

Cannabis and Group Insurance

On October 17, the Cannabis Act came into effect in Canada. This law regulates, among other things, the possession and use of cannabis for recreational use.

The use of cannabis for medical purposes has been legal in Canada since 2001. It must be prescribed by a physician and is strictly regulated at the federal level by Health Canada's Marijuana Medical Access Regulations.

The position of insurers

Most insurers have shared or clarified their position on medical cannabis in recent months. Since medical marijuana does not have a DIN (Drug Identification Number), it will be considered a supplementary health care product and not a drug.

The majority of insurers, at the request of the policyholder, will agree to add coverage for medical cannabis, under certain conditions that vary from one insurer to another:

- A **maximum annual indemnity amount**;
- Eligibility for **specific medical conditions** only (eg, cancer, palliative care, multiple sclerosis, HIV, rheumatoid arthritis, epilepsy);
- Claims subject to **prior authorization**;
- Products **prescribed by a physician** and obtained from a medical cannabis **producer licensed** by Health Canada.

In addition, since the use of cannabis for medical purposes is an eligible medical expense under the Canadian Income Tax Act, this product is also an eligible **Health Spending Account (HSA)** expense for policyholders who have this option.

An evolving market

Insurers intend to monitor new clinical data and emerging trends in order to review their plan provisions, if applicable.

The number of licensed producers in Canada remains limited to date, but will likely increase in the future.

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