

# **The Impact of Cannabis Retail Availability on Cannabis and Mental Health Outcomes Among Medicaid Recipients in Washington State**

WASHINGTON STATE INSTITUTE FOR PUBLIC POLICY

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PRC

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# WSIPP'S INITIATIVE 502 (I-502) ASSIGNMENT

## RCW 69.50.550

WSIPP shall conduct cost-benefit evaluations for the implementation of [this act]...The evaluations shall include, but *not necessarily be limited to*:

- Public health and health care,
- Public safety,
- Substance use,
- Criminal justice,
- Economic impacts, and
- Administrative costs and revenues

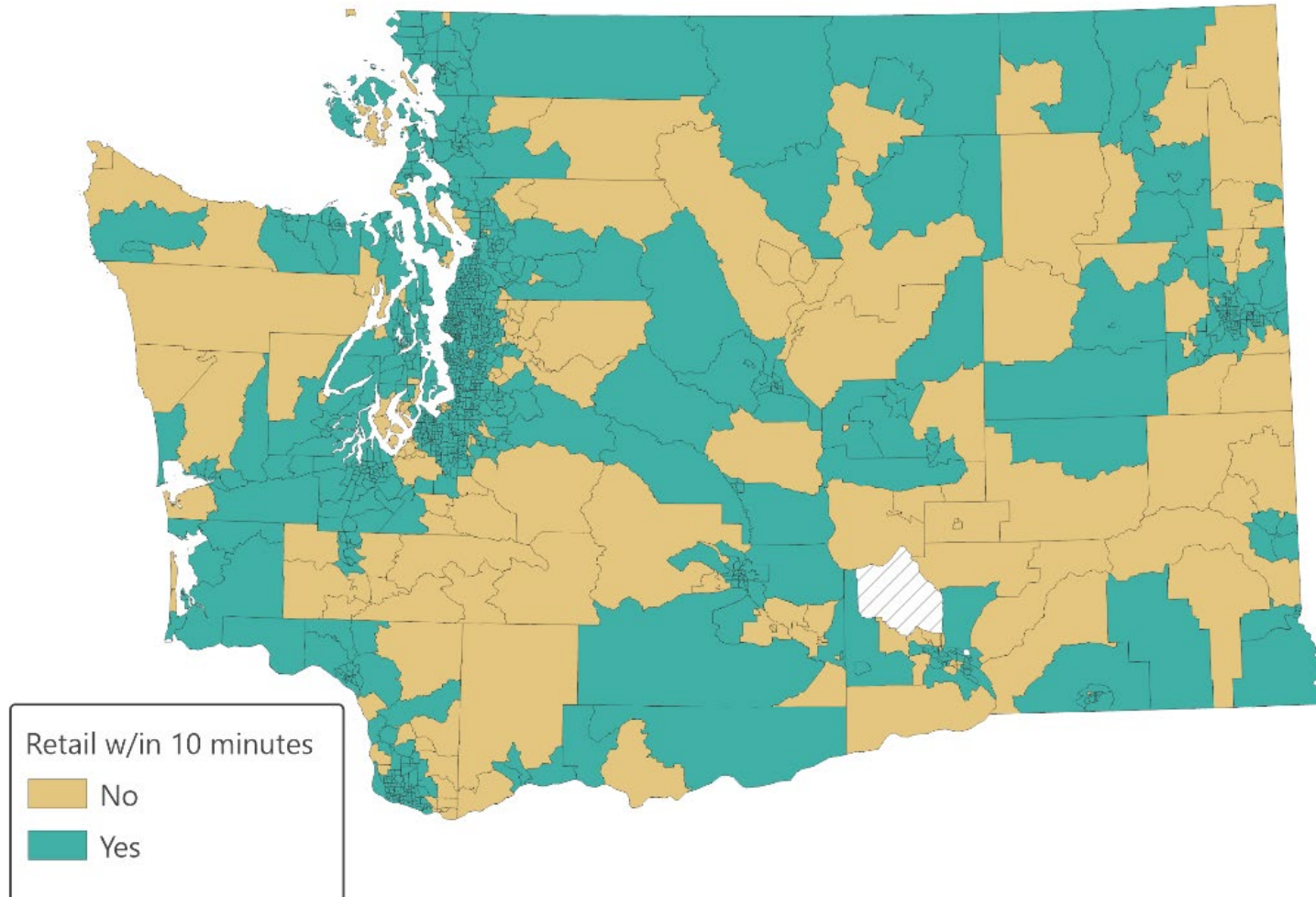
*\*\*abbreviated assignment language\*\**

# MOTIVATION

- Assignment language emphasizes “maladaptive use of cannabis” and “health costs related to cannabis use”
- Previous work has examined the relationship between cannabis retail access and reported cannabis use and cannabis use disorder (CUD)
- We build on this work by examining the relationship between retail access and following outcomes
  - CUD diagnosis
  - CUD-related hospitalization/inpatient SUD treatment
  - Mental health disorder diagnoses

# Study Design

## Census Tracts with an Operational Licensed Cannabis Retailer w/in a 10-minute drive time, 2023

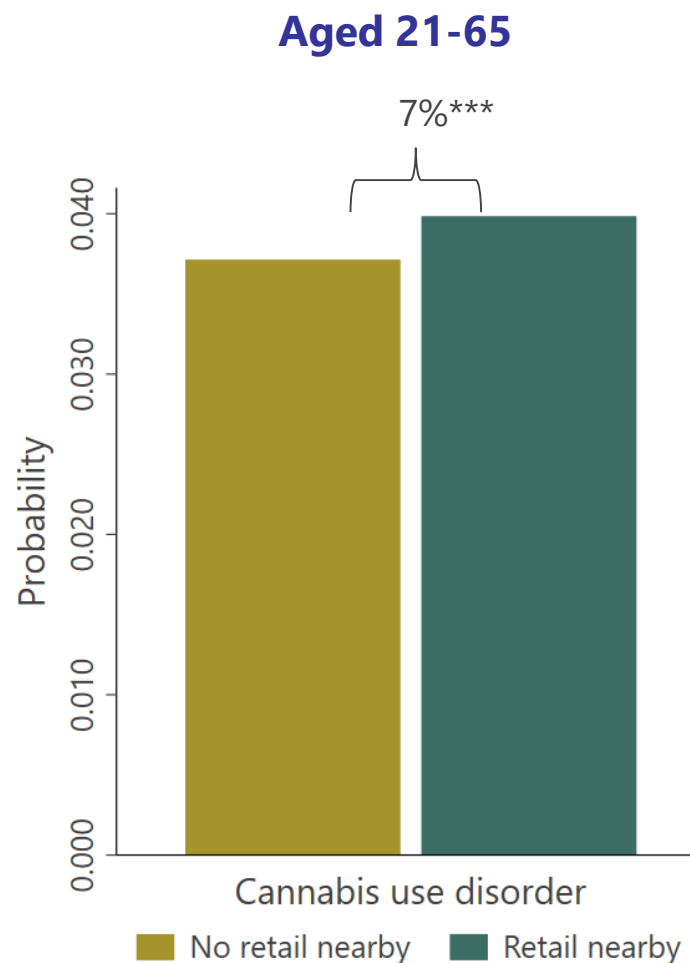
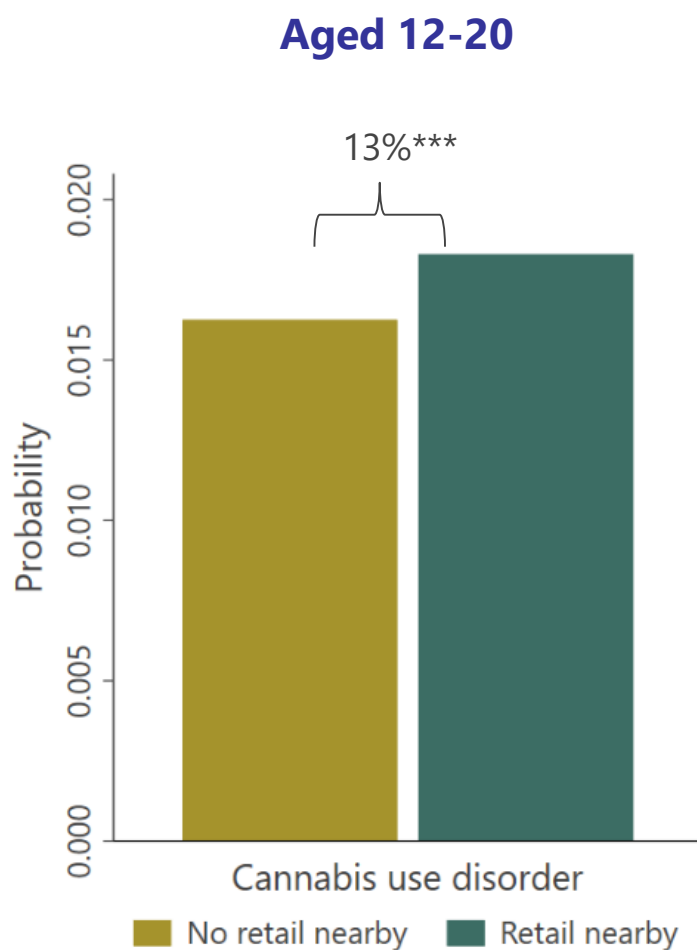


# ANALYTIC APPROACH

- Estimate changes in outcomes between census tracts with a retailer within a 10-minute drive time and those without (before-and-after operations begin)
- Annual Medicaid claims data between 2012-2023
  - 853,695 aged 12-20 and 1,247,305 aged 21-64
  - Account for individual and census tract characteristics
- Outcomes include indicators for:
  - CUD diagnosis
  - CUD-related hospitalization
  - CUD-related inpatient/residential SUD treatment
  - Co-occurring CUD and anxiety/depression/bipolar/psychotic disorders
  - Index anxiety/depression/bipolar/psychotic disorders following CUD

# Results

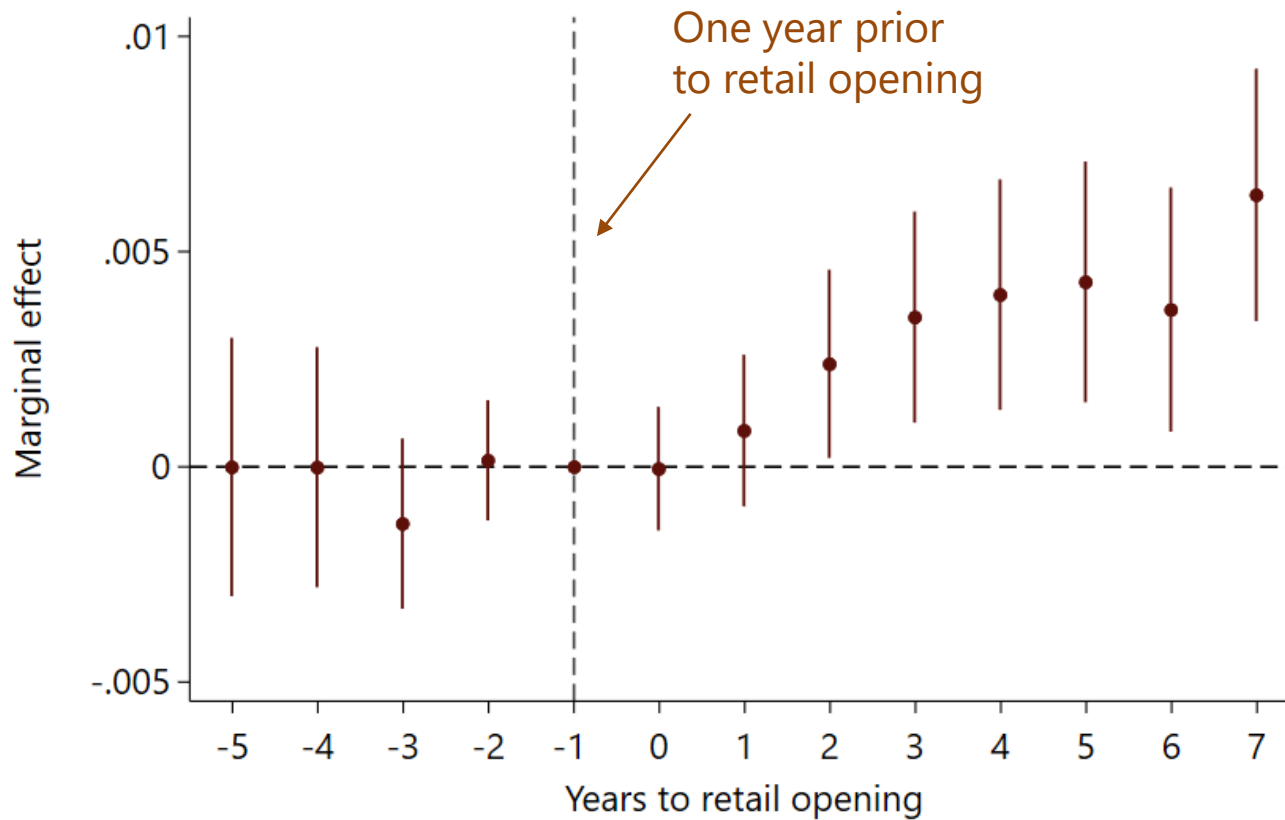
# Predicted Probability of CUD Diagnosis, by Retail Access and Age Group



WA Medicaid claims, 2012-2023. \*\*\*Statistical significance at the 1%-level.

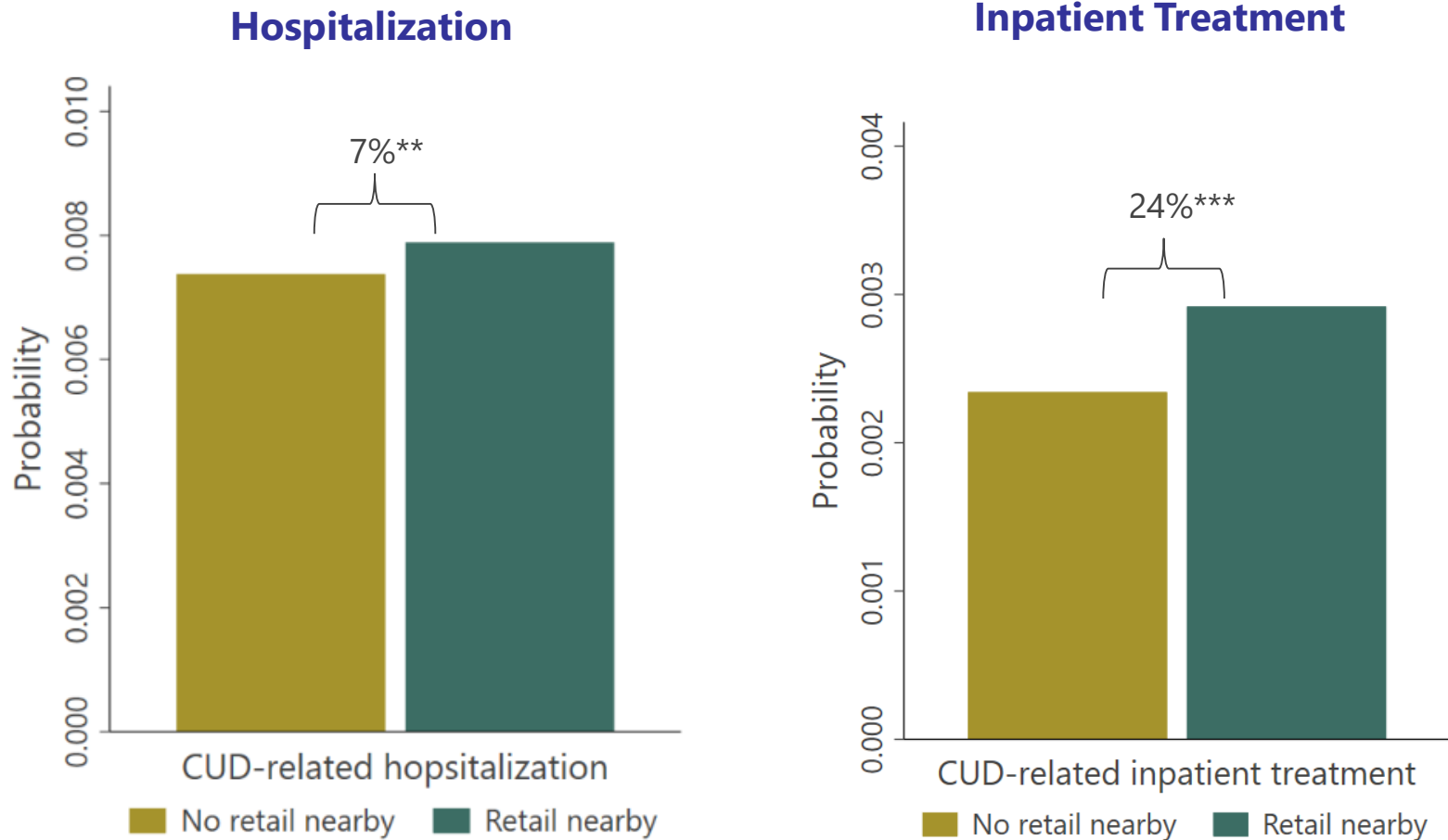


## Cannabis Retail Openings and CUD, Aged 21-64



[Aged 12-20](#)

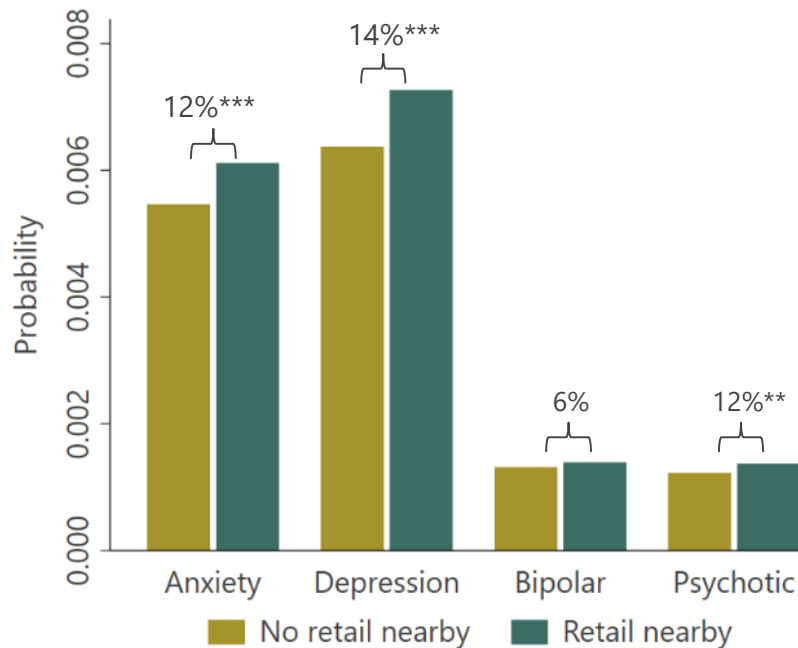
# Predicted Probability of CUD-Related Healthcare Use, Enrollees Aged 21-64, by Retail Access



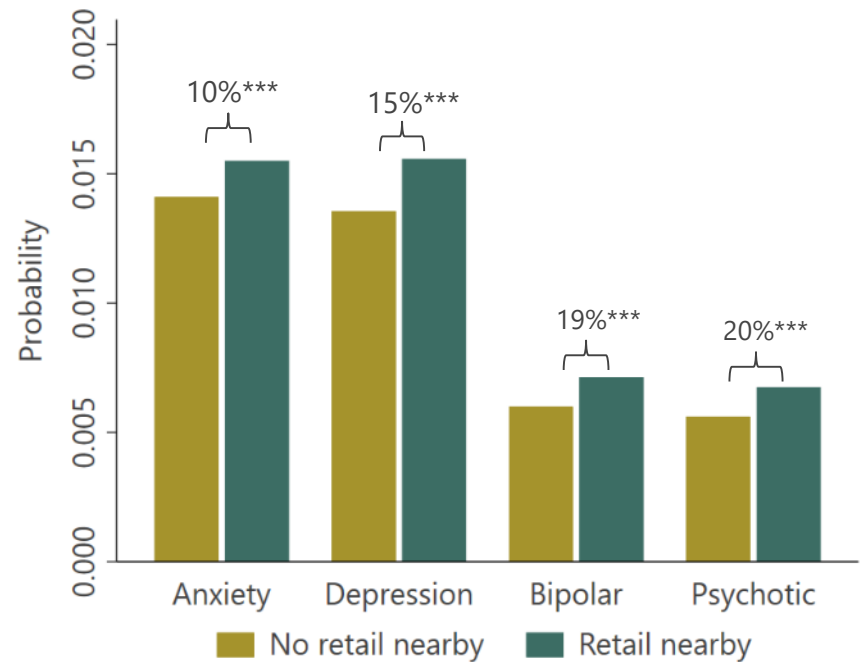
WA Medicaid claims, 2012-2023. \*\*\*Statistical significance at the 1%-level. \*\*Statistical significance at the 5%-level

# Co-Occurring CUD and Mental Health Disorder Diagnoses, by Retail Access and Age Group

## Aged 12-20



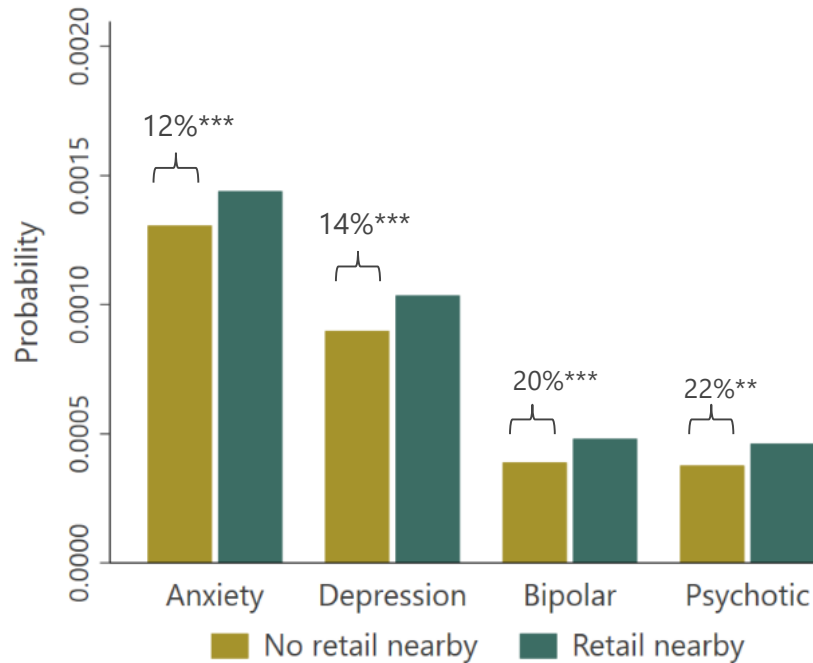
## Aged 21-65



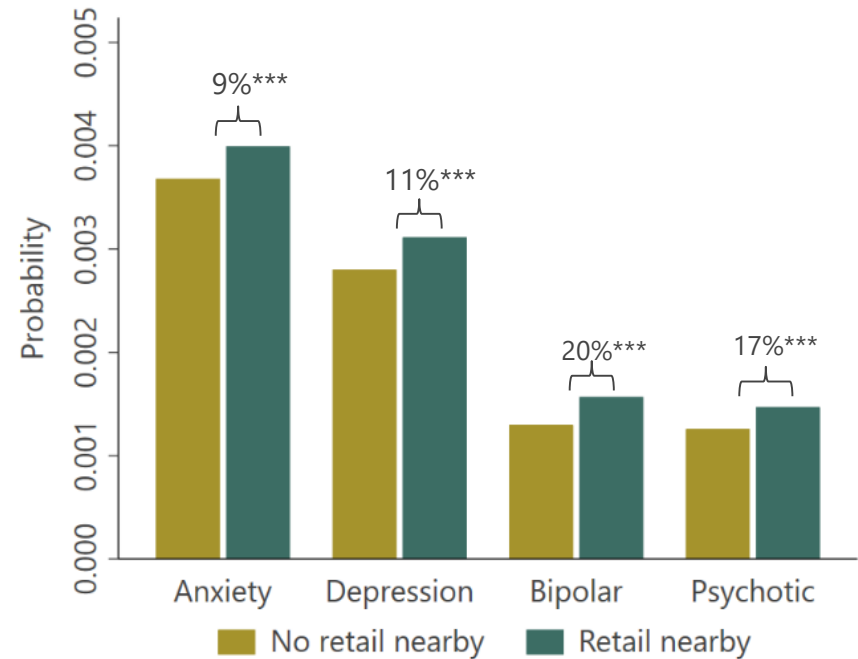
WA Medicaid claims, 2012-2023. \*\*Statistical significance at the 5%-level. \*\*\*Statistical significance at the 1%-level

# Index Mental Health Disorder Diagnosis Following CUD, by Retail Access and Age Group

## Aged 12-20



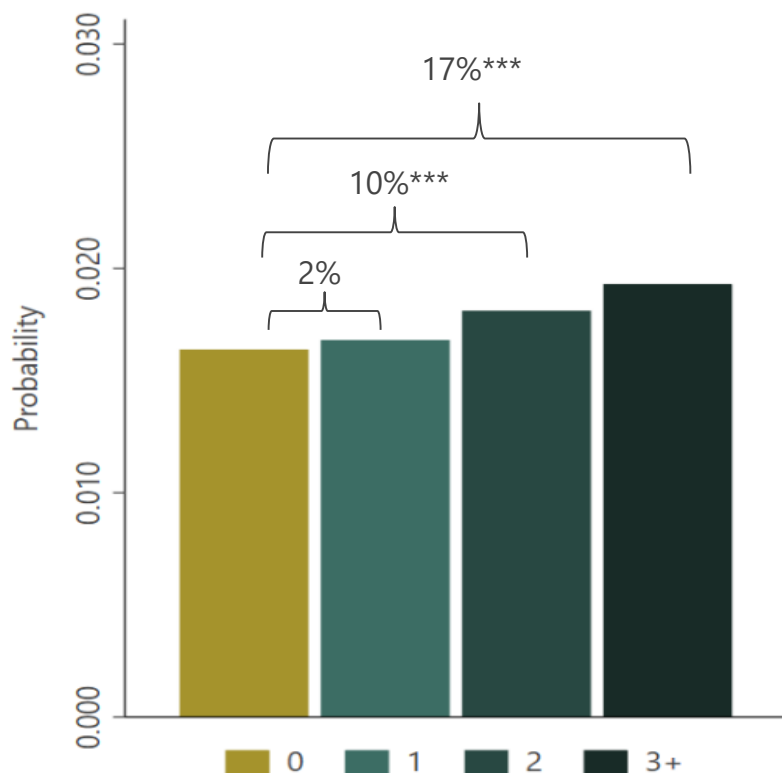
## Aged 21-65



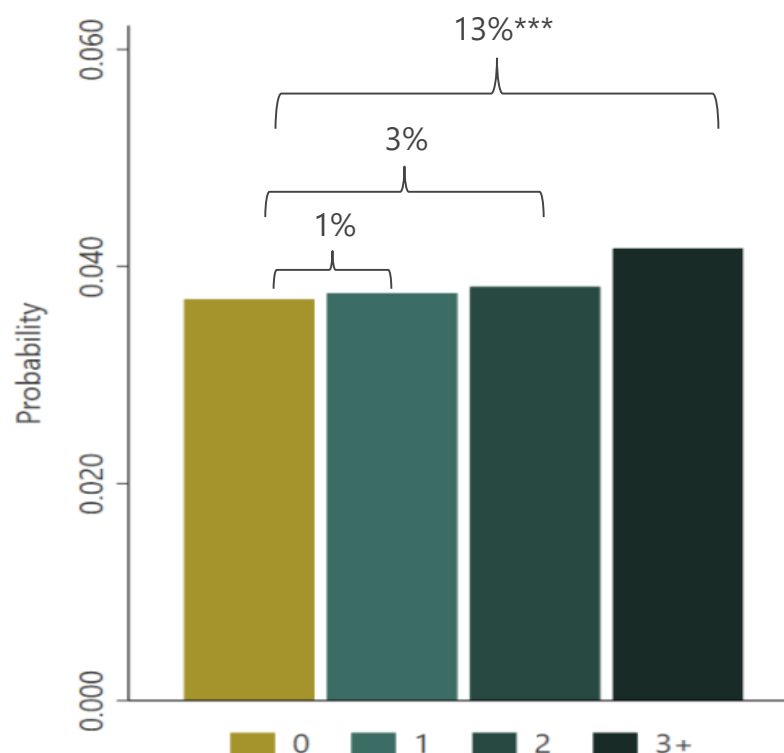
WA Medicaid claims, 2012-2023. \*\*\*Statistical significance at the 1%-level.

# Predicted Probability of CUD Diagnosis, by Number of Active Nearby Retailers and Age Group

## Aged 12-20



## Aged 21-64



WA Medicaid claims, 2012-2023. \*\*\*Statistical significance at the 1%-level. \*\*Statistical significance at the 5%-level

# OTHER FINDINGS

- Subgroup analyses
  - Impacts concentrated among urban residents and White and Hispanic populations
  - Impacts comparable across sex
  - Impacts persist when we separate aged 12-17 from 18-20
- Impacts are larger if the retailer is within 5-minute drivetime, impacts are generally insignificant for 20-minute drivetime
- Impacts are similar if we omit years impacted by COVID-19 (2020-2023)
- Impacts are similar if we omit years prior to the ICD-10-CM code change

# CONCLUSION

- Takeaway
  - Nearby retail access increases CUD-related healthcare utilization and mental health disorder diagnoses
- Limitations
  - Limited information about medical history, health care encounter, and cannabis use
  - Not representative of individuals who are not covered by Medicaid
  - Cannot explore the mechanism by which greater density relates to larger effects.
- Future work
  - Retail access and child welfare and workplace safety outcomes
  - Look at employment in the industry

# THANK YOU!

## Questions?

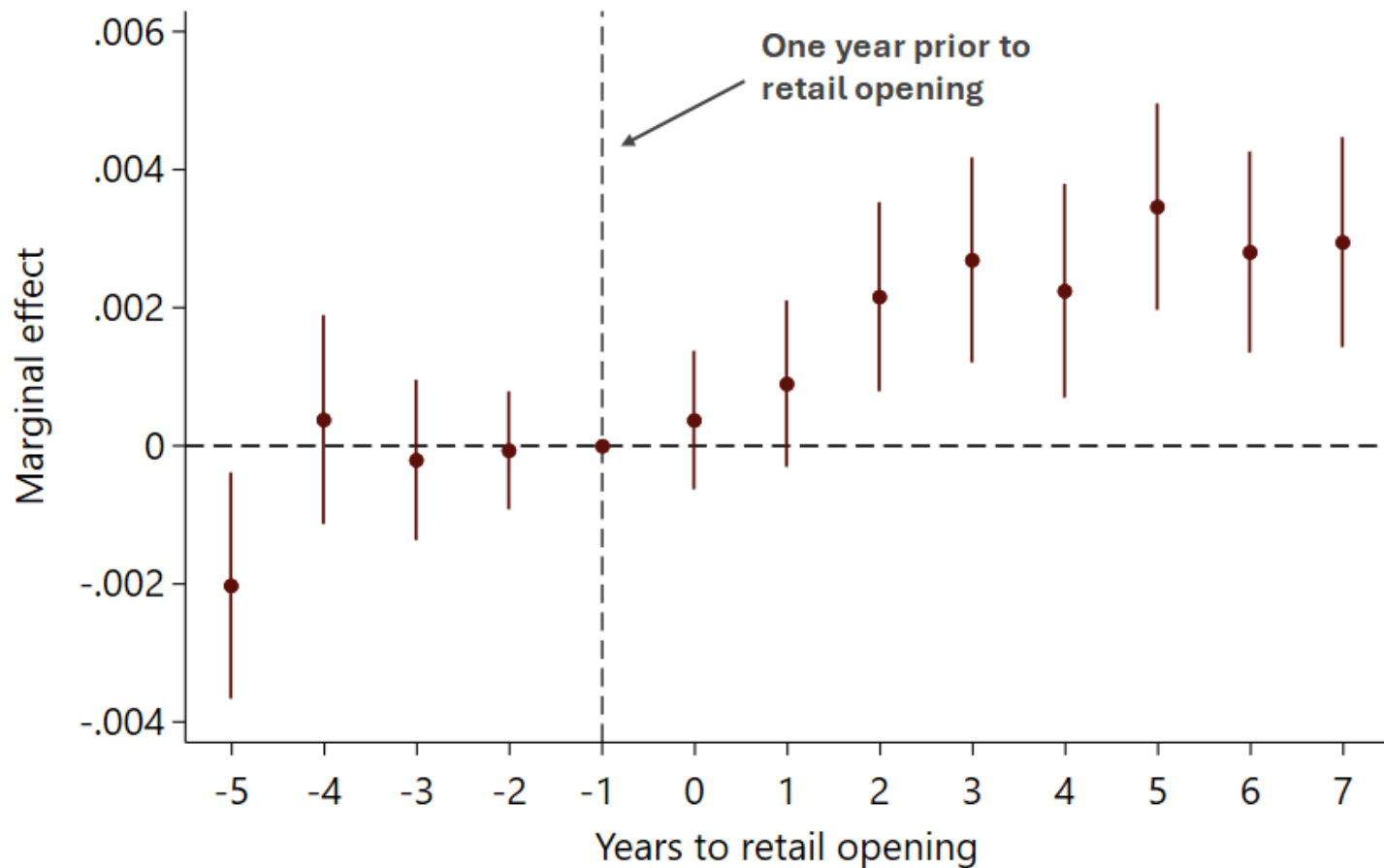
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## Cannabis Retail Openings and CUD, Aged 12-20



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