The Health Economics of Medical Pot and the Pharmacist’s Role

Even medical marijuana has health-care costs and outcomes.

March 31, 2017
By Valerie DeBenedette

There are health economics issues with every drug, and medical marijuana—now legal in 28 states—is no different. Seventeen states have legalized medical use of cannabis extracts. Three states allow pharmacists to dispense marijuana for medical use.

There appear to be reduced costs with medical marijuana. One study, by Bradford and Bradford, found that medical marijuana laws reduce prescription medication use in those who are on Medicare Part D. The results of the study were described in a presentation by Babette S. Edgar, PharmD, MBA, and Greg Miller, RPh, both with BluePeak Advisors. They delivered an overview of current research and information on medical marijuana at the Academy of Managed Care Pharmacy (AMCP) meeting in Denver.

The study estimated that Medicare and its enrollees spent about $165 million less in 2013 because of changes in prescribing behavior in 18 states that allow medicinal use of marijuana, Edgar and Miller said. If medical marijuana were legalized nationwide, the estimated decrease in Medicare Part D spending could be as much as $470 million, they noted. Medical marijuana was used to treat anxiety, depression, glaucoma, nausea, pain, psychosis, seizures, sleep disorders, and spasticity, and fewer prescriptions were written for all of these conditions, except glaucoma.
Pharmacists in Connecticut, Minnesota, and New York can directly dispense medical cannabis, according to the presentation.

A review of death certificates between 1999 and 2010 in states that allow medical marijuana found a decreased rate of deaths due to opioid overdose compared to those that did not allow it. Edgar and Miller reported that studies have found that this translated to about 1,700 fewer deaths in 2010.

Edgar and Miller discussed both pros and cons to legalizing marijuana, according to an AMCP press release. The pros include a $7.7 billion reduction in criminal justice expenditures related to marijuana and a projected annual income tax revenue of $6.2 billion if marijuana is taxed comparably to alcohol and tobacco.

On the downside, decriminalizing marijuana could lead to increased use, particularly in men 21 or older and those who are 12 to 20 years old. Health-care costs due to increased use would be those related to damage to the immune system, birth defects, infertility, cardiovascular disease, stroke, and lung damage from smoke. Public safety issues such as impaired driving and decision maker are other serious considerations with increased marijuana use.