



SOUTH DAKOTA
DEPARTMENT OF HEALTH

Medical Cannabis Update

Legislative Oversight Committee

July 14, 2022

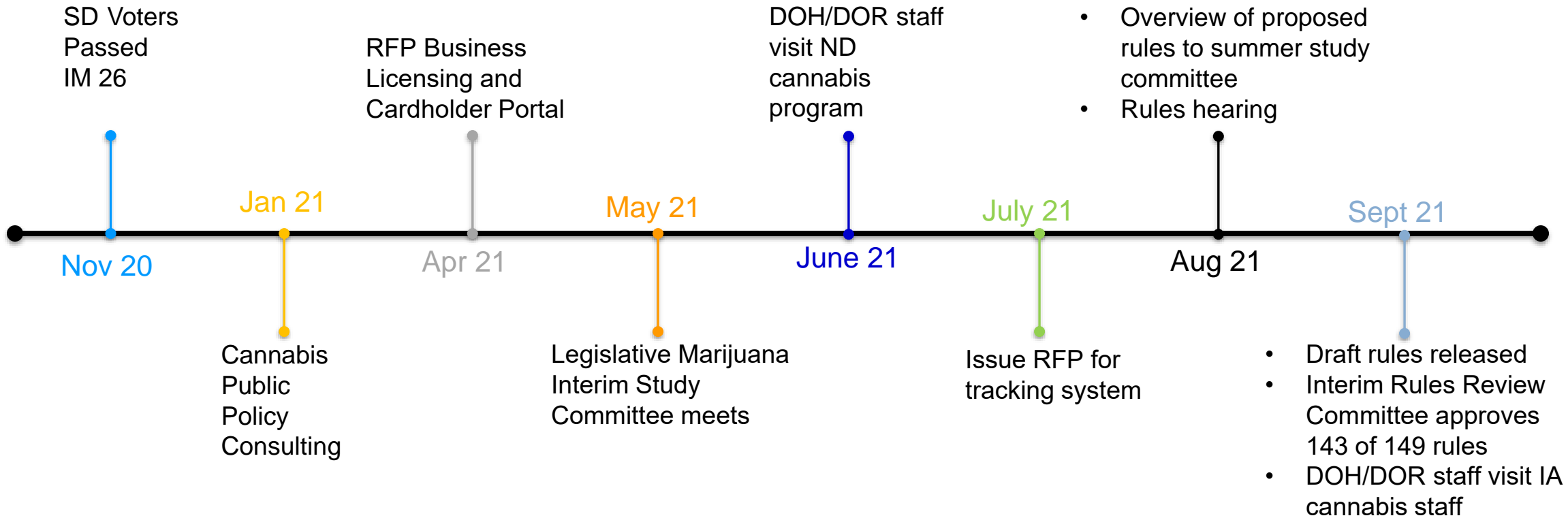
Outline

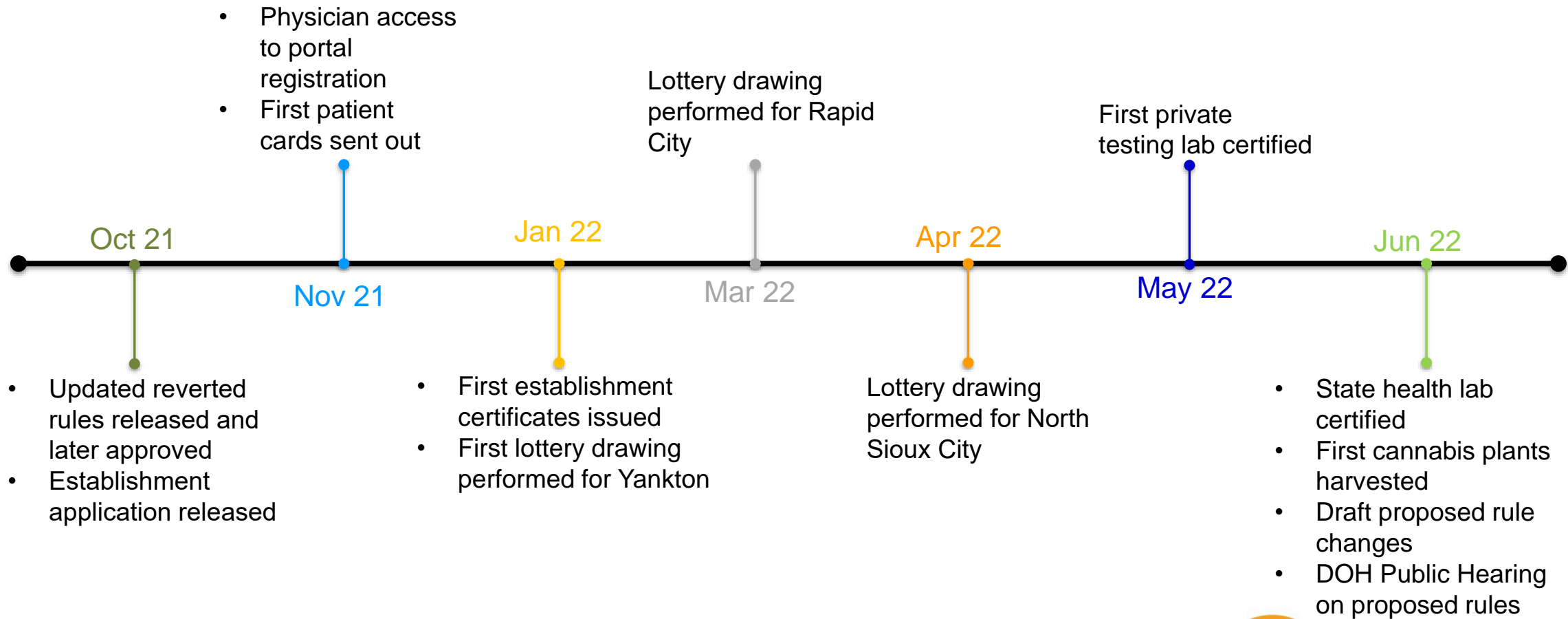
- **Timeline**
- **Program Overview**
- **Software Systems and Processes**
- **Program Data**
- **Labs/Testing**
- **Budget**
- **A Look Ahead**

Timeline



SOUTH DAKOTA
DEPARTMENT OF HEALTH





Program Overview

Overview

- Initiated Measure 26
- Debilitating medical condition
 - A chronic or debilitating disease or medical condition or its treatment that produces one or more of the following: cachexia or wasting syndrome; severe, debilitating pain; severe nausea; seizures; or severe and persistent muscle spasms, including those characteristic of multiple sclerosis
- Practitioner
 - A physician, physician assistant, or advanced practice registered nurse, who is licensed with authority to prescribe drugs to humans. In relation to a nonresident cardholder, the term means a person who is licensed with authority to prescribe drugs to humans in the state of the patient's residence

Overview

- Bona fide practitioner-patient relationship
 - In-person consultation
- Designated caregivers
- Establishment types
 - Cultivation
 - Manufacturing
 - Dispensary
 - Testing
- Home cultivation

Overview

- Medical cannabis programs generally take 2 or more years to get completely stood up
- It takes around 10-12 months for establishments to be fully functional
- Estimates from DOH have been product availability in summer/fall 2022

Outreach

- Presentations
 - SD State Medical Association
 - SD Association of Healthcare Organizations
 - Legislative summer study committee
 - Joint meeting of the Associated School Boards of SD and School Administrators of SD
 - Sioux Falls Chamber of Commerce Issues Management Council
 - Sioux Falls Bankers Group
 - SD Telecom Association
 - USD Resident Physician group

Outreach

- Conference calls
 - SD County Commissioners Association
 - SD Municipal League
- Tele-Townhalls
- Stakeholder meetings
 - Business establishments
 - Law enforcement representatives
 - Local municipalities
 - Health care providers
- Industry communication/contacts

Medical Cannabis Staff

- Program Administrator
- Attorney
- Program Specialist I – Patient Cards
- Program Assistant II – Establishments
- Sr. Health Facilities Surveyor – Inspection Coordinator
- Project Manager – Software Solutions

CANNRA

- Membership is limited to regulators and representatives from relevant government offices
- 38 state members
- DOH/DOR involvement

The logo for CANNRA features the word "CANNRA" in a large, bold, white, sans-serif font, centered on a solid green rectangular background.

CANNABIS REGULATORS ASSOCIATION

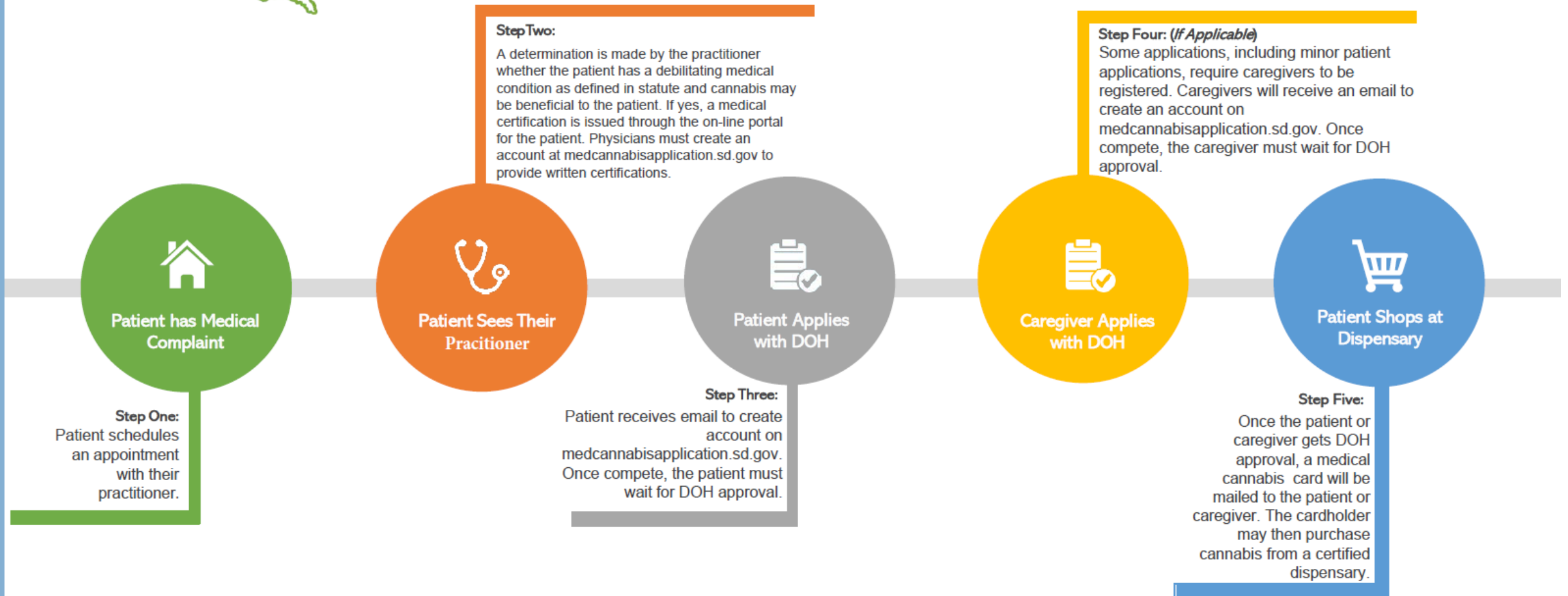
Software Systems and Processes

Systems

- Accela
 - Patient Card Portal
 - Physician registration
 - Establishment Licensing
- Metrc
 - Seed to Sale Tracking System



Medical Cannabis Patient Process Overview




Please Note: Patients can NOT start the medical cannabis application process until their practitioner creates a certification, which will automatically create a patient account on medcannabisapplication.sd.gov. In South Dakota, dispensaries, not pharmacies, sell cannabis. Medical certification is not a prescription.



South Dakota Medical Cannabis Program

Login

 Login

Practitioners

Please Enroll to start the Practitioner Process.

 Enroll

Pursuant to SDCL 34-20G, physicians, physician assistants, or advanced practice registered nurses, who are licensed with authority to prescribe drugs to humans, may certify medical cannabis patients.

South Dakota Resident Interested in Patient or Caregiver Card

Please talk with your healthcare practitioner who must be enrolled in and initiate the patient card application process. You can learn more about the application process [here](#).

Non-Resident Interested in Patient or Caregiver Card

If you are a nonresident and would like to apply for the South Dakota medical cannabis card, please contact a program personnel at MCQuestions@state.sd.us, and we will be happy to assist you.



My Information

Name

Susie Bluebell

Phone

(135) 468-6431

Account Status

Approved

Medical License Number

123456789

National ID Number

123456789

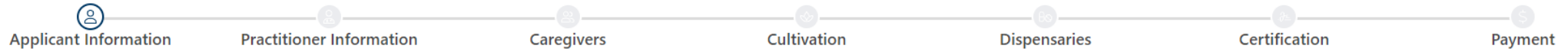
Patients

Certify Patient

Account Settings

My Certifications

Name	Issue Date	Program Status	Actions
<input type="text" value="Filter by Patient Name..."/>			
Cheese Ball	03/28/2022	Revoked	Edit
Mickey Mouse	03/28/2022	Approved	Edit
Minnie Mouse	03/28/2022	New	Edit
Daisy Duck	03/28/2022	New	Edit
Pepperoni Pizza	03/28/2022	New	Edit
Jalapeno Popper	04/21/2022	Payment Pending	Edit
Sausage Burrito	04/27/2022	Pending	Edit
Caramel Coffee	04/27/2022	New	Edit
Led Zeppelin	04/29/2022	New	Edit
Pink Floyd	04/29/2022	Withdrawn	Edit



The purpose of this form is to collect the necessary information from qualifying patients who have been issued a written certification from a physician pursuant to SDCL 34-20G. Once the application is complete and the required payment has been made, the Department of Health will approve or deny your application within 15 days. Patient Registration Identification Cards will be issued to approved applicants and, if applicable, their Caregiver within five days of approval. Should you have any disabilities that prevent you from filling out this form and require a reasonable accommodation, please contact the Department of Health at MCQuestions@state.sd.us.

Applicant Information

Information

* First Name Buggs	Middle Name	* Last Name Bunny
* Date of Birth 5/17/2000	Telephone Number (654) 654-6546	Email sdtesting+641@cloudpwr.com

Address

* Address 1		
Address 2		
* City	* State SD	* Zipcode

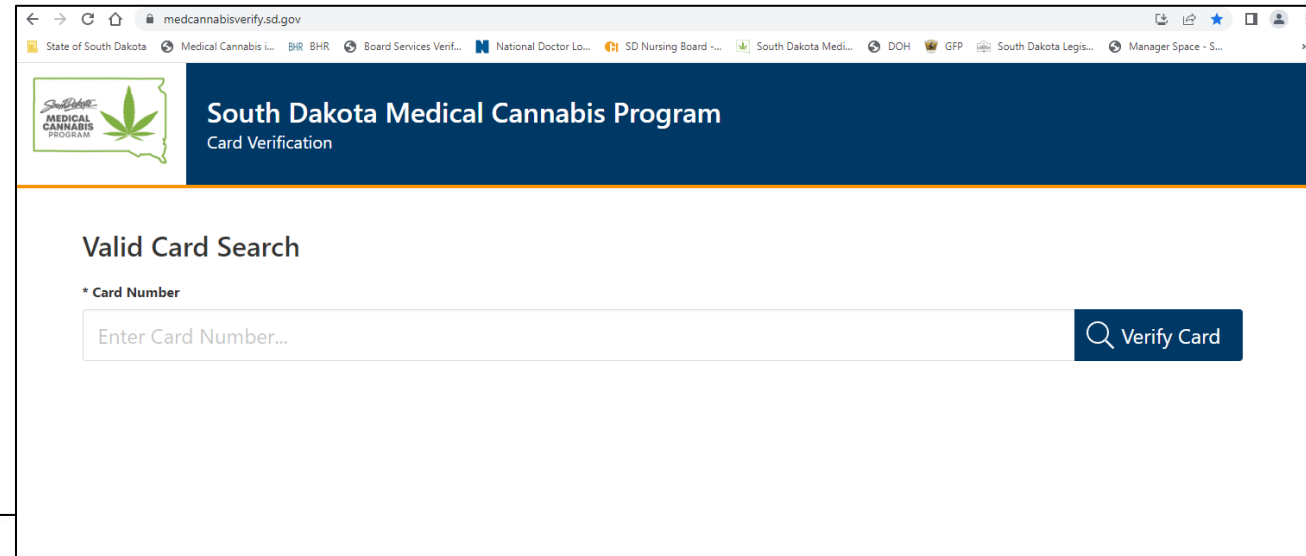
Low Income Applicant

Low-income means having a gross monthly household income that is 130 percent or less of the federal poverty level as defined in the below table:

Household Size	130%
1	\$17,667
2	\$23,803
3	\$29,939
4	\$36,075
5	\$42,211
6	\$48,347
7	\$54,483
8	\$60,619

Patient Cards

- Printing
- New Cards



By possessing this card, the patient or caregiver agrees to comply with all applicable provisions of South Dakota Codified Law 34-20G and South Dakota Administrative Rules Article 44:90. Failure to comply may result in this card being revoked.

This card is property of the State of South Dakota and must be surrendered upon request. Lost or stolen cards must be reported to the South Dakota Department of Health within one business day.





[Register for an Account](#) [Login](#)

Home [Create Application](#)

Form E

Please Login

Many online services offered by the Department of Health are an existing user, please

New Users

If you are a new user you may [register](#) for a free Citizen Access account. It only takes a few simple steps and you'll have the added benefits of seeing a complete history of applications, access to invoices and receipts, checking on the status of pending activities, and more.

[Register Now »](#)

Password:

[Login »](#)

Remember me on this computer

[I've forgotten my password](#)
[New Users: Register for an Account](#)

Lottery

- Yankton
- Rapid City
- North Sioux City



North Sioux City Medical Cannabis Dispensary Lottery Draw | April 20, 2022



Manufacturing License Cap: 2

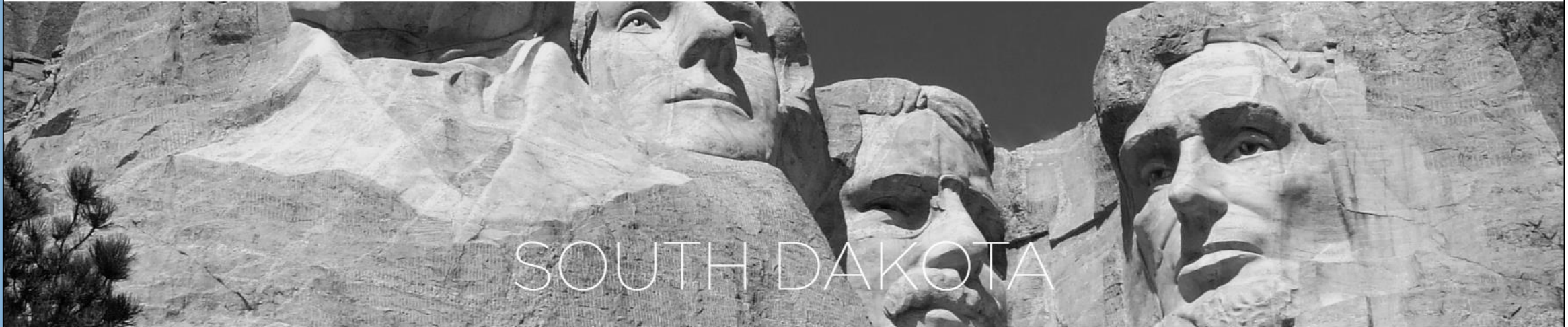
Order	Number Drawn	Name	Address
1	5	ZAZA 605	516 Prosperity Way North Sioux City, SD 57049
2	3	Twisted Greens	520 Flynn St North Sioux City, SD 57049
Alternate 1	1	Dakota Health and Wellness	4 Northshore Dr Unit 4 North Sioux City, SD 57049
Alternate 2	6	ZAZA 605	524 Prosperity Way North Sioux City, SD 57049
Alternate 3	2	Deja Vu SD LLC	515 South Flynn St North Sioux City, SD 57049
Alternate 4	4	ZAZA 605	508 Prosperity Way North Sioux City, SD 57049



Seed to Sale

- Metrc
- Contract Signed -
March 15, 2022
- Kickoff Meeting –
March 29-30, 2022
- Go-live Date -
August 1
- Point of Sale
systems must
integrate with Metrc





In November 2020, South Dakota voters passed Initiated Measure 26, laying the foundation for the medical cannabis program. Since then, the South Dakota Medical Cannabis Program (SDMC) has become operational and is building business certification and patient/physician platforms. In addition to development efforts, the SDMC has also started working with the industry to implement program processes.

[GREETING](#) [PROGRAM OVERVIEW](#) [VIDEOS](#)

SOUTH DAKOTA WELCOMES YOU

The South Dakota Medical Cannabis Program welcomes you to the Metrc webpage. Metrc will serve as the seed-to-sale tracking system for the State of South Dakota cannabis program.

Metrc provides many resources through this website including training, support functions, and guidance materials for the industry. These resources help to support the States' regulatory program to ensure a safe, equitable, and effectively run medical cannabis program.

[MEDICAL CANNABIS IN SOUTH DAKOTA](#)

[SOUTH DAKOTA API AGREEMENT](#)

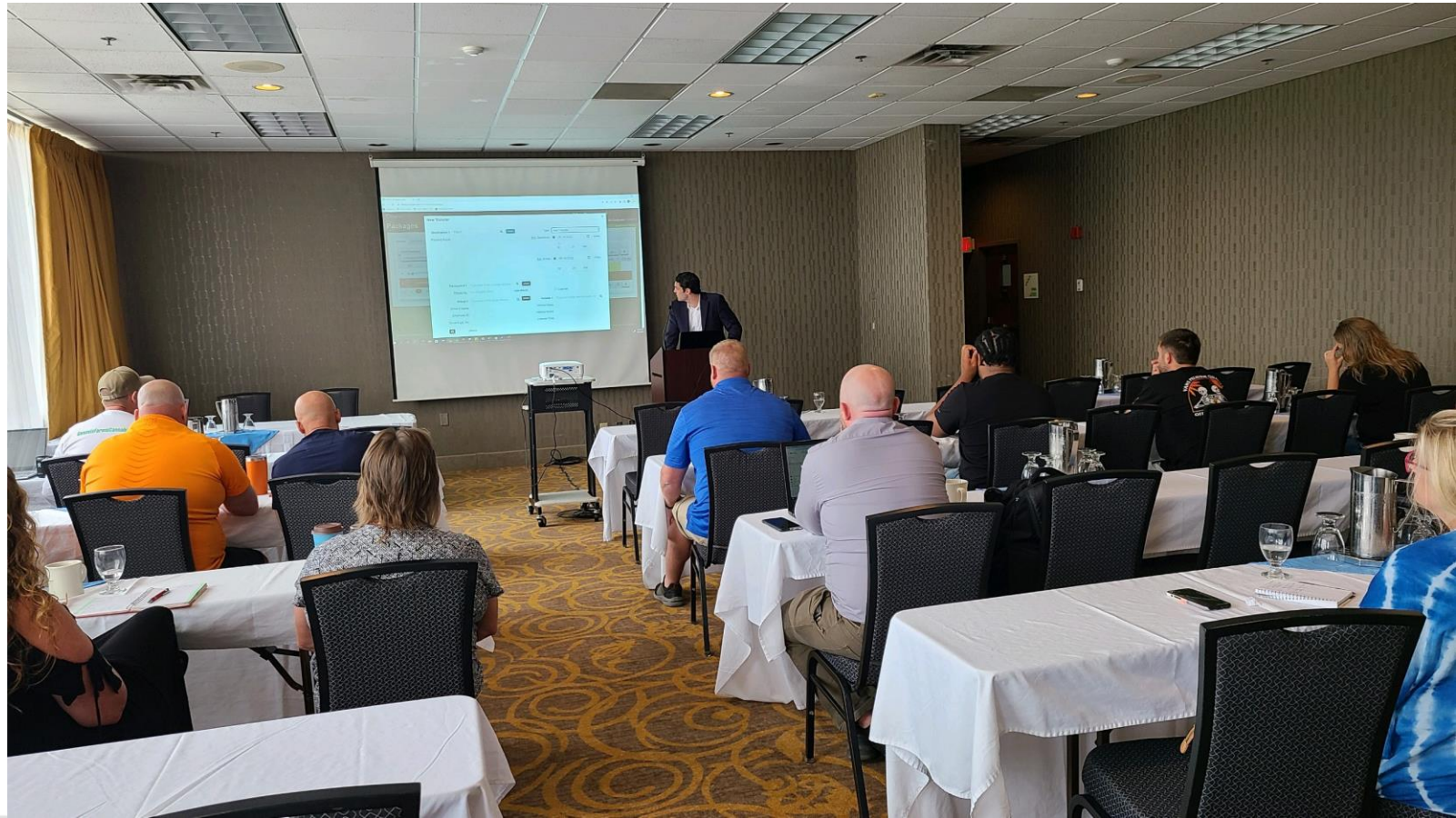


Seed to Sale

- Metric Industry Costs
 - Tags
 - \$0.45/plant tag
 - \$0.25/package tag
 - \$40/month service fee
- Establishments are responsible for these costs

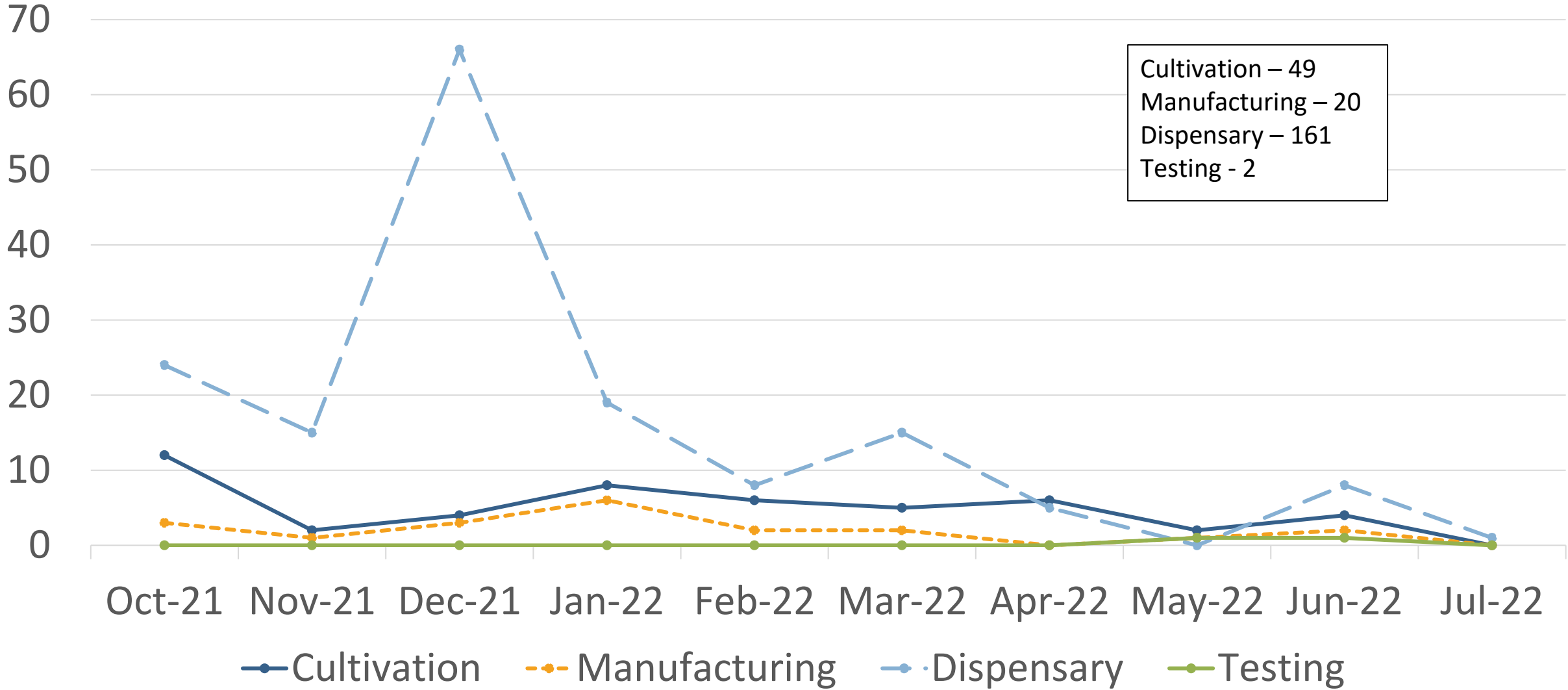
Metric Training

- Sioux Falls, Pierre, Rapid City
- 89 attendees



Program Data

Establishment Applications



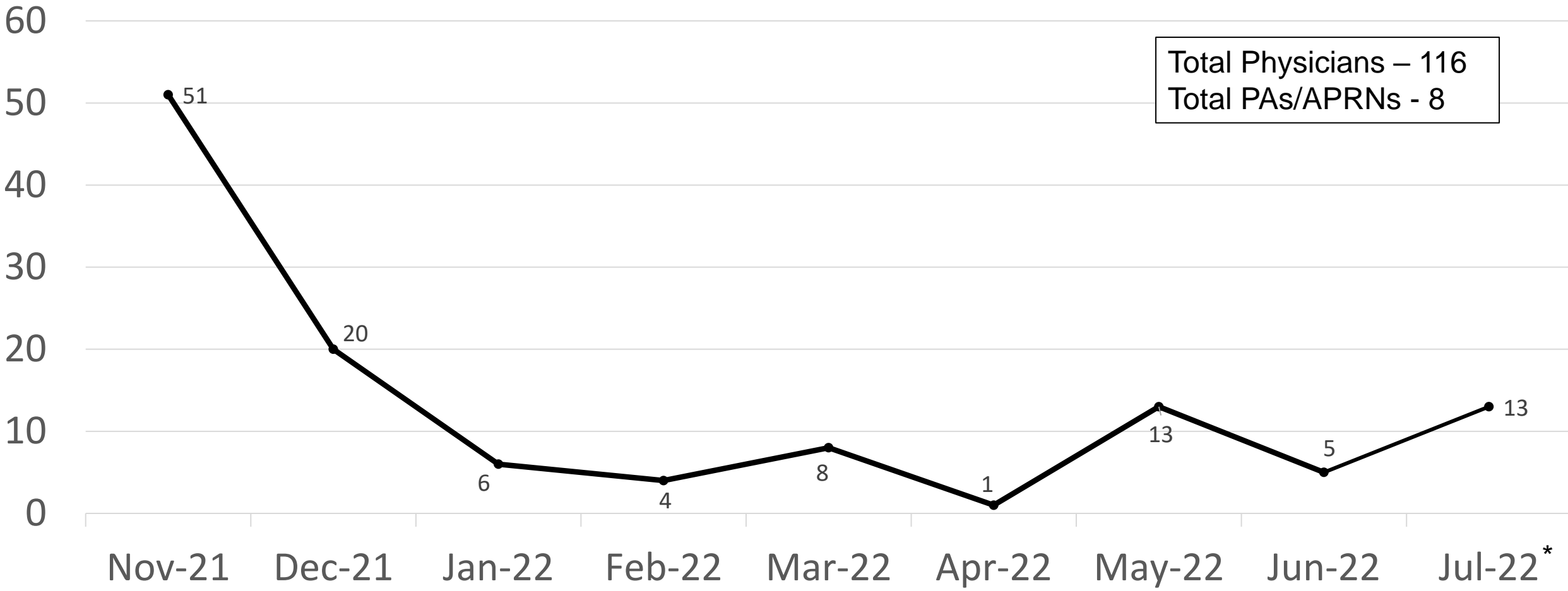
18
16
14
12
10
8
6
4
2

Remaining Applications in Review

- Cultivation - 16
- Manufacturing - 5
- Dispensary - 36
- Testing - 0



Practitioners

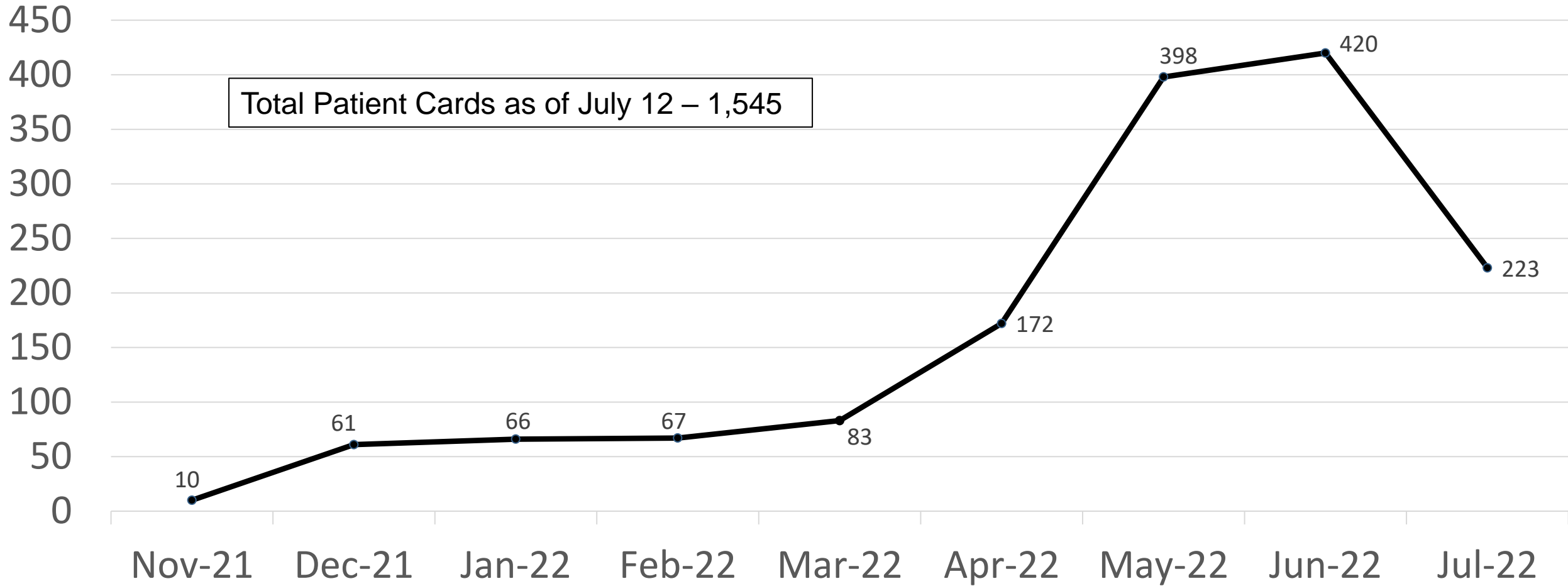


*As of July 1 – Physician Assistants and Advanced Practice Registered Nurses can certify medical cannabis patients



Patient Cards

Total Patient Cards as of July 12 – 1,545



Labs/Testing

Testing

- July 1, 2022
 - Potency
 - Microbials
- July 1, 2023
 - Mycotoxins, Metals, Pesticides, Solvents
- Private Lab – Cannabis Chem Lab
 - May 2022
 - Flandreau, SD
 - Not operational
- State Health Lab
 - June 2022
 - Confirmatory testing
 - Law Enforcement needs



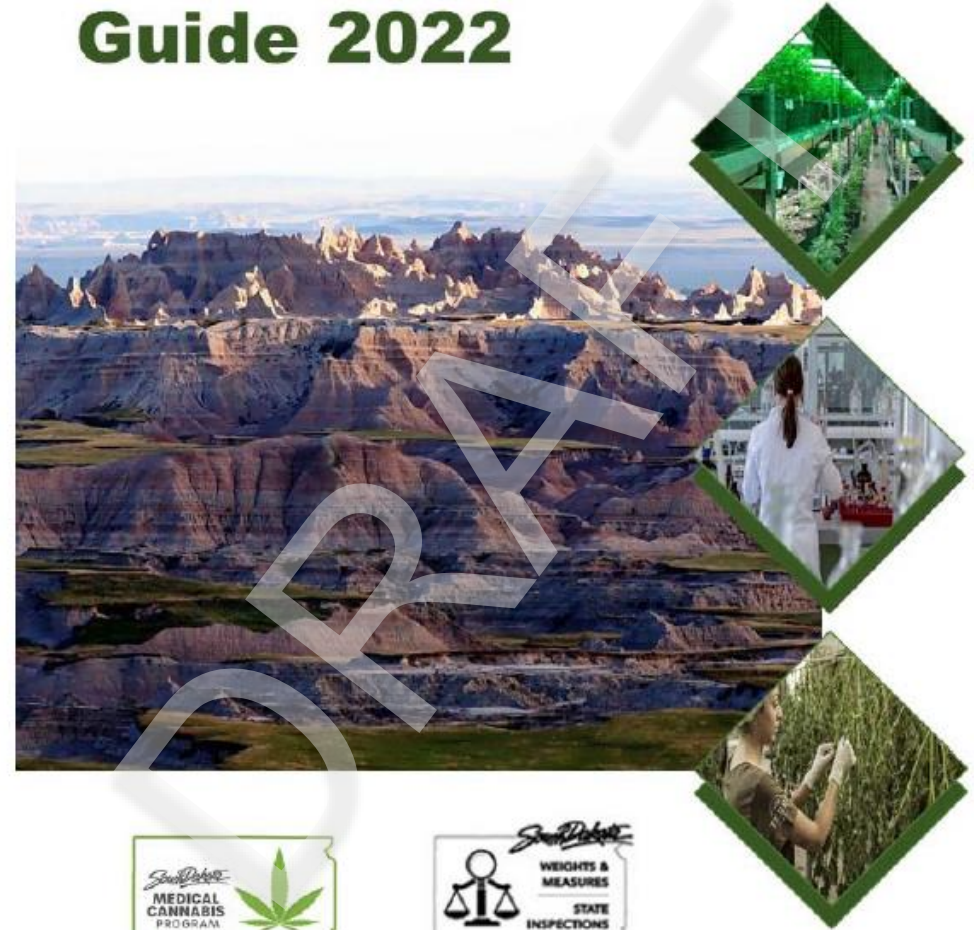
Inspections

- Inspection Coordinator
- Department of Public Safety
- Annual Inspections



Standard Symbol

Medical Cannabis Facility Inspection Guide 2022



South Dakota Medical Cannabis Program
SOUTH DAKOTA DEPARTMENT OF HEALTH
605.773.6697 | 600 E Capitol Ave, Pierre | doh.sd.gov

Budget

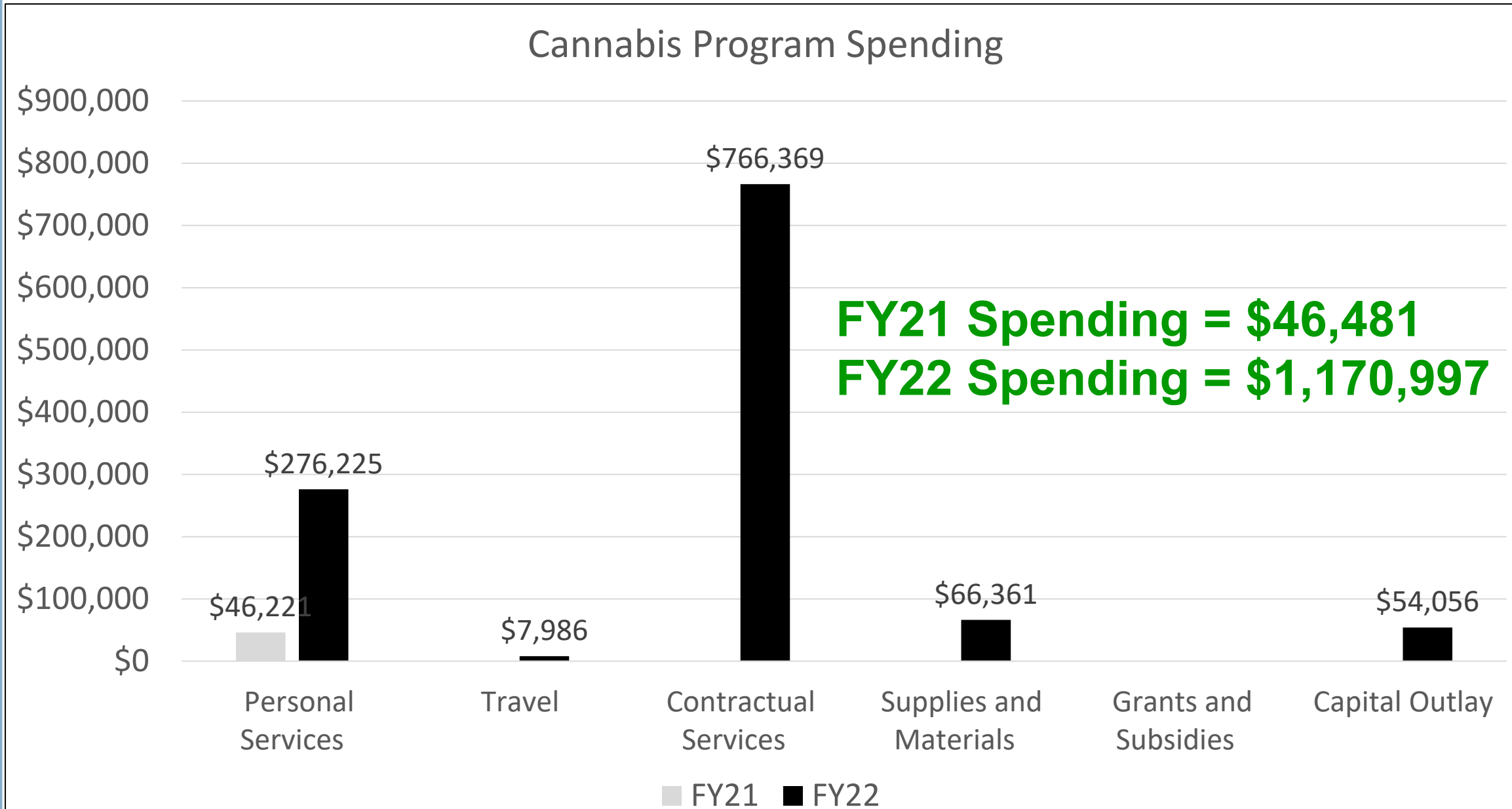
Special Appropriation

- 3 Years
- Total Appropriation - \$4,100,000
 - Dept of Health - \$2,050,000
 - Dept of Revenue - \$2,050,000

Fees

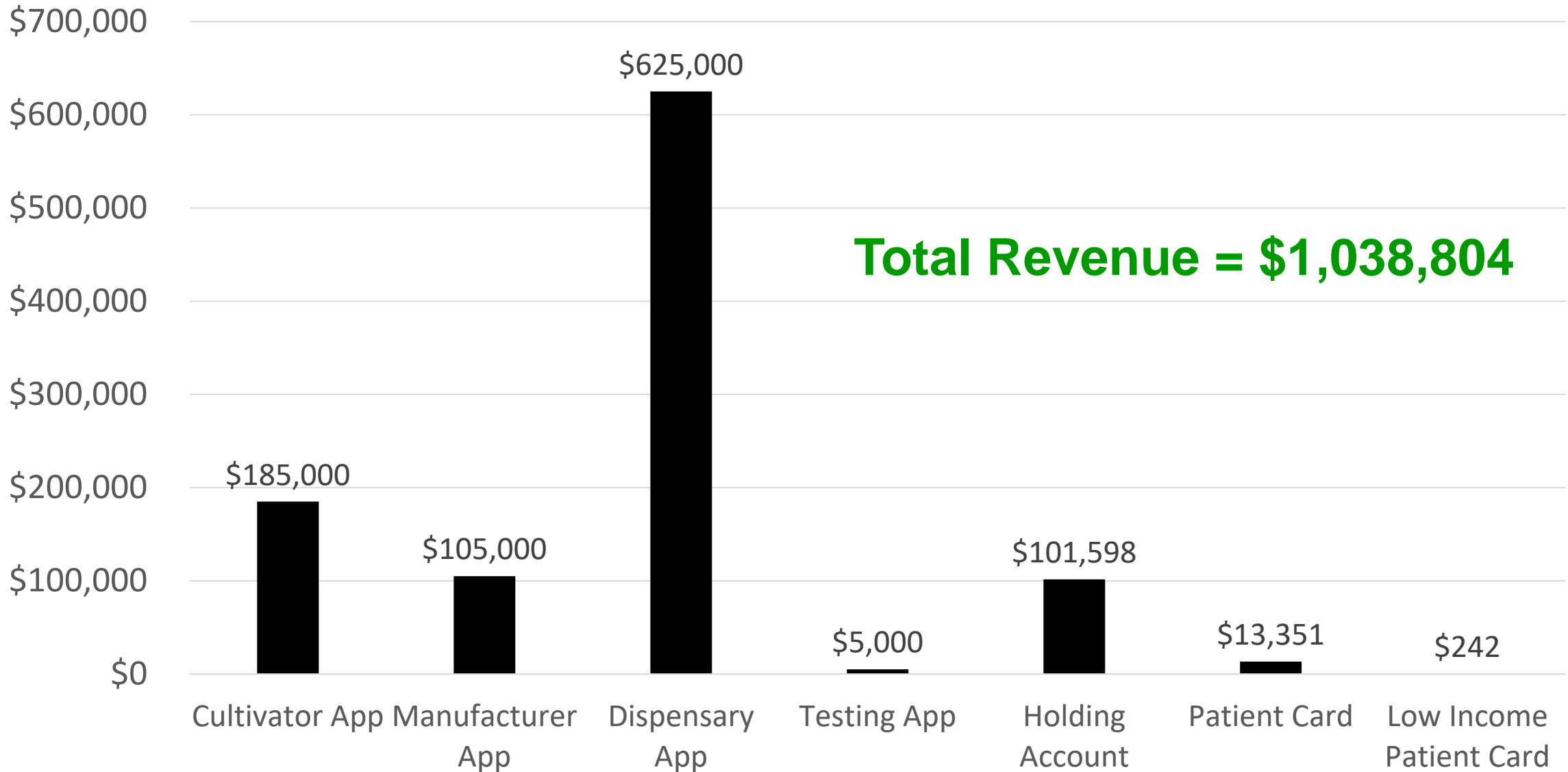
- Total fees collected shall generate revenues sufficient to offset all expenses of implementing and administering the program. "SDCL 20G-72-(10)(b)
- Establishment – State \$5,000,
 - Local fees – determined by jurisdiction
 - Application
 - Annual Renewal
- Patient Card (both resident and nonresident) - \$75
- Low-income Patient Card - \$20
- Caregivers
 - First caregiver free
 - Additional caregivers - \$20
- 2-Part Registry (home cultivation) - \$20

Program Costs



Revenue

FY 2022 Cannabis Program Revenue



Projections

- Certifications
 - Initial application projections
 - Cultivation – 109
 - Manufacturing – 98
 - Dispensary - 272
- Patient Cards
 - Initial patient card estimate
 - ~ 6,000 after 3 years
- Budget

Looking Ahead

Petition Process

- Petitions to add a debilitating medical condition definition must include:
 - South Dakota residents
 - Description of the specific medical condition
 - Diagnostic criteria
 - Research
 - 2 Letters of support
 - Citations
- Department decision – 180 days

Proposed Administrative Rule Changes

- Important Dates
 - Public Hearing: 6/21/2022
 - Comment Deadline: 7/01/2022
 - Interim Rules Committee Hearing: 7/19/2022

July 1 Program Changes

- Home Cultivation
 - 2 flowering, 2 non-flowering
 - No extended plant count
- Patient Certifications
 - Physician assistants
 - Advanced practice registered nurses
- Establishments must verify a valid photo ID prior to a person entering the premises

July 1 Program Changes

- Cannabis must be tested prior to transfer for retail sale
- Sample collection must be performed by testing establishment
- Practitioner no longer required to indicate the patient is likely to receive therapeutic or palliative benefit
- Referrals from patient's treating practitioner allowed (i.e., doesn't have to be treating physician)

Next Steps

- Metrc – August 1 Go Live
- Inspection process
 - Inspection information within Accela
- Renewal processes
- Continual review of processes