



# COMMONWEALTH of VIRGINIA

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## *Department of Health Professions*

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TO: The Honorable Mark D. Sickles  
Chair, House Committee on Health, Welfare and Institutions

The Honorable L. Louse Lucas  
Chair, Senate Committee on Education and Health

FROM: Annette S. Kelley   
Deputy Executive Director, Board of Pharmacy

DATE: December 1, 2021

RE: **Annual Report on the Operation of Pharmaceutical Processors**

Attached is the annual report of the Board of Pharmacy on the operation of pharmaceutical processors and cannabis dispensing facilities as well as the number of practitioners, patients, registered agents, and parents or legal guardians of patients who have registered with the Board and the number of written certifications, pursuant subsection C of § 54.1-3442.7 of the Code of Virginia.

Should you have questions about this report, please feel free to contact me at (804) 367-4456 or at [annette.kelley@dhp.virginia.gov](mailto:annette.kelley@dhp.virginia.gov).

# **Report on Operation of Pharmaceutical Processors and Cannabis Dispensing Facilities**

## **Virginia Board of Pharmacy**

### **Pursuant to Code of Virginia - § 54.1-3442.7 (C)**

**December, 2021**

Subsection C of § 54.1-3442.7 of the Code of Virginia specifies that:

*C. The Board shall report annually by December 1 to the Chairmen of the House Committee for Health, Welfare and Institutions and the Senate Committee on Education and Health on the operation of pharmaceutical processors and cannabis dispensing facilities issued a permit by the Board, including the number of practitioners, patients, registered agents, and parents or legal guardians of patients who have registered with the Board and the number of written certifications issued pursuant to § 54.1-3408.3.*

In accordance with the statutory provision, the Board of Pharmacy reports the following information:

#### ***Executive Summary***

The Code of Virginia authorizes the Board to issue up to five pharmaceutical processor permits authorizing the facilities to cultivate cannabis, produce and dispense cannabis products. As of the date of this report, there are four current active permits. All pharmaceutical processors are currently cultivating cannabis and submitting medical cannabis products to the Board for approval. As of July 1, 2021, the Code of Virginia changed to allow the dispensing of botanical cannabis products. The Board of Pharmacy approved regulations regarding the cultivation and dispensing of botanical products on July 6, 2021 and those regulations became effective on September 1, 2021. The pharmaceutical processors continue to have cannabis oil products such as nasal spray, chewables, suppositories, topical gel, oral oils and vaped oil, wax concentrate, and bubble hash concentrate inhalations available for dispensing while adding whole flower, pre-rolled joints and ground flower products for dispensing. Tetrahydrocannabinol (THC) is the psychoactive component of cannabis. Tetrahydrocannabinol-A (THC-A) can be converted into THC through decarboxylation. Of the products currently dispensed, the vaped inhalation products from oils, wax concentrates, and bubble hash concentrates have the highest THC/THC-A combined concentrations, ranging from 34.8% to 82%. Botanical cannabis products have the next highest THC/THC-A combined concentration, ranging from 7.57% to 28.99%.

Conditional approval issued to PharmaCann for a fifth pharmaceutical processor permit located in Health Service Area I was rescinded in June 2020. Deadline for a subsequent Request for Application (RFA) to competitively award a permit in this health service area was December 4, 2020. The Board received 26 applications during the RFA period. PharmaCann appealed the Board's decision and on January 14, 2021, the Henrico County Circuit Court ordered the Board to

cease reviewing applications until further order by the Court. As a result, the Board must wait for the Court's resolution of PharmaCann's appeal, which remains ongoing at this time.

The Board may also award up to five cannabis dispensing facility permits per health service area. The Governor approved the board's proposed emergency regulations in January 2021, with those regulations becoming effective on February 8, 2021. Currently, there are three permitted cannabis dispensing facilities in the Commonwealth. Patients may obtain cannabis products from these three facilities, in addition to the four pharmaceutical processors.

The Board currently receives 1,000 to 1,200 applications per week from individuals seeking registration. As of November 14, 2021, there are 35,832 registered patients, 220 registered parents/legal guardians, 151 registered agents, and 950 registered practitioners. Registrations for 688 medical cannabis products have also been issued to date.

On November 15, 2021 and due to continuing issues with U.S. Postal Mail delivery across Virginia, the Board of Pharmacy ceased routinely issuing physical medical cannabis registration cards. Once an applicant is approved, he or she will receive an email and may take this email, in either electronic or printed form, to a medical cannabis dispensary to obtain medical cannabis products. This change does not obviate the patient from obtaining and renewing registration with the Board or from providing photo identification and a valid, non-expired, written certification to the dispensary. The Board has also continued to actively pursue implementation of a new licensing software system to improve efficiencies in the registration process.

### ***Permits for Pharmaceutical Processors***

**PharmaCann Virginia, LLC** (Health Service Area I): On June 16, 2020, a quorum of the Virginia Board of Pharmacy (Board): denied PharmaCann's request for an extension of time to comply with the Board's Order of December 21, 2018 granting PharmaCann conditional approval for a pharmaceutical processor permit; rescinded PharmaCann's conditional approval of its application for a pharmaceutical processor permit in Health Service Area I; and, denied the application of PharmaCann for a pharmaceutical processor permit in Health Service Area I. On September 25, 2020, the Board posted a Request for Application (RFA) for a Pharmaceutical Processor for Health Service Area I. The Board received 26 applications during the RFA period. PharmaCann appealed the Board's decision and on January 14, 2021, the Henrico County Circuit Court ordered the Board to cease reviewing applications until further order by the Court. As a result, the Board must wait for the Court's resolution of PharmaCann's appeal, which remains ongoing at this time. If and when the Board is allowed, the applications will be reviewed by an ad hoc committee appointed by the Chairman in consultation with the executive director, as delegated by the Board.

**Dalitso, LLC** (Health Service Area II, Manassas): Dalitso received a pharmaceutical processor permit on August 18, 2020. Dalitso submitted initial medical cannabis products for approval in July, 2021. Dalitso has received a permit for one cannabis dispensing facility located in Sterling, VA.

**Dharma Pharmaceuticals, LLC** (Health Service Area III, Abingdon): Dharma received a pharmaceutical processor permit on January 14, 2020 and submitted initial medical cannabis product registration applications to the Board in October, 2020. Dharma relocated its pharmaceutical processor location from Bristol to Abingdon in May, 2021. This move was necessitated due to the approval of the Bristol casino location. Dharma has received a permit for one cannabis dispensing facility located in Salem, VA. Dharma was purchased by Green Thumb Industries in July, 2021.

**Green Leaf Medical of Virginia, Inc.** (Health Service Area IV, Richmond): Green Leaf received a pharmaceutical processor permit on May 12, 2020. Green Leaf submitted initial medical cannabis products for approval to the Board in November, 2020. Green Leaf has received a permit for one cannabis dispensing facility located in Glen Allen, VA. Green Leaf was purchased by Columbia Care, Inc. in July, 2021.

**Columbia Care Eastern Virginia, LLC** (Health Services Area V, Portsmouth): Columbia Care received a pharmaceutical processor permit on April 6, 2020 and submitted initial medical cannabis products for approval in June, 2021.

***Permits for Cannabis Dispensing Facilities***

Currently, there are three permitted cannabis dispensing facilities, one each in Health Service Areas II, III, and IV.

***Registration of Individuals***

Registration of practitioners, patients, and parents/legal guardians began in July, 2018 and registration of registered agents began in December, 2019.

Registered Practitioners	950
Registered Patients	35,832
Registered Parents/Guardians	220
Registered Agents	151

***Number of Written Certifications***

The Board does not know the exact number of written certifications issued as practitioners are not required to report that information. However, because a patient may not obtain board registration without having been issued a written certification, the number of issued written certifications is at least 35,832.

***Registration of Cannabis Products***

Registrations for 688 medical cannabis products have been issued. Concentrations of THC/THC-A and cannabidiol/cannabidiol-A (CBD/CBDA) in the approved products are listed in the table below.

Product Type	Combined THC/THC-A Range	Combined CBD/CBDA Range
Nasal Spray	3.46%	0.0%

Chewable	0.52%-0.55%	0.33%-0.34%
Suppository	0.84%	0.58%
Topical Gel	0.25%	0.0%
Oral Oils	0.32%-1.02%	0.21-1.10%
Vaped Inhalations from Oils, Wax Concentrates and Bubble Hash Concentrates	34.8%-82%	0.08%-4.43%
Botanical cannabis	7.57%-28.99%	0.00%-12.72%