



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 933 (as reported without amendment)
Sponsor: Senator Rick Jones
Committee: Judiciary

(as enrolled)

Date Completed: 3-13-12

RATIONALE

Section 315 of the Worker's Disability Compensation Act requires an employer to furnish, or cause to be furnished, reasonable medical, surgical, or hospital services and medicine, or other treatment that is legal under State law, to an employee who receives a personal injury arising out of and in the course of employment. Some people now are questioning whether this includes reimbursement for medical marijuana costs. In 2008, Michigan voters approved a ballot initiative to enact the Michigan Medical Marijuana Act (MMMA), which legalizes the possession and use of limited amounts of marijuana for those suffering from certain conditions. Employers and workers' compensation insurers reportedly are concerned that they will begin receiving claims for the cost of medical marijuana and are unsure whether Michigan law requires coverage for those expenses. Since the MMMA provides that it does not require a governmental medical assistance program or commercial or nonprofit health insurer to reimburse a person for costs associated with the medical use of marijuana, it has been suggested that the Worker's Disability Compensation Act should contain similar language.

CONTENT

The bill would amend the Worker's Disability Compensation Act to specify that an employer would not have to reimburse, or cause to be reimbursed, charges for medical marijuana treatment, regardless of the requirements in Section 315.

Proposed MCL 418.315a

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The MMMA allows people who have certain debilitating medical conditions, with certification from a physician, to apply for and receive registry identification cards for the medical use of marijuana. The Act includes severe and chronic pain among the conditions for which a person may receive a medical marijuana registry ID card. This and other qualifying conditions may develop after a person is injured in a work-related accident. Evidently, employers and their insurers are concerned that they will receive claims for workers' compensation coverage of the cost of medical marijuana, and are unsure whether that coverage is required under Section 315 of the Worker's Disability Compensation Act to. The MMMA explicitly states that it may not be construed to require commercial or nonprofit *health* insurers to reimburse a person for costs associated with the medical use of marijuana. By specifying that an employer would not have to reimburse charges for medical marijuana, the bill also would exempt workers' compensation insurers from having to cover these expenses, which would make Michigan's workers' compensation law consistent with the MMMA.

Supporting Argument

If medical marijuana expenses are not expressly excluded from workers' compensation coverage, employers arguably are required to pay those costs. If employers and their insurance companies

provide coverage for medical marihuana, however, it could drive up the cost of doing business in Michigan and hinder the State's economic recovery. In addition, employers and insurers that reimbursed an injured worker for medical marihuana could conceivably be subject to criminal charges related to delivery of a controlled substance and, given State and Federal forfeiture laws, their assets could even be subject to seizure and forfeiture.

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Josh Sefton

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.