

Member, Board of Supervisors
District 5



City and County of San Francisco

ROSS MIRKARIMI

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Sandra Shewry, Director
Curtis Lang, Interim Director, CDHS Medical Marijuana Program
California Department of Health Services
P. O. Box 997413
Sacramento, CA 95899-7413

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Dear Ms. Shewry and Mr. Lang:

I am contacting you today in response to the December 27 announcement that the MMP plans to raise its annual fee for a Medical Marijuana Identification Card (MMIC) from \$13 to \$142. As a county leader, committed to ensuring the success of our local MMIC programs, this news is alarming.

Incorporating such an exorbitant fee into the MMIC application process will likely threaten the solvency of the entire program. Making the program cost-prohibitive to such a large number of potential applicants will most certainly reduce enrollment in the program, even in counties where these programs have enjoyed success up until now.

According to reports from the department, this increase is a result of patient enrollment being lower than originally expected when the statewide program was launched in 2005.

I understand that the low volume of MMIC applicants has made cost recovery impossible during the beginning stages of the program; however, I am concerned that an immediate fee increase of more than 1000% will present an undue financial hardship on some of the most seriously ill Californians and would be a counterproductive move for both counties and the CDHS.

This situation will drive the per-capita overhead costs of the program to even higher levels, at both the state and county level. It is particularly distressing that this increase penalizes the counties that adapted to the program early on in the process. Currently only 24 counties have begun to administer the MMIC

program, leaving the majority of California's patients (70%) without access to the program. Because statewide implementation of this program is still in its earliest stages, it would be premature to reassess the MMIC fees at this time.

Fortunately, it appears that several counties are poised to implement the program in the near future. Most notably, Los Angeles County—which comprises approximately one-third of California's population—is planning on implementing their program within the next two months.

Once Los Angeles County is part of the statewide program, the number of potential MMIC applicants in California will double. Other counties, such as Fresno and Yolo have also indicated that they will soon be joining the program. It is reasonable to expect a substantial increase in enrollment after these county-programs are established. However, if such a drastic fee increase is applied, enrollment will most likely stall even in the largest counties.

Reassessing the program's fee structure after Los Angeles and other counties are folded into the program will allow for CDHS to conduct a more accurate financial assessment—a critical first step before making any future changes to the fee structure.

It would not be prudent to impose such a dramatic increase in the MMIC fee while this program is still in its developmental stages. It is for this reason that I am asking your department to delay any state-level fee increase until March 1, 2008. Additionally, the CDHS should seek alternatives to the fee increase such as reducing their operating costs and becoming more active in recruitment of new counties into the program.

At the very least, the full increase should not be imposed on indigent patients. Perhaps CDHS should consider incorporating a sliding-scale fee structure in the MMIC application process, if a fee increase is necessary. The mutual success of both the CDHS and the county MMIC programs relies on your patience and willingness to seek more sound solutions in resolving this issue.

I wholeheartedly urge you to refrain from the planned fee increase.

Sincerely,



Ross Mirkarimi
Supervisor