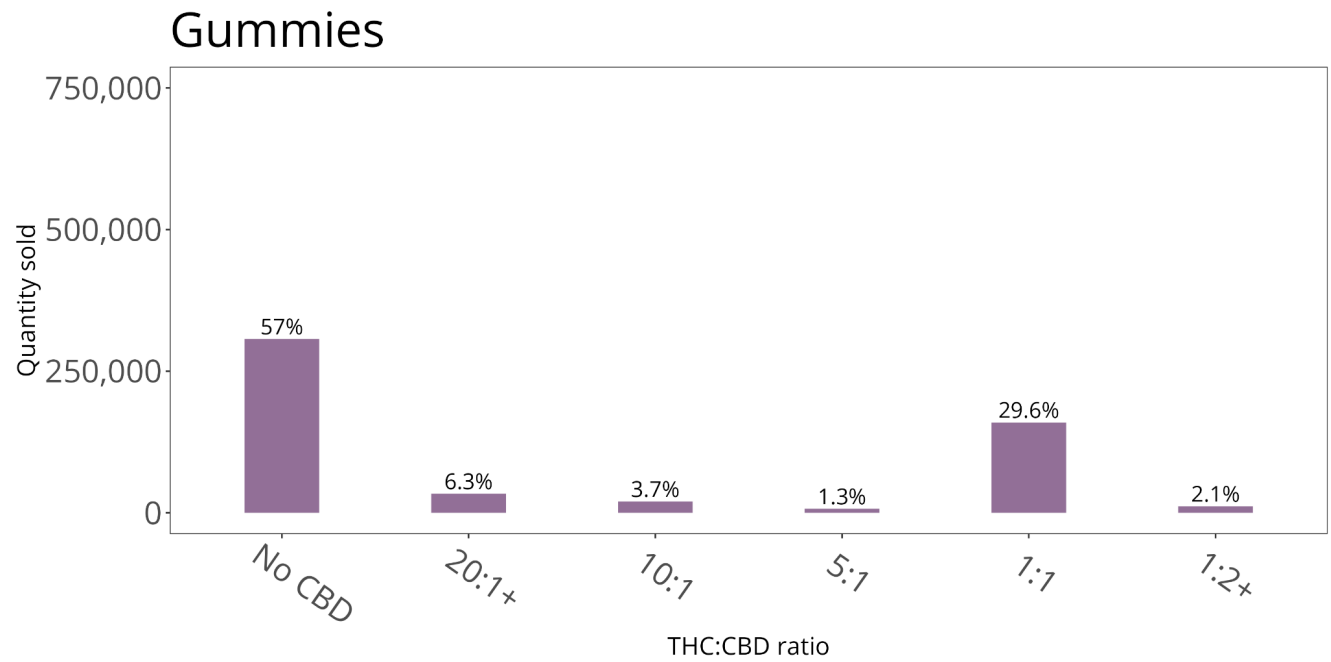


Figure 3. Quantity of gummies sold by THC:CBD ratio from October 1, 2021 to September 30, 2022



One of the limitations of data presented in these charts is that it focuses only on items sold and not on actual patient dosing amount or frequency. The University of Utah will look further into how patient dosing amount and frequency of use impact availability of products in their study.

The DHHS held two public meetings in Fall 2022 to assist with completing a medical cannabis market analysis. At these meetings, the industry and the public were invited to make comments regarding several topics, including on the availability of medical cannabis products. Some concerns were reported about the availability of the following types of medical cannabis products: products high in CBD and low in THC, products diverse in terpenes, drinkable liquid products, affordable products, quality vaporizer products. Others reported that it was difficult to find certain products consistently in medical cannabis pharmacies.

DHHS has reviewed the comments and will coordinate over the next year with industry leaders, patient advocates, UDAF, and other stakeholders to learn more about the low availability of certain products and to identify and implement strategies to help address this issue.

4. Medical cannabis card holder registrations

Table 1. Patient cardholders, caregivers, and guardians as of September 30, 2022

87,675	<u>Initial applications filed.</u> Number of initial applications filed for medical cannabis cards (March 2020 to September 30, 2022).
57,139	<u>Active resident patient cardholders.</u> Number of resident patients with an active medical cannabis card as of September 30, 2022.
1,256	<u>Non-resident patient cardholders.</u> Number of non-resident patients who have received temporary medical cannabis cards as of September 30, 2022.
399	<u>Caregiver cardholders.</u> Number of caregiver cardholders with an active medical cannabis card as of September 30, 2022.
58	<u>Guardian cardholders.</u> Number of guardian cardholders with an active medical cannabis card as of September 30, 2022.
54,226	<u>Unique renewal applications.</u> Number of unique renewal applications filed for medical cannabis cards (March 2020 to September 30, 2022).
0	<u>Medical cannabis cards revoked.</u> Number of medical cannabis cards revoked by the DHHS.

Figure 4. Active patient cardholder growth, June 30, 2020 to September 30, 2022

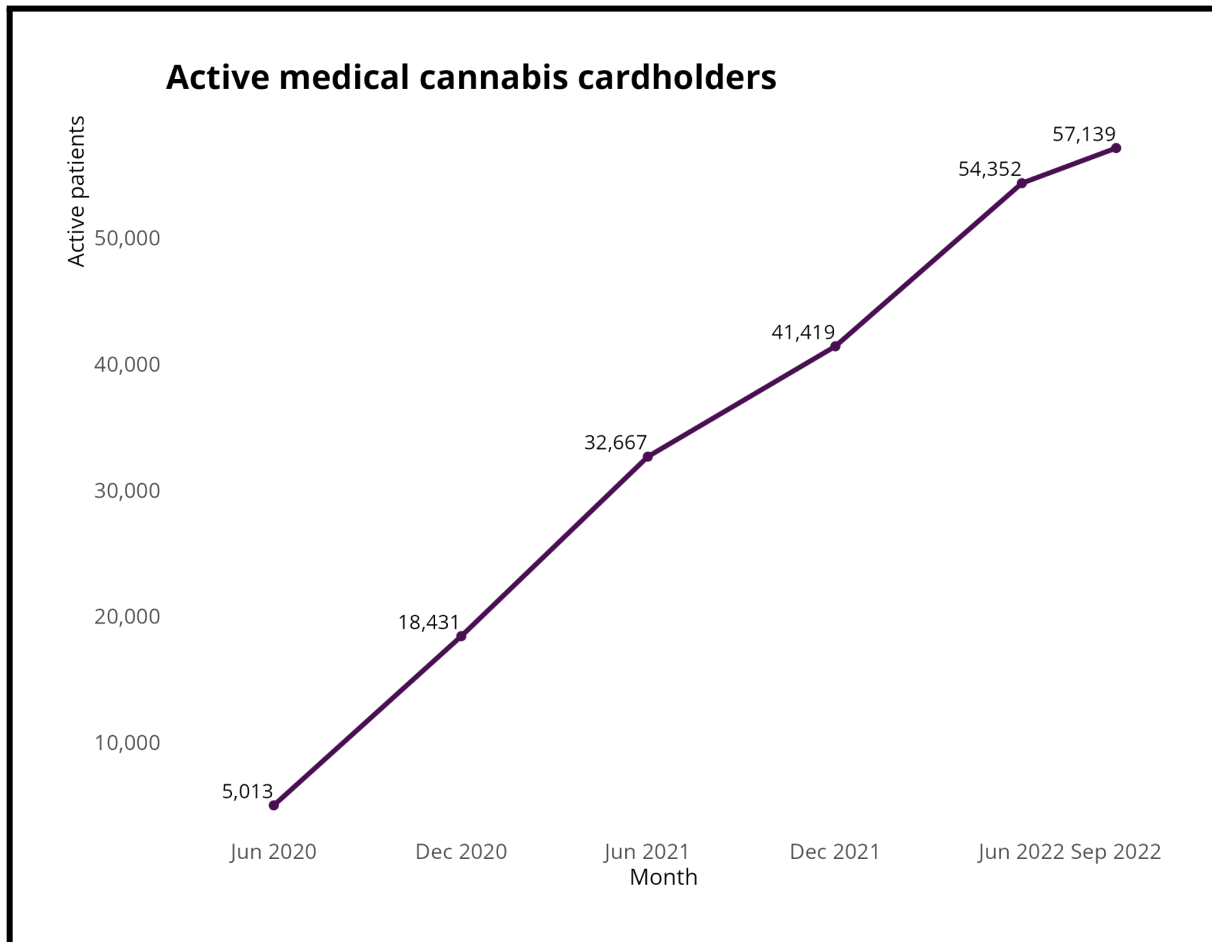


Table 2. Patient cardholder demographics by age as of September 30, 2022

Patient age	Number of patients	Percentage of total
13 and younger*	32	<1%
14-17*	23	<1%
18-20	80	<1%
21-30	12,214	21%
31-40	15,219	27%
41-50	12,211	21%
51-60	7,547	13%
61-70	6,575	12%
71 and older	3,238	6%
Total	57,139	100%

*Minors under age 18 require a guardian who has obtained a medical cannabis guardian card.

Table 3. Patient cardholders by county of residence as of September 30, 2022

County	Number of patients	Percentage of Total Cardholders
Beaver	99	<1%
Box Elder	1,183	2%
Cache	2,405	4%
Carbon	441	<1%
Daggett	9	<1%
Davis	6,339	11%
Duchesne	179	<1%
Emery	155	<1%
Garfield	52	<1%
Grand	78	<1%
Iron	917	2%
Juab	147	<1%
Kane	53	<1%
Millard	155	<1%
Morgan	171	<1%
Other	264	<1%
Piute	16	<1%
Rich	30	<1%
Salt Lake	22,768	40%
San Juan	30	<1%
Sanpete	303	<1%
Sevier	184	<1%
Summit	1,000	2%
Tooele	1,081	2%
Uintah	247	<1%
Utah	9,897	17%
Wasatch	566	<1%
Washington	2,274	4%
Wayne	6	<1%
Weber	6,090	11%
Total	57,139	100.00%

Table 4. Patient cardholders by medical conditions as of September 30, 2022

Medical condition	Number of patients	Percentage of Total Cardholders
AIDS	6	<1%
ALS	37	<1%
Alzheimer's disease	56	<1%
Autism	302	<1%
Cachexia	37	<1%
Cancer	1,755	3%
Crohn's disease	584	1%
Debilitating seizures	118	<1%
Epilepsy	501	<1%
HIV	219	<1%
Hospice care	81	<1%
MS	709	1%
Nausea	1,668	3%
Other	19	<1%
Other	71	<1%
Pain - acute (30 days only)	17	<1%
Pain - persistent	43,822	77%
Persistent muscle spasms	471	<1%
PTSD	6,102	11%
Rare condition	162	<1%
Terminal illness	96	<1%
Ulcerative colitis	306	<1%
Total	57,139	100%

5. Compassionate Use Board

Table 5. Compassionate Use Board approved and denied petitions by age

Months	Approvals		Denials	
	Younger than 21 years of age	Older than 21 years of age	Younger than 21 years of age	Older than 21 years of age
October 2021	11	0	2	0
November 2021	7	1	0	0
December 2021	12	1	0	0
January 2022	7	0	0	0
February 2022	4	0	0	0
March 2022	2	0	0	0
April 2022	5	0	5	0
May 2022	5	0	0	0
June 2022	7	0	0	0
July 2022	14	0	1	0
August 2022	7	0	0	0
September 2022	9	0	0	0
Total	90	2	8	0

Table 6. Compassionate Use Board approved petitions by medical condition

Medical condition	Number approved
Anxiety*	4
Anxiety and depression*	1
Autism	11
Cachexia	2
Cancer	7
Crohn's disease	1
Debilitating seizures	1
Depression*	1
Epilepsy	1
Hospice care	1
Non-diabetic gastroparesis*	1
Persistent pain	35
PTSD	22
Rare condition	1
Terminal illness	2
Ulcerative colitis	1
Total	92

*indicates a condition not listed in Utah Code 26-61a-104(2) as a qualifying condition

6. Qualified medical providers

Table 7. Qualified medical provider (QMP) office locations by county as of September 30, 2022

County	Number of QMP office locations	% of total QMP office locations in each county
Emery	3	<1%
Wasatch	9	<1%
Carbon	4	<1%
Other	16	2%
Washington	65	7%
Weber	72	7%
Millard	2	<1%
Salt Lake	466	48%
Garfield	1	<1%
Sanpete	4	<1%
Summit	12	1%
Tooele	5	<1%
Utah	156	16%
Duchesne	4	<1%
Sevier	4	<1%
Davis	81	8%
Uintah	1	<1%
Grand	1	<1%
Juab	5	<1%
Beaver	1	<1%
Rich	1	<1%
Cache	24	2%
Iron	14	1%
Box Elder	8	<1%
Morgan	2	0%
Kane	0	0%
San Juan	0	0%
Piute	0	0%
Daggett	0	0%
Wayne	0	0%
Total	961	100%

Table 8. Qualified medical provider (QMP) totals as of September 30, 2022

852	<p>Active qualified medical providers. This is the number of medical providers with an active QMP registration. Of the 852 active QMPs registered by DHHS, 709 met the requirements to recommend to up to 275 active cardholders at one time and 143 met the requirements to recommend to up to 600 active cardholders at one time.</p>
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Table 9. Qualified medical providers (QMPs) by DOPL license type as of September 30, 2022

Qualified medical provider DOPL license type	Count of QMPs
Osteopathic Doctor (DO)	52
Physician Assistant (PA)	152
Advanced Practice Registered Nurse (APRN)	424
Medical Doctor (MD)	224
Podiatrist	0
Total	852

7. Medical cannabis pharmacies

Table 10. Medical cannabis pharmacy licenses and opening dates

Business name	City	County	Opening date
Dragonfly Wellness	Salt Lake City	Salt Lake	March 2020
The Flower Shop	North Logan	Cache	March 2020
The Flower Shop	South Ogden	Weber	April 2020
WholesomeCo Cannabis	West Bountiful	Davis	August 2020
Curaleaf	Lehi	Utah	August 2020
Deseret Wellness	Provo	Utah	August 2020
Beehive Farmacy	Salt Lake City	Salt Lake	October 2020
Deseret Wellness	Park City	Summit	February 2021
Beehive Farmacy	Brigham City	Box Elder	April 2021
Pure UT	Payson	Utah	April 2021
Cannabist	Springville	Utah	April 2021
Bloc Pharmacy	South Jordan	Salt Lake	May 2021
Zion Medicinals	Cedar City	Iron	June 2021
Bloc Pharmacy	St. George	Washington	June 2021
Dragonfly Wellness	Price	Carbon	TBA 2022

Table 11. Medical cannabis pharmacy employee totals as of September 30, 2022

79	Active pharmacy medical providers. Pharmacy medical providers who have an active registration with DHHS.
603	Active pharmacy agents. Pharmacy agents who have an active registration with DHHS.

Table 12. Medical cannabis pharmacy transaction, shipment, and sales revenue totals

897,462	Total medical cannabis product transactions at medical cannabis pharmacies between October 1, 2021 and September 30, 2022.
81,186	Total shipments of medical cannabis from medical cannabis pharmacies to cardholder homes. Shipments of medical cannabis that were delivered from medical cannabis pharmacies to cardholders' homes. Shipments started in January 2021. (Range between October 1, 2021 and September 30, 2022).
\$ 109,078,021	Medical cannabis pharmacy net sales revenue. Medical cannabis pharmacy sales revenue between October 1, 2021 and September 30, 2022. This includes sales revenue from medical cannabis products, medical cannabis devices, and educational materials. (Gross sales less discounts)

Figure 5. Medical cannabis pharmacy bi-annual transactions from June 2020 to September 2022

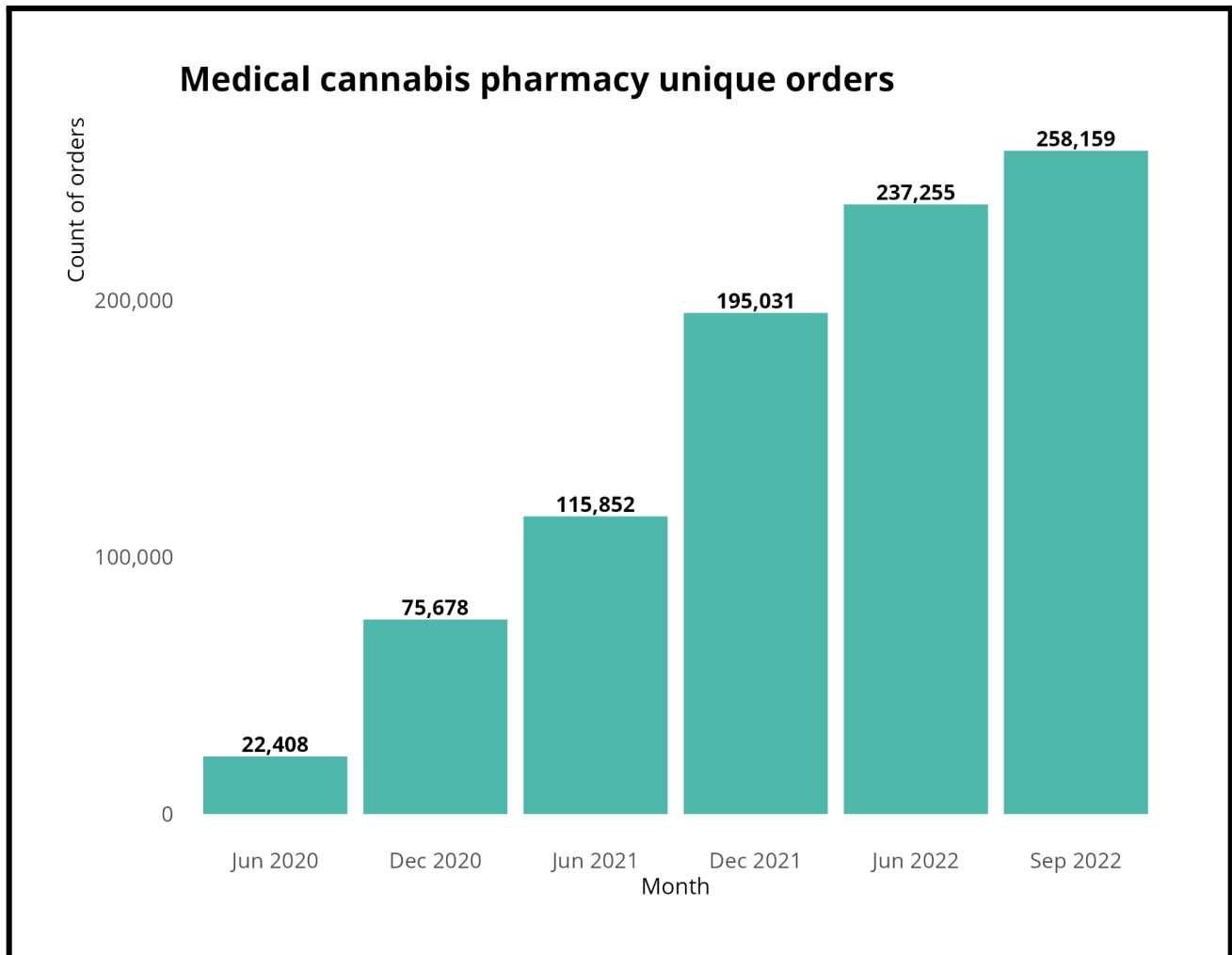
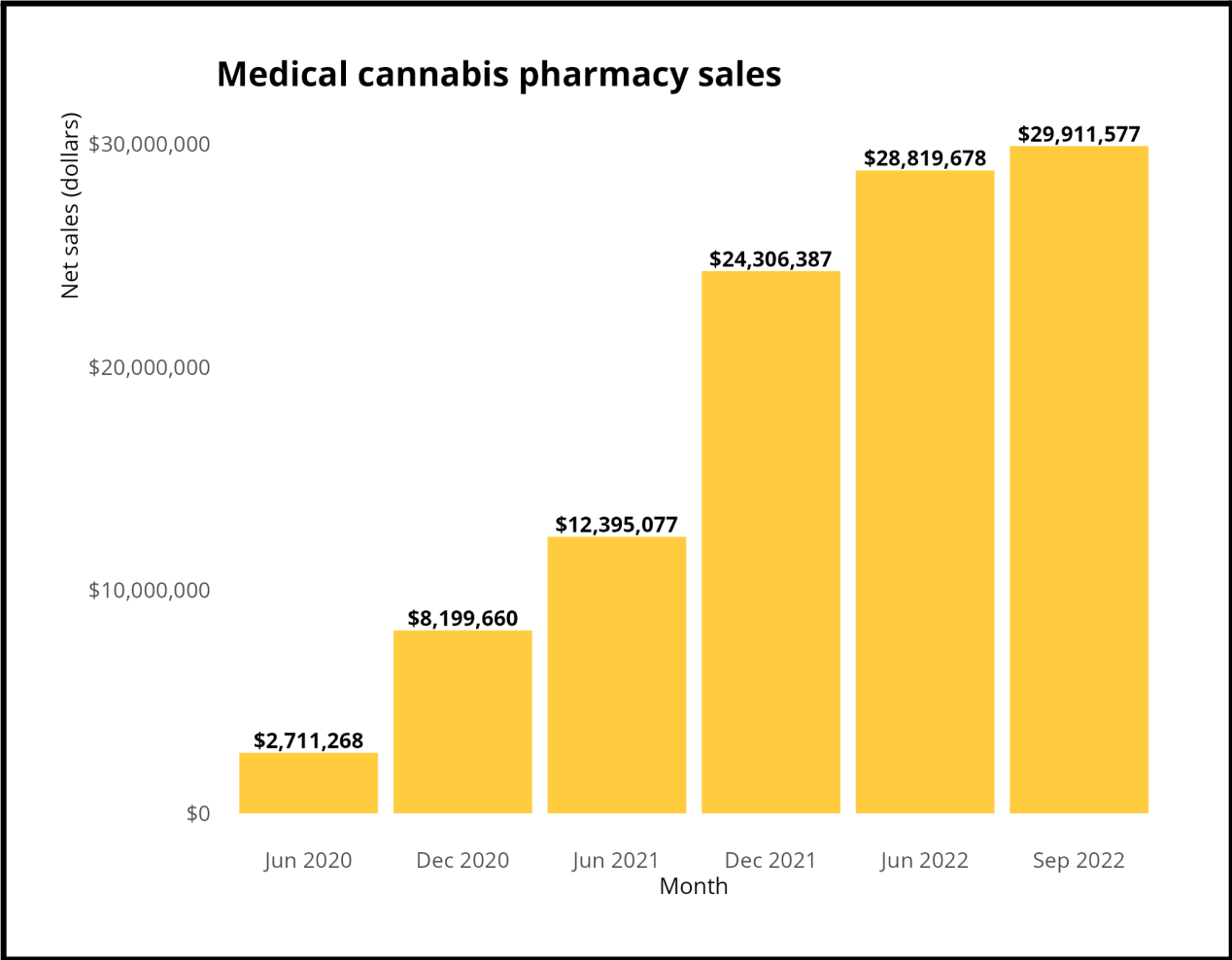


Figure 6. Medical cannabis pharmacy bi-annual sales revenue from June 2020 to September 2022



8. Center for Medical Cannabis expenses and revenues

Table 13. Expenses of the Center for Medical Cannabis—FY 2022 and FY 2023

Expense description	FY 2022 (actual)	FY 2023 (projected)
Department personnel	\$1,100,979	\$1,756,570
Electronic system software (fees, maintenance, and change orders for inventory control system and electronic verification system)	\$164,110	\$498,299
Travel (in state and out of state)	\$3,501	\$15,000
Other operating expenses (building and grounds, office maintenance, office supplies, equipment, transaction fees, surveys, other)	\$273,384	\$434,000
DTS teleworking and hosting	\$26,665	\$36,500
Compassionate Use Board	\$61,818	\$63,672
Cannabis Research Review Board	\$0	\$8,000
General fund loan repayment	\$1,200,000	\$700,000
Misc. expenses including Attorney General time for rulemaking, legal, insurance, other	\$113,706	\$82,000
Total expenses	\$2,944,163	\$3,594,041

Table 14. Revenues of the Center for Medical Cannabis—FY 2022 and FY 2023

Revenue description	FY 2022 (actual)	FY 2023 (projected)
Pharmacy transaction fees	\$2,389,950	\$2,406,000
Pharmacy licensing fees	\$863,798	\$897,065
Pharmacy application fees	\$20,000	\$0
Interest income	\$25,227	\$15,000
Patient card fees	\$1,272,680	\$876,844
Caregiver card fees	\$28,444	\$22,895
Guardian fees	\$6,418	\$4,406
Qualified medical provider fees	\$37,080	\$26,200
Pharmacy medical provider fees	\$3,600	\$3,000
Pharmacy agent fees	\$31,600	\$25,000
Courier licensing fees	\$4,230	\$7,250
Courier agent fees	\$8,400	\$6,000
Total revenues	\$4,691,427	\$4,289,660



Utah Department of
Health & Human
Services

For more information, contact:

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