



**STATE OF  
OHIO**  
BOARD OF PHARMACY



## **Dispensary Award Process – Frequently Asked Questions**

The retail dispensary application and award process was conducted in a manner that was consistent with regulations set forth in both the Ohio Revised Code and the Ohio Administrative Code. Overall, the Board developed a process of evaluating and awarding provisional licenses that is fair, unbiased and prioritizes the health and safety of the public.

This document serves to answer common questions regarding the awarding of dispensary provisional licenses by the State of Ohio Board of Pharmacy (Board). For a comprehensive summary of the application and allocation process visit:

[www.medicalmarijuana.ohio.gov/dispensaries](http://www.medicalmarijuana.ohio.gov/dispensaries).

For media inquiries please email [media.relations@pharmacy.ohio.gov](mailto:media.relations@pharmacy.ohio.gov) or call (614) 705-1190.

### **Where can I access a list of awardees?**

A list of provisional license awardees has been posted to the Ohio Medical Marijuana Control Program (MMCP) website: [www.medicalmarijuana.ohio.gov/dispensaries](http://www.medicalmarijuana.ohio.gov/dispensaries).

Copies of all applications received by the Board have been posted to the MMCP website with appropriate redactions pursuant to Ohio Public Records Law.

### **Program rules allow the Board to issue up to 60 provisional dispensary licenses. Why were less than 60 provisional licenses awarded?**

There are 56 provisional licenses are being awarded at this time for two reasons:

1. Applications were not submitted for every district ([NW-2](#) and [SW-3](#)); and
2. Not every district in which applications were submitted had viable applicants ([NW-1](#)).

By rule, the Board has the authority to increase the number of licenses after the program is operational. The Board will consider, on a biennial basis, whether enough medical marijuana dispensaries exist, taking into account the state population, the number of patients seeking to use medical marijuana, and the geographic distribution of dispensary sites.

### **What is a dispensary district?**

The Board was required to take geography into account when awarding dispensary licenses, the state was divided into 31 districts. There was a maximum number of dispensary licenses that can be awarded in each dispensary districts. Applicants were limited to five licenses across the state, 66% of licenses in a single district.

More information about dispensary districts can be found [here](#).

## **What is a provisional license?**

A provisional license is a temporary license issued to an applicant for a medical marijuana dispensary license. Provisional licensees are authorized to begin the process of establishing a dispensary in accordance with the representations in their applications and the rules adopted by the Board. All provisional license holders have six months to demonstrate compliance with the dispensary operational requirements to obtain a certificate of operation.

## **What were the criteria for evaluating the applications?**

The application included two categories of questions.

One category was designed to establish an applicant's adherence to minimum license requirements. This category consisted of questions and the submission of documentation demonstrating compliance with several requirements, such as:

- The individuals associated with the applicants did not plead guilty to or were not convicted of a [disqualifying offense](#);
- The proposed dispensary location is at least 500 feet from a prohibited location;
- Compliance with tax laws;
- Established minimum capital requirements; and
- Proper zoning approval.

Failure to meet minimum licensure requirements disqualifies an applicant from being awarded a provisional license.

The second category included scorable questions in the following topic areas to identify the most qualified applicants to be awarded a license in each district:

- Business plan (26% of total evaluation score). This included questions on the applicant's business startup plan, employee qualifications, business history and experience.
- Operations plan (52% of total evaluation score). This included questions on dispensary oversight, security and surveillance, receiving, storage, dispensing, inventory management, diversion prevention of product, sanitation, safety and recordkeeping.
- Patient Care Plan (22% of total evaluation score). This included questions on staff education and training, updates and continuing education, patient care, dispensary operating hours and patient information.

An evaluation framework was developed so each question could be scored on a common 0-10 scale. This framework—[detailed in the application instructions](#)—provided the criteria for awarding scores for each question.

The model dispensary application, application instructions and required forms, can be accessed by visiting: <https://medicalmarijuana.ohio.gov/dispensaries>

## **Were all applications scored?**

Yes. All applications were reviewed and scored by evaluators. A complete list of scores can be accessed here: [www.medicalmarijuana.ohio.gov/dispensaries](http://www.medicalmarijuana.ohio.gov/dispensaries).

### **Who scored the applications?**

Dispensary application evaluators were recruited based on knowledge, skills and abilities needed to evaluate application responses. All evaluators were either existing State of Ohio employees or hired by the Board as intermittent employees. All intermittent employees were required to submit fingerprints for purposes of criminal background checks.

### **Were consultants involved in the application process?**

Yes. The Board hired a consulting firm, North Highland, consultants with procurement expertise and who are independent of the marijuana industry to assist in the development of the application, evaluation and allocation process. The consultants, however, were not responsible for scoring the applications. An independent assessment was completed by Gartner Consulting to confirm the integrity of various elements of the dispensary application process.

### **How were the applications scored?**

The process was developed to ensure an impartial and consistent review of all completed applications submitted to the Board. Four evaluation teams were assembled based on the subject matter of scoreable questions in the application. Evaluation sessions began on January 8, 2018 and concluded March 15, 2018.

The four evaluation teams were:

- Business Plan
- Operations Plan (Compliance and Enforcement)
- Operations Plan (Patient Care)
- Patient Care Plan

To provide for consistent and standardized scoring of all applications, all evaluators received formal training, an evaluation session schedule and access to supporting materials. This ensured each evaluation team had a shared understanding of the standardized scoring criteria and evaluation team expectations, prior to evaluating the first application.

Scoring was completed electronically with team members assembled in an evaluation team room. During evaluation scoring sessions, a unique and anonymous username and password provided evaluator access to applications with only the ability to enter a score for assigned questions. Individual responses were not discussed among evaluators. Moderators were present at all evaluation sessions to answer questions, monitor discussion, and ensure compliance with all established procedures.

### **How did the Board minimize the possibility of a conflict of interest?**

Evaluators were required to sign a non-disclosure and conflict of interest agreement. To minimize evaluator exposure to applicants' identifiable information, all scoreable questions containing identifiable information were assigned to the Business Plan evaluation team. Applicants were instructed not to include identifiable information in other sections of the application. If a previously unforeseen conflict arose, the evaluator recused themselves from scoring the application giving rise to the conflict.

### **How did the Board minimize the possibility of entering an incorrect score?**

Each individual evaluator entered their own score. All scores entered for each individual question were then averaged. An applicant's final score is the sum of the averages for each individual question. After the scoring process, a statistical analysis was completed. The analysis confirmed the consistency of scores.

### **How were the provisional licenses allocated?**

A ranked list of viable applicants was created for [each dispensary district](#), based on the evaluation scores. An applicant was deemed viable when their application scored at least 138 out of 230 (60%) available points. The highest scoring applicants were further vetted to ensure they met minimum license requirements.

Pursuant to the application instructions, the Board may only award up to five provisional licenses per applicant. Applicants were allowed to apply for an unlimited number of licenses.

To provide for the statutorily mandated 15% set-aside for Economically Disadvantaged Groups (EDGs), a ranked list of viable EDG applicants was created. Since nine licenses (or 15 %) were not awarded to economically disadvantaged viable applicants in general allocation, then the balance of the nine licenses was awarded to the highest scoring EDGs in rank order displacing lowest scoring non-EDG awardees.

### **How did the Board confirm the status of applicants from Economically Disadvantaged Groups (EDG)?**

The eligibility of EDG applicants was validated, based on ownership, control and Ohio residency requirements for applicable owners and officers, using their submitted responses, online databases from Lexis Nexis and personal interviews conducted by Board investigators.

### **Is there an appeals process for those who were not selected?**

Applicants who were not awarded provisional licenses and want to challenge award decisions will have the opportunity to do so as part of an appeals process consistent with Chapter 119 of the Ohio Revised Code. Appeals information will be provided to all applicants who were not awarded a provisional license. Each applicant denied a license will be provided with specific information as to the reason for the denial. Correspondence will be issued within two to three weeks after awards are announced.

### **What are next steps for the applicants who received a provisional license?**

Provisional licenses authorize a license holder to begin the process of establishing a dispensary in accordance with the representations in their application and the rules adopted by the Board. Per rule, all provisional license holders have a maximum of six months to demonstrate compliance with the dispensary operational requirements to obtain a certificate of operation. Such compliance will be determined by an inspection of a Board Medical Marijuana Compliance Agent. Once a dispensary is awarded a certificate of operation, it can begin to sell medical marijuana to Ohio patients and caregivers in accordance with Ohio laws and rules.

All medical marijuana dispensary provisional license awardees will soon receive information about a provisional licensee meeting to discuss next steps and answer questions related to the provisional license process.