



**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF HEALTH
ANNOUNCEMENT OF OPEN APPLICATION PERIOD FOR
OPERATION OF A MEDICAL MARIJUANA COMPASSION CENTER**

I. INTRODUCTION

The Rhode Island Department of Health (the Department), pursuant to §21-28.6-12(b)(2) [PL 2009-016] of Chapter 23-28.6 of the General Laws of Rhode Island [RIGL] and §5.2 of the *Rules and Regulations Related to the Medical Marijuana Program* [R21-28.6-MMP], announces that it will begin accepting applications for operation of up to three (3) medical marijuana compassion centers on [XX + 20 days 2010]. The application period will terminate on [XX + 80 days 2010]. However, as a result of Department review of applications submitted in response to this Announcement of Open Application Period for Operation of a Medical Marijuana Compassion Center, the Department may approve no application for operation of a medical marijuana compassion center or it may approve up to three (3) applications for operation of a medical marijuana compassion center. It should also be noted that the Department reserves the right to deny any and all applications consistent with its duly established statutory and regulatory authority and prerogatives.

II. APPLICATION SUBMISSION AND REVIEW SCHEDULE

<u>DATE</u>	<u>ACTION</u>
[XX 2010]	Filing date of the amended medical marijuana regulations, announcement of the open application period and initial availability of final application guidance
[XX+14 days 2010]	Initial question and answer (Q&A) session with prospective applicants
[XX+20 days 2010]	Initial day of open application period
[XX+50 days 2010]	Final question and answer (Q&A) session with prospective applicants
[XX+80 days 2010]	Final day of open application period and announcement of public hearing date for community input on applications ¹
[XX+115 days 2010]	Public hearing date ¹
[XX+145 days 2010]	Final day for Department to announce applicant(s) who will be granted a registration certificate to a operate a compassion center

¹ Pursuant to RIGL §21-28.6-12(b)(3), the Department intends to announce a public hearing (to receive community input on all applications which have been accepted for review) no later than the next business day after the closing date of the application period. Therefore, if circumstances require an extension of the closing date for the open application period, the announcement date for the public hearing will also be extended.

III. APPLICATION

The application materials shall include a full and complete response to each of the criteria and measures specified in this announcement, as well as completion of the application cover sheet specified by the Department. The application cover sheet shall include a statement attesting to the accuracy and veracity of all statements, figures, amounts and other information incorporated within the materials submitted. This attestation statement shall be signed by the president/chief executive officer of the applicant entity or other individual authorized to make legally binding commitments on behalf of the applicant, and certified by a Notary Public.

The application shall be typed [12 pitch Times New Roman or equivalent, single spaced with one (1) inch margins] and limited to a maximum of twenty-five (25) single-sided 8½” x 11” pages², excluding attachments. Applications in excess of the twenty-five (25) page limit shall not be accepted for review. All applications shall be submitted to the Rhode Island Department of Health, Office of Health Professionals Regulation, 3 Capitol Hill – Room 104, Providence, Rhode Island 02908-5097.

All costs involved in preparation and submission of an application shall be the responsibility of the applicant. The Department shall not be responsible for any costs incurred by an applicant in preparation or submission of an application.

Initially, each applicant shall file five (5) printed copies and one electronic (PDF) copy of all application materials, accompanied by a non-refundable application fee, made payable to the General Treasurer, State of Rhode Island, in the amount of two hundred fifty dollars (\$250).

Applicants should e-mail all written questions or requests for clarification regarding this announcement to Charles.Alexandre@health.ri.gov with “MMP-CC Question” in the subject line. Questions and responses will be posted on the Department’s proposed regulations website. [<http://www.health.ri.gov/regulations/index.php>] Public meetings to review questions received to date will be held on [XX+14 days 2010] and [XX+50 days 2010]. However, applicants should also monitor the Department’s proposed regulations website for responses and other addenda to this announcement. Questions received after [XX+50 days 2010] may not be answered. **PHONE INQUIRIES WILL NOT BE ACCEPTED!**

The deadline for receipt of application materials filed in response to this announcement is 4:30 PM EST on [XX+80 days 2010]. Applications received after the deadline shall **NOT** be accepted for review.

Upon receipt of notification that their application has been accepted for review, the applicant shall submit twenty-five (25) printed copies and an electronic (PDF) copy of all application materials.

Copies of the application and the *Rules and Regulations Related to the Medical Marijuana Program [R21-28.6-MMP]* may be obtained from the Office of Health Professionals Regulation (401-222-2827).

² Applications may be submitted in double-sided format to reduce volume, but shall not exceed the equivalent of twenty-five (25) single-sided pages.

IV. REVIEW AND EVALUATION CRITERIA

A Technical Review Committee, consisting of staff from the Department, will evaluate each application and assign a score, up to the maximum point value specified for each criteria and measure, based on the quality of the applicant's response to that parameter. The maximum potential score for each application is one hundred (100) points. However, the actual score assigned for each criteria and measure may vary from zero (0) up to the maximum point value assigned for that parameter. An application which has been accepted for review shall require an average reviewer score of at least seventy (70) points to be considered for approval of a certificate to operate a medical marijuana compassion center. An application which has received an average reviewer score of less than seventy (70) points shall NOT be eligible for a certificate to operate a medical marijuana compassion center.

Each application shall address all criteria and measures, even when no points are assigned. Failure to address ALL of the following criteria and measures will result in an application being considered NON-RESPONSIVE, and NOT accepted for review.

Criteria 1: Submission of Required Information Regarding Applicant & Facility [up to 30 Points]

Measure 1: The applicant shall provide the proposed legal name and the following documents applicable to the applicant's legal status. **[No points assigned]**

- Certificate and Articles of Incorporation and By-Laws (for corporations)
- Certificate of Partnership and Partnership Agreement (for partnerships)
- Certificate of Organization and Operating Agreement (for limited liability corporations)

Measure 2: The applicant shall provide the proposed physical address(es) of the compassion center, if a precise address has been determined. This shall also include any additional address(es) to be used for the secure cultivation of medical marijuana. **[No points assigned]**

- For each proposed physical address, please provide legally binding evidence of site control (e.g., deed, lease, option, etc.) sufficient to enable the applicant to have use and possession of the subject property.
- If the applicant indicated that a precise address has not been determined, the applicant has at least identified the general location(s) where the facilities would be sited, and when.

Measure 3: The applicant shall provide evidence of compliance with the local zoning laws for each physical address to be utilized as a compassion center or for the secure cultivation of medical marijuana. If the current zoning is not appropriate for a given physical address, please identify any required zoning variance(s) and the applicant's actions taken to date to obtain such approval(s) and/or variance(s). **[No points assigned]**

Measure 4: The applicant shall provide evidence that all of the physical addresses provided in response to Measure 2 are not located within five hundred feet (500') of the property line of a preexisting public or private school. **[No points assigned]**

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- Measure 5: The applicant shall provide a description of the enclosed, locked facility that would be used in the cultivation of marijuana, including steps to ensure that the marijuana production shall not be visible from the street or other public areas. **[up to 5 Points]**
- Measure 6: The applicant shall provide the name, address and date of birth of each principal officer and board member³ of the compassion center. **[No points assigned]**
- Measure 7: The applicant shall provide a draft operations manual which demonstrates compliance with §5.1.8 of *Rules and Regulations Related to the Medical Marijuana Program [R21-28.6-MMP]*. **[up to 10 Points]**
- Measure 8: The applicant shall provide a list of all persons or business entities having direct or indirect authority over the management or policies of the compassion center. **[No points assigned]**
- Measure 9: The applicant shall provide a list of all persons or business entities having five percent (5%) or more ownership in the compassion center, whether direct or indirect and whether the interest is in land or building, including owners of any business entity which owns all or part of the land or building. **[No points assigned]**
- Measure 10: The applicant shall provide the identities of all creditors holding a security interest in the premises, if any. **[No points assigned]**
- Measure 11: The application shall include the required application cover sheet and attestation statement signed by the chief executive officer of the applicant entity or other individual authorized to make legally binding commitments on behalf of the applicant. **[No points assigned]**
- Measure 12: The applicant shall provide a description of how the compassion center will operate on a long-term basis as a not-for-profit entity and a business plan that includes, at a minimum, the following: **[up to 15 Points]**
- The applicant shall provide a detailed description about the amount and source of the equity and debt commitment for the proposed compassion center.
 - ▲ The immediate and long-term financial feasibility of the proposed financing plan;
 - ▲ The relative availability of funds for capital and operating needs; and
 - ▲ The applicant's financial capability.
 - The applicant shall provide a copy of their proposed policy regarding charity care/servicing indigent patients.
 - The applicant shall complete the following projected income statements for the first three (3) years after implementation. Round all amounts to the nearest dollar.

³ Pursuant to RIGL §21-26.8-12(f)(8), all principal officers and board members of a compassion center shall be residents of the state of Rhode Island.

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	RAMP UP YEAR 20__	FIRST FULL FISCAL YEAR 20__	SECOND FULL FISCAL YEAR 20__
REVENUE:			
Medical marijuana sales to registered qualifying patients	\$	\$	\$
Other supplies sold to registered qualifying patients	\$	\$	\$
Other revenue sources	\$	\$	\$
	\$	\$	\$
TOTAL REVENUE:	\$	\$	\$
EXPENSES:			
Payroll w/Fringes	\$	\$	\$
Medical marijuana growing & processing	\$	\$	\$
Supplies	\$	\$	\$
Office Expenses	\$	\$	\$
Utilities	\$	\$	\$
Insurance	\$	\$	\$
Interest	\$	\$	\$
Depreciation/ Amortization	\$	\$	\$
Leasehold Expenses	\$	\$	\$
Bad Debt	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
TOTAL EXPENSES:	\$	\$	\$
Difference:	\$	\$	\$

Number of Patients:			
Number of Visits:			

- The applicant shall identify the total number of FTEs (full time equivalents) and the associated payroll expense (with fringe benefits) required to staff the proposed compassion center.

PERSONNEL CATEGORY	RAMP UP YEAR 20__		FIRST FULL FISCAL YEAR 20__	
	# OF FTES	PAYROLL W/FRINGES	#OF FTES	PAYROLL W/FRINGES
	#	\$	#	\$
	#	\$	#	\$
	#	\$	#	\$
	#	\$	#	\$
TOTAL:	#	\$	#	\$

Criteria 2: Overall Health Needs of Qualified Patients and Safety of the Public [up to 65 Points]

Measure 1: The applicant shall document how their proposed location for a compassion center is convenient to patients from throughout Rhode Island. [up to 10 Points]

Measure 2: The applicant shall demonstrate an ability to provide a steady supply of medical marijuana to registered qualifying patients. [up to 10 Points]

- The applicant shall provide a start-up timetable which provides an estimated time from issuance of an authorization for operation to limited operations to full operation, as well as the basis for these estimates.
- The applicant shall describe their knowledge of (and experience with) organic growing methods to be used in their cultivation of medical marijuana.
- The applicant shall describe steps that will be taken to ensure the quality of the medical marijuana, including purity and consistency of dose.

Measure 3: The applicant shall document experience running a not-for-profit organization or other business(es). [up to 10 Points]

Measure 4: The applicant shall document a plan for record keeping and security which shows an understanding of the types of records that shall be considered confidential health care information under Rhode Island law and are intended to be deemed protected health care information for purposes of the Federal Health Insurance Portability and Accountability Act of 1996, as amended [HIPAA]. [up to 10 Points]

Measure 5: The applicant shall provide an acceptable safety and security plan, including staffing and a detailed description of proposed security and safety measures which demonstrate compliance with §5.1.7 of *Rules and Regulations Related to the Medical Marijuana Program* [R21-28.6-MMP]. [up to 20 Points]

- The description shall also include a detailed floor plan for the compassion center, as well as each additional address to be used for the secure cultivation of medical marijuana, which indicates location and make/model # of security devices utilized. All responses to Criteria 2-Measure 5 shall be submitted as a separate paper and electronic document which is clearly marked:
OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION - WITHHOLD UNDER RIGL §38-2-2(4)(S).
- The applicant shall also provide a plan to involve and coordinate with local law enforcement authorities on security and safety issues, and identify the law enforcement officials contacted during the development of this plan.
- All responses to Criteria 2-Measure 5 shall be utilized for internal Department review only and shall not be available for public comment or review.

Measure 6: The applicant shall submit a description of their proposed program for providing counseling and educational materials regarding methods of administration and research studies on health effects of medical marijuana to registered qualifying patients and their registered primary caregivers. [up to 5 Points]

Criteria 3: Community Input at Public Hearing [up to 5 Points]

Measure 1: Input from qualifying patients regarding which applicant should be granted a registration certificate to operate a compassion center. **[up to 2 Points]**

Measure 2: Input from the city(s) or town(s) where the applicant’s compassion center and facilities for secure cultivation of medical marijuana would be located. **[up to 2 Points]**

Measure 3: Input from the general public regarding the suitability of the applicant and proposed location(s) for both a medical marijuana compassion center and additional address(es) to be used for the secure cultivation of medical marijuana. **[up to 1 Point]**

WORKING DRAFT – FOR COMMENT



**RHODE ISLAND DEPARTMENT OF HEALTH
APPLICATION FOR OPERATION OF A
MEDICAL MARIJUANA COMPASSION CENTER
COVER SHEET**

INSTRUCTIONS: The *Announcement of Open Application Period for Operation of a Medical Marijuana Compassion Center* contains detailed instructions for completing this application. **Send the entire completed application to: RI Department of Health, Office of Health Professionals Regulation , 3 Capitol Hill - Room 104, Providence, RI 02908-5097.** You should keep a copy of your completed application and attachments. Checks should be made payable to General Treasurer, State of Rhode Island.

Applicant Name: Please provide the legal name of the entity that is submitting the application.	Name: _____
Applicant Contact Person: Please provide the name and telephone number of a person we can contact concerning this application.	Name: _____ Phone Number: () _____
Mailing Information: Please provide the mailing information for all communication regarding this application.	Address Line 1: _____ Address Line 2: _____ Address Line 3: _____ Address City, State, Zip Code: _____ Address Country: _____ Phone: () _____ Fax: () _____ Email Address: _____
Applicant Entity Type: Please check ONE	<input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other (specify)
FEIN Number: (Federal Employer Identification Number)	Pursuant to Chapter 76 of Title 5 of the Rhode Island General Laws, as amended, any person applying for or renewing any license, permit, or other authority to conduct a business or occupation within Rhode Island must have filed all required state tax returns and paid all taxes due the state or must have entered into a written installment agreement to pay delinquent state taxes that is satisfactory to the Tax Administrator. Please provide below FEIN for the applicant entity: F.E.I.N. Number: _____

CERTIFICATION [Must be completed by applicant]:

I certify that the attached application has been prepared in conformity with the Rhode Island *Rules and Regulations Related to the Medical Marijuana Program [R21-28.6-MMP]* and the *Announcement of Open Application Period for Operation of a Medical Marijuana Compassion Center*, and that all information contained in the application is complete, accurate and true.

(Signature)

(Type or Print Name of Certifying Official)

Date

Title

Subscribed and sworn before me this _____ day of _____, _____

Notary Public