

MEMORANDUM

To: House Minority Leader Crystal Quade, Rep. Maria Chappelle-Nadal, Rep. Peter Merideth, Rep. Jon Carpenter, Minority Caucus Chief of Staff Marc Powers
From: Casey Millburg, Minority Caucus Counsel
Re: MMJ Document Production Findings and Alleged Interference with Committee Work
Date: 9/14/2020

Contents

Summary 3
DHSS Introduction to Mr. Westom in December 2018 5
A Veracious Missouri Consulting Client 6
Scoring Issues 8
Withheld Documents 13
Governor’s Office Involvement in Scoring Regulations and Market Study 16
 Application Scoring Regulations 16
 The Market Minimums Study 17
Allegations of Executive Branch Interference in SCOGO’s Investigation 19
Appendix A – SCOGO May 7, 2020, Document Production Request 21
Appendix B – MMD Letter to All Applicants Regarding Pending Litigation 26
Appendix C - Introduction of Mr. Westom to Director Williams, through MoCann Leadership/License Recipient 27
Appendix D – Westom Resume as Provided in WHS’ Missouri Bid 30
Appendix E – Veracious’ Missouri Consulting Client 32
Appendix F – WHS Bid Documents Reflecting Best and Final Offer and Award Dates 33
Appendix G – WHS Conflict-of-Interest Allegations from Concerned Prospective Licensees in MMD’s Possession 36
Appendix H – Oaksterdam MoCann Biz Con Potential Conflict of Interest 39
Appendix I – Director Fraker MoCann Guest Request 46
Appendix J - First Weekly WHS Report 47
Appendix K - Eight Weekly Reports 48
Appendix L - Scoring Issue Emails Referenced in Timeline 49
Appendix M – Records Request Response Letter to Chairman 70
Appendix N – Example of Correspondence Provided Where Director Williams, Director Crumbliss, Mr. Moore Discuss Hiring of Deputy Director Moore 71
Appendix O – Executive Branch Stakeholders MMD Contacted for Feedback on Proposed MMJ Matters 72

Appendix P - Governor’s Office Involvement, Draft Bonus Points Rules	73
Appendix Q - Governor’s Office Involvement, Finalizing Bonus Points Rules.....	75
Appendix R – Key Findings, Market Minimums Report.....	76
Appendix S – Governor’s Office Involvement, Market Minimums Study.....	78
Appendix T – Contact Information for Missouri FBI Offices	79

Summary

The purpose of this memorandum is to provide House Minority Caucus members of the Special Committee on Government Oversight (SCOGO) a review of findings from the records produced by the Missouri Department of Health and Senior Services' (DHSS) Medical Marijuana Division (MMD). The records were provided in response to SCOGO's May 7, 2020, document production request, which was signed by every committee member.¹ In addition, this memorandum discusses legal context pertaining to credible allegations of executive branch interference with in the committee's oversight work.

The allegations of executive branch interference in the committee's work and the potential implications that raises are disturbing. Unfortunately, a careful and thorough review of the records provided to the committee raises other serious concerns. The records raise conflict of interest and other concerns with Veracious Compliance Solutions (Veracious), one-half of the blind scoring company Wise Health Solutions (WHS). These include the DHSS director's connection to the head of Veracious shortly after the passage of Amendment 2, through at least one individual who later received multiple Missouri medical marijuana (MMJ) licenses. They also include a record in MMD's possession containing a credible and specific assertion that Veracious had a vertically integrated consulting client in Missouri.

These records prompt questions as to why DHSS officials have so far failed to disclose the matters within them to the committee. They become part of what is now a frustrating series of departmental obfuscations and obstructions in response to warranted concerns and questions about the state's medical marijuana licensure process. Add to them DHSS's waving away of entire portions of the legislative oversight committee's records request with no justification or explanation provided, other than a scant four-sentence letter vaguely referencing constitutional applicant information privacy and attorney-client exemptions that often appear blatantly inapplicable. Then, consider the false and misleading letter² sent by MMD to all applicants on Friday, Sept. 4, 2020, that inaccurately insinuated that routine legal discovery requests in three applicant appeals were instead a final frontier that, if crossed, would force

¹ Appendix A – SCOGO May 7, 2020, Document Production Request.

² Appendix B – MMD Letter to All Applicants Regarding Pending Litigation.

public disclosure of all application contents. It is difficult to read it as anything other than a clarion call to applicants to join forces with the MMD against both litigants and legally-recognized transparency.

The pattern of conduct across the executive branch speaks loudly. But, the problem is not that individuals who invested significant financial resources and time into their applications, expecting they would get a fair shake, took notice of inconsistencies and are questioning whether they did. The problem is not that their elected state representatives are stepping in to try to get those answers. The problem is not that scrutiny of these problems may also result in scrutiny of individuals in or who have beneficial relationships with the governor's office. The problem is that there is evidence of problems with Missouri's medical marijuana licensure process, but that the executive branch's response is to go to increasingly inappropriate lengths to deny they exist and obstruct efforts to shine light on them.

If at this point the legislature abandons its oversight efforts into the implementation of Missouri's medical marijuana program, then it is complicit in this obstruction. Suggestions for additional committee document production requests, witnesses, and other matters for it to consider will be provided separately.

Below is a listing of topics discussed within this memorandum in the sections that follow:

1. DHSS's undisclosed first connection to Mr. Westom in December 2018, at the request of a then-leader in marijuana trade group MoCann Trade, who ultimately received several licenses;
2. DHSS internal documents suggesting Veracious had at least one consulting client in Missouri at the time it bid upon and received the scoring contract;
3. DHSS emails documenting procedural issues with application scoring, with unclear impact and resolution;
4. DHSS's withholding, pursuant to questionable justification, records requested by the House;
5. The governor's office involvement with developing medical marijuana bonus scoring rules and the Market Minimums study; and
6. The legal framework surrounding allegations of executive branch interference in the committee's medical marijuana oversight activities.

DHSS Introduction to Mr. Westom in December 2018

Email records provided document the first connection between the company that would become WHS and DHSS, a connection which DHSS officials have not previously disclosed to the committee. In a sequence of emails³ in December 2018, shortly after Amendment 2's passage, an individual in marijuana trade group MoCann Trade Association (MoCann) leadership, Mr. Jack Mitchell⁴, introduces DHSS Director Randall Williams to an individual who was involved in Nevada's implementation of the marijuana licensure process, Ms. Rebecca Gasca. Several other individuals in MoCann leadership are copied on the exchange, including several who, like Mr. Mitchell, were involved in ventures that were ultimately fortunate to receive Missouri MMJ licenses.⁵

Ms. Gasca replies to Mr. Mitchell's email, informing Director Williams that she is following up on Mr. Mitchell's request to connect the director to individuals who have successfully set up marijuana licensing programs. She also informs the director that she is responding to Mr. Mitchell's request to connect the director to a person whose resume description is an exact match to that of Mr. Chad Warren Westom, head of Veracious.⁶ Director Williams brings another DHSS employee into this conversation, which ends on a note to schedule a call with Ms. Gasca. No further communications between Ms. Gasca, Director Williams, Mr. Westom, this employee, or any combination thereof are included in the records.

The committee is entitled to question why Director Williams did not disclose to it this early connection to the individual whose company was selected to score applications. It is further justified in inquiring whether Mr. Westom was connected with any other DHSS officials earlier than has previously been shared with SCOGO, as well as the nature and timing of any such communications.

³ Appendix C - Introduction of Mr. Westom to Director Williams, through MoCann Leadership.

⁴ Mr. Mitchell previously served on MoCann's Board of Directors and was chair of its Governmental Affairs Committee at the time of this email.

⁵ See *Licensed Facilities*, DHSS, available at <https://health.mo.gov/safety/medical-marijuana/licensed-facilities.php>. See also, e.g., Benchaabane, N., and Suntrup, J., *Lawsuits, Troubled Business Pasts Plague Some Winners of Missouri Marijuana Business Licenses*, St. Louis Post-Dispatch (Feb. 20, 2020), https://www.stltoday.com/news/local/marijuana/lawsuits-troubled-business-pasts-plague-some-winners-of-missouri-marijuana-business-licenses/article_ad75116d-5cea-5d25-a20c-ad1b580e20fc.html.

⁶ Appendix D – Westom Resume as Provided in WHS' Missouri

A Veracious Missouri Consulting Client

Internal documents provided by DHSS show that it was made aware at some point a credible and specific assertion that, even after being awarded the blind scoring contract, Veracious had a vertically integrated consulting client in Missouri. In an undated scanned copy of an email dated Aug. 21, 2019⁷, Ms. Beth Heidrich of the KindBio company emailed co-founder Mr. Kurt Heidrich to discuss the results of an Aug. 16, 2019, call between herself and Mr. Westom, regarding KindBio's interest in having Veracious assist with its Missouri marijuana license application. In the email, Ms. Heidrich states the call occurred in response to an interest form she submitted through Veracious' website on Aug. 15, 2019.

Ms. Heidrich notes that she and Mr. Westom spoke for approximately 30 minutes concerning KindBio's desire for assistance with their Missouri marijuana application. "During the call he mentioned other clients, specifically one in MO for which they were consulting for a vertical operation," the email states. Then the email notes, "[h]e asked what state we were applying in (even though he must have known from my online inquiry). I said MO and he said there was a conflict of interest as he had just found out he was awarded the contract to score the MO applications."

At the time this phone call occurred, it had been more than a month since the RFP for the second round of bidding for Missouri's blind application scoring contract opened on Jun. 28, 2019. It had been more than two weeks since WHS was given notice by the Office of Administration (OA) that its bid was still in contention, on Jul. 26, 2019⁸, as part of the Best and Final Offer (BAFO) process where potentially acceptable bids are given the opportunity to reconsider and strengthen aspects of their proposals. Finally, this call occurred a week after the contract was awarded to WHS on Aug. 8, 2019.⁹ At the point Mr. Westom's conversation with KindBio occurred, all involved in WHS would have been well aware of their obligation to avoid conflicts of interest, such as by simultaneously consulting for a vertically integrated marijuana client in Missouri while scoring marijuana licensure applications.

⁷ Appendix E – Veracious' Missouri Consulting Client.

⁸ Appendix F – WHS Bid Documents Reflecting Best and Final Offer and Award Dates.

⁹ Appendix F – WHS Bid Documents Reflecting Best and Final Offer and Award Dates.

In the marijuana industry, a vertical operation is one which controls many or all components of the seed-to-sale process, from cultivation all the way through a product's stocking on retail or medical shelves. The nature of Missouri's MMJ licensure process would allow a vertical client like the one Veracious disclosed to both apply for and receive numerous licenses. It should be noted that Veracious, Oaksterdam, and WHS have consistently denied having any conflicts of interest relating to scoring Missouri marijuana licensure applications.

MMD and DHSS have also consistently denied, including in testimony to the committee, having any basis for concern over WHS' impartiality or potential conflicts of interest. However, this email was provided to SCOGO in documents identified as coming from MMD Deputy Director Moore's records, and is part of a larger batch of undated documents including concerns raised by at least two anonymous individuals identified as "concerned prospective Missouri licensees." In these, the individuals allege in detail conflicts of interest and other appearances of impropriety on the part of WHS.¹⁰

Other records provided show Deputy Director Moore was proactive in several instances about preventing conflicts of interest and other perceptions of impropriety. These include an Oaksterdam request to be involved with the 2020 MoCann BizCon¹¹ and a request from Director Fraker to grant a MoCann leadership member access to a licensees-only event as his "personal guest."¹² No records provided suggest an investigation or intervention pertaining to a Veracious client in Missouri occurred.

These records raise questions as to when they were first brought to MMD's attention, the extent of any efforts MMD undertook to investigate the allegations within them, and why the existence of such detailed allegations submitted by multiple individuals has not previously been disclosed. At this point, there is nothing to suggest any investigation into this has occurred. It would constitute gross negligence for SCOGO to not even attempt to ascertain the identity of this client, as well as whether Veracious consulted for any other Missouri licensure clients.

¹⁰ [Appendix G – WHS Conflict-of-Interest Allegations from Concerned Prospective Licensees in MMD's Possession.](#)

¹¹ [Appendix H – Oaksterdam MoCann Biz Con Potential Conflict of Interest.](#)

¹² [Appendix I – Director Fraker MoCann Guest Request.](#)

Scoring Issues

Records provided document issues which arose during the application scoring process.

Unfortunately, little detail is included about these in reports WHS was obligated to provide in Section 2.6.4 of the third party blind scoring RFP, on the status of its progress and key performance indicator reports. The first report was provided Oct. 4, 2019¹³, and records indicate that eight weekly reports were subsequently provided to the MMD.¹⁴ They are barely one page in length and largely limited to the minimum RFP requirements: the number of applications and questions scored per facility type and the percentage of facility applications completed relative to due dates, and usually include a statement that WHS found no statistically significant variances in scoring.

While other records lend some detail on these scoring issues, the committee would benefit from having more information from both MMD and WHS on how these arose and why certain issues remained persistent, as well as specific steps taken to mitigate or resolve them. An abbreviated timeline of issues of interest, referencing email records batched in sequential order in an appendix¹⁵, presenting what can currently be discerned about these issues from the records provided is below:

- Sept. 21, 2019
 - MMD tells WHS, which is practicing scoring, that the only names which need to be redacted on applications are the names of applicant individuals and applicant facilities.
- Sept. 23, 2019
 - MMD provides WHS with a list of applicant facility names, which is public information at that point, to use for WHS' internal purposes of checking whether applicant identifying information has been appropriately redacted.

¹³ Appendix J - First Weekly WHS Report.

¹⁴ Appendix K - Eight Weekly Reports.

¹⁵ Appendix L - Scoring Issue Emails Referenced in Timeline.

- MMD tells WHS that scorers should not be provided access to this list, only the WHS executive team, and should instead bring their redaction concerns to the WHS executive team to ensure the integrity of scoring.
- Oct. 14, 2019
 - WHS references recalled cultivation worksheets.
- Oct. 15, 2019
 - WHS voices frustrations about ongoing issue with potential technology-related corruption of cultivation applications Batch 4 files.
 - MMD and WHS facilitate a recall of cultivation license worksheets from WHS. No detail is provided.
 - WHS tells MMD that no scores of 0 on the testing lab facility applications are the result of improper redaction of identifying information, but there are some scores of 0 for cultivation facility applications for this reason.
 - MMD makes plans to discuss the redaction-related 0 scores issue with WHS.
- Nov. 5, 2019
 - WHS emails MMD with examples of redaction issues arising with cultivation applications causing scorers to issue scores of 0.
 - MMD attempts to mitigate delayed WHS communication of issues pertaining to application information discrepancies and missing components of applications.
- Nov. 6, 2019
 - MMD asks WHS for clarification as to whether redaction issues referenced in Nov. 5 email are examples of situations where a scorer has given a score of 0 for an applicant's perceived failure to properly redact identifying information. WHS confirms.
 - MMD tells WHS that "a majority of the issues listed is a particular misunderstanding of our rule. Specifically, where a business name appears, only the facility applicant

business name must be redacted – not parent companies or prior businesses or consultant businesses.”

- MMD requests WHS implement a 3-prong approach to ensure scorers proper redaction protocol:
 - Clarify proper redaction procedure as stated by MMD with scorers.
 - Review each redaction-related zero for accuracy.
 - Provide MMD with a weekly redaction report identifying all redaction-related scores of 0 (in addition to MMD’s stated expectation that WHS executive team will also internally review all redaction-related scores of 0).
- Nov. 8, 2019
 - Internally, MMD expresses concern about whether WHS is using reports provided to WHS by MMD to use in assisting WHS in confirming that they have downloaded all application documents provided to them by MMD.
- Nov. 15, 2019
 - WHS again references “resolving redaction issues” on the cultivation facility applications.
- Nov. 16, 2019
 - WHS provides MMD a redaction report per MMD’s Nov. 6 request and information about steps it is taking with scorers on the redaction issue; this appears to be the only redaction report in the records provided.
 - WHS states they have asked graders to log redaction issues and provided graders with a link to an updated WHS scorer’s manual.
- Nov. 18, 2019
 - MMD makes corrections to redactions identified by WHS scorers in the Nov. 16 redaction report provided by WHS.
- Nov. 19, 2019

- MMD identifies a cultivation app that “fell through the cracks” and passes on to WHS for scoring.
- Nov. 25, 2019
 - WHS tells MMD that it has completed scoring cultivation applications. Response indicates scorers continued to have redaction scoring issues and that WHS engaged with them as it felt was necessary.
- Nov. 26, 2019
 - MMD raises concern with WHS about two issues: a discrepancy in the number of cultivation applications MMD was expecting and that WHS sent (WHS sent a smaller amount), and that MMD had identified the presence of broken formulas in scoring worksheets.
- Nov. 30, 2019
 - WHS replies to the discrepancy and formula issues raised in the Nov. 26 email stating both have been resolved.
 - WHS provides detailed information regarding the cause and resolution of the discrepancies in the cultivation application numbers, but little information regarding the cause or resolution of the broken spreadsheet formulas.
- Dec. 15, 2019
 - WHS emails MMD to say the manufacturer applications scoring is complete. Email indicates that redaction scoring issues continued and WHS engaged with scorers on this as it felt was necessary.
- Dec. 16, 2019
 - WHS emails MMD to say dispensary application scoring is complete. Email indicates that redaction scoring issues continued and WHS engaged with scorers on this as it felt necessary.

The records indicate MMD was both proactive and responsive in identifying and mitigating issues which arose during the scoring process. Questions remain, however, on why redaction-related scoring issues persisted throughout the scoring of different application types, what oversight existed over those, and if that oversight was done by both MMD and WHS or if at some point it was transferred to be conducted by WHS' executive leadership. Information from WHS on why and to what extent these issues remained ongoing, and the specific steps WHS used to prevent and rectify them, is also of interest.

The committee should also ask about the cause and resolution of the broken scoring formulas in the scoring sheets. As stated in the above sections, scant detail is provided in the records as to the origin of the issue, what all was impacted by it, and how this issue was resolved. It is also unclear from the records provided whether this was an issue that impacted only one type of application scoring sheet or multiple types.

Withheld Documents

The manner in which DHSS justifies withholding certain requests from the committee in response to its May 7, 2020, document production request is striking. The explanatory letter provided to the SCOGO Chairman by Director Williams¹⁶ to accompany the document production is a four-sentence, blanket assertion of Article XIV of the Missouri Constitution, which “maintain[s] the confidentiality of [certain kinds of] reports or other information obtained from an applicant or licensee,” and attorney-client privilege. Unfortunately, a comparison of records requested and received, then stood up against the asserted exemptions, suggests this is another example of obstructing lawful access to medical marijuana implementation information.

Pursuant to Missouri open records law, the department should have provided at least a general accounting of what it decided to withhold, in a manner sufficient to allow the committee to determine compliance with its request.¹⁷ It should also have attempted to redact or otherwise segregate confidential information whenever possible.¹⁸ Unfortunately, it did neither. Fortunately, a comparison of the request and response makes apparent what files the department would rather not share, and that the exemptions it seeks to assert for that purpose are in many instances are at best blatantly inapplicable and at worst would be indicative of troubling conduct.

A brief explanation of the formats of both the committee’s request and department’s response is instructive. SCOGO’s request¹⁹ had the following format: under titles indicating a request focus area, specific requests were numbered 1, 2, and so on. The files in the production given to the committee have the following format: the word “Produce” next to the name of a SCOGO request focus area, and the number of the specific request to which that batch of files corresponds. For example: the “Department Meetings” focus area had four requests, and the files produced are labeled “Produce – DepartmentMeetings1,” “Produce – DepartmentMeetings2,” and so on.

¹⁶ Appendix M – Records Request Response Letter to Chairman.

¹⁷ For each instance where an entire record is determined to be closed pursuant to 610.021, custodians of records must provide the grounds for this determination pursuant to 610.023.4, RSMo, and also “generally describe the material exempted” pursuant to RSMO 610.024.2.

¹⁸ 610.024.1, RSMo.

¹⁹ Appendix A – SCOGO May 7, 2020, Document Production Request.

There were no requests for which DHSS stated it was unable to locate responsive records, only that the department “attempted to provide every relevant document responsive” and withheld records pursuant to those two exemptions. SCOGO’s requests can thus be compared to the corresponding responses to form a picture of what was and was not given to the committee. Doing so raises some eyebrows. Take, for example, the very first example of an item on the committee’s request list that the department is attempting to prevent disclosure of, request number four from the “Hiring of Director Fraker and Deputy Director Amy Moore” focus area:

4. All emails and document records of Randall Williams, Adam Crumbliss, or Richard Moore discussing the hiring of Lyndall Fraker with Robert Knodell anytime between November 6, 2018, and his start date of January 2, 2019.

During SCOGO’s February hearings, Directors Williams and Fraker told the committee that Director Fraker was contacted about the MMD job by both Director Williams and Mr. Robert Knodell, who serves as the Governor’s Deputy Chief of Staff. Further, they testified that Mr. Adam Crumbliss, the Director of the DHSS Division of Community and Public Health, was also part of these hiring conversations. DHSS provided records for request numbers one, two, and three under this “Hiring” focus area, including a for to provide correspondence regarding the hiring of Deputy Director Moore. Among the records provided are those in which Director Williams, Director Crumbliss, and DHSS counsel Richard Moore, all parties involved in request number four are copied.²⁰ Yet, the department tells the committee that when it comes to request number four, it cannot provide records pertaining to the same three individuals, with the addition of Mr. Knodell.

This makes no logical sense. It makes less sense when considering the exemptions the department claims may apply here: attorney-client privilege and confidential applicant or licensee information.

²⁰ [Appendix N – Example of Correspondence Provided Where Director Williams, Director Crumbliss, Mr. Moore Discuss Hiring of Deputy Director Moore.](#)

Regarding attorney-client privilege, the wording of the records request makes clear that Mr. Knodell must be a part of any such communications. Mr. Knodell has no special legal privilege with DHSS or its counsel, and his presence in any communications which might otherwise be privileged would likely chip away at, if not destroy, that privilege. Add to the inconsistency that the department even provided records to the committee of discussions between its counsel and governor's office counsel, where governor's office staff were also participants, and this was not deemed attorney-client privilege.²¹ The application of this exemption is spotty if not suspect.

Considering the second possibility, that the department is asserting a confidential applicant or licensee information exemption, does not put the department in a better position. For that exemption to apply to this specific request, it would need to be true that communications between DHSS leadership and the governor's deputy chief of staff regarding the hiring of the MMD Director involved discussion of individuals or companies that later applied for or were otherwise part of an application for MMJ licensure. That would be outrageous and egregious, if it is true that is the exemption being asserted.

At a minimum, SCOGO's committee members are entitled to an explanation from the department as to what requested records were withheld and the legal justification for the records. They are also entitled to any non-confidential records which can be segregated. In addition to open records law, the committee may also want to be mindful of statutes pertaining to tampering with public records. In some circumstances, prevention of access to records is a criminal act,²² such as when a person, acting with the purpose of impairing the availability of a public record, and knowing they do not have the authority to do so, suppresses or conceals it.²³ Importantly and necessarily, this section recognizes and protects the attorneys and other custodians of records who use best efforts to appropriately make public records available, protect confidential information, or withhold or redact records under law.

²¹ See, e.g., [Appendix P - Governor's Office Involvement, Draft Bonus Points Rules](#); [Appendix Q - Governor's Office Involvement, Finalizing Bonus Points Rules](#).

²² 575.110, RSMo.

²³ 575.110.1(2), RSMo.

Governor’s Office Involvement in Scoring Regulations and Market Study

Email records document unique opportunities the governor’s office had to weigh in on two influential components of the MMJ program: the development of application scoring rules, including bonus points, and the Market Minimums report later used to justify capping the number of MMJ licenses issued. At the outset, it should be stated that it is not at all unusual for a governor’s office to be apprised of rulemaking developments within its administration. Further, Missouri Executive Order 17-03 requires approval of the governor’s office before any state agency may “release proposed regulations for notice and comment, amend existing regulations, or adopt new regulations.”²⁴ There is also nothing untoward about different government entities collaborating to achieve programmatic goals, particularly time-sensitive goals, as was the case with the constitutional deadlines for MMJ regulations.

What is notable about these instances is that they reflect an apparent deviation from MMD’s commendable practice of seeking input from a group of stakeholder departments with relevant experience across the executive branch.²⁵ The governor’s office twice had unique opportunities to review advance information and help shape matters that ultimately proved influential to the licensure process and its outcomes. It is entirely possible that the reason the department limited the audience which had advance knowledge of these influential matters was in an effort to protect their confidentiality, and MMD officials should be afforded the opportunity to speak on that.

The committee should also have the opportunity to ask them why. It may also want to ask which staff in the governor’s office had access to this advance information, and whether the office had policies in place to ensure it was not shared or discussed outside of necessary staff. Finally, it is appropriate to note that an individual appearing in these records currently serves as House Majority counsel. However, at no point has she been involved in SCOGO’s MMJ oversight efforts.

Application Scoring Regulations

DHSS engaged in a series of rulemakings across a five-month period in 2019 to meet the constitutional deadline for finalizing MMJ rules by Jun. 4, 2019. Records show that on Mar. 5, 2019,

²⁴ See Executive Order 17-03 (2017), available at <https://www.sos.mo.gov/library/reference/orders/2017/eo3>.

²⁵ Appendix O – Executive Branch Stakeholders MMD Contacted for Feedback on Proposed MMJ Matters.

DHSS counsel emailed counsel in the governor’s office, the Division of Social Services (DSS), the Office of Administration (OA), the Department of Public Safety (DPS), the Department of Revenue (DOR), and the Department of Natural Resources (DNR).²⁶ The email informed them that their department “has been identified by the DHSS as an entity which should have the opportunity to review draft medical marijuana rules before finalizing our draft and releasing the drafts to the public.” These drafts were subsequently shared with the attorney general’s office, which gave a brief reply on Mar. 15, 2019 that the draft rules “appear to contain language generally in line with” the constitutional MMJ language and that the office did not do a “line-by-line comparison.”

On Mar. 18, 2019, DHSS counsel again emailed the attorney general’s office, this time to seek the office’s opinion on the legality of the department’s idea to offer a scoring bonus incentive to applicants to encourage them to locate throughout a congressional district. On Mar. 19, 2019, DHSS counsel shared draft scoring bonus points rules with governor’s office counsel to get feedback, clarifying that it was “not planning to send this piece out to the normal stakeholders as this is limited to scoring.”²⁷ The records provided indicate that counsel and at least one other member of the governor’s office staff participated in a subsequent conversation regarding these draft rules with the MMD by phone.

On May 17, 2019, DHSS counsel emailed the governor’s counsel for feedback on its final draft of scoring rules, including bonus points, and sent a follow up email with additional changes to those sections to other governor’s staff on May 22, 2019.²⁸ As with the draft proposed scoring regulations, no records provided show that stakeholder or other departments were provided a similar opportunity to give feedback. The emails indicate that at least one member of the governor’s office staff provided feedback to DHSS on May 23, 2019. The final rules were submitted by DHSS the next day, on May 24, 2019.²⁹

The Market Minimums Study

Records produced suggest that the governor’s office was also the only entity in the group of stakeholders afforded the opportunity to provide feedback on what has become colloquially referred to as

²⁶ Appendix O – Executive Branch Stakeholders MMD Contacted for Feedback on Proposed MMJ Matters.

²⁷ Appendix P - Governor’s Office Involvement, Draft Bonus Points Rules.

²⁸ Appendix Q - Governor’s Office Involvement, Finalizing Bonus Points Rules.

²⁹ See Rules, DHSS, available at <https://health.mo.gov/safety/medical-marijuana/rules.php>.

the Market Minimums Study.³⁰ This study was commissioned by the MMD, and officials have previously testified to SCOGO that its purpose was to help determine the market demand for MMJ in Missouri in the early years of program implementation. Officials also testified that the study influenced MMD’s decision to not grant licenses to every facility applicant that met the minimum constitutional requirements.

As of Monday, Sept. 8, 2020, MMD stated that it has approved 61,542 patient and caregiver applications³¹, far in excess of the study’s projections that “the number of Missouri qualified patients will be approximately 19,000 in 2020, 22,500 in 2021, and 26,000 in 2022.”³² These market demand projections were in turn used by the study to “project the aggregate quantity needed,” which in turn it used to project the number of cultivators, infused-product manufacturers, and dispensaries needed to serve them. The study and its conclusions have drawn criticism from committee members, backers of Amendment 2, and industry advocates.³³

Records show that the governor’s office was, on Apr. 3, 2019, provided the draft report with the invitation to share “thoughts and concerns” on its conclusions, two days prior to its release on the department’s website, on April 5, 2019.³⁴ As with the scoring bonus points, no other stakeholders from the cross-departmental group appear to have been extended the opportunity to provide input on its findings. It is also unclear what suggestions the governor’s office may have provided on this study and which staff may have provided those. No records provided lend detail as to what particular expertise the governor’s office possessed in assessing the supply and demand for the Missouri MMJ market.

³⁰ Haslag, Joe, et. al., *Missouri’s Medical Marijuana Market: An Economic Analysis of Consumers, Producers, and Sellers*, available at <https://health.mo.gov/safety/medical-marijuana/pdf/mu-market-study.pdf>.

³¹ Gamm, Joe, *Availability of Medical Marijuana in Missouri Expected Soon*, *Fulton Sun* (Sep. 8, 2020), available at <https://www.fultonsun.com/news/local/story/2020/sep/08/availability-medical-marijuana-missouri-expected-soon/840546/>.

³² Appendix R – Key Findings, Market Minimums Report.

³³ See, e.g., Marso, Andy, *How Many Missourians Want Medical Marijuana? No One’s Sure, and That’s a Problem*, *Kansas City Star* (Apr. 12, 2020), available at <https://www.kansascity.com/news/business/health-care/article229080764.html>.

³⁴ Appendix S – Governor’s Office Involvement, Market Minimums Study.

Allegations of Executive Branch Interference in SCOGO’s Investigation

The oversight power of the Missouri General Assembly over the Missouri executive branch is not in question. The Missouri Supreme Court has recognized that “[o]ne exercise of legislative power is a request for information from the executive department”³⁵, and the United States Supreme Court that “[t]he power of inquiry—with process to enforce it—is an essential and appropriate auxiliary to the legislative function.”³⁶ SCOGO was created in 2019 for the specific purpose of providing legislative oversight over policy implementation conducted by the executive branch and its departments.

Beginning May 2020, credible allegations emerged concerning executive branch interference in SCOGO’s MMJ oversight investigation. SCOGO’s submission of its May 7, 2020, document production request to the MMD is allegedly a significant motivating factor for this behavior. That request was the committee’s last official action, and asked the MMD to provide the committee with an array of records pertaining to questions raised through the committee’s hearings and other oversight work. This memo will refrain from disclosing details of these allegations as the committee has not yet had the opportunity to discuss them and any next steps which may be appropriate for it to take.

In some circumstances, interference in legislative oversight investigations can cross the line from unethical to illegal, and the legal issues which it can raise are serious. Members may also want to take note of 21.430, RSMo., which states in relevant part that “[i]f any person, whether a member or not, disturbs the proceedings of any committee of either house, or is guilty of disorder in their presence, the house appointing the committee may punish the person as if the like offense were committed in the presence of the house.” While not extensively litigated, the question of whether this statute allows the Missouri House to punish acts of contempt committed against it, but not done in its presence or the presence of its committee “investigat[ing] matters within the scope of legislative duties” has previously been considered.³⁷ In that instance, the court held that the House may hold individuals in contempt for

³⁵ *State Royal Ins. v. Dir. of Mo. Dept.*, 894 S.W.2d 159, 161 (Mo. 1995).

³⁶ *McGrain v. Daugherty*, 273 U.S. 135, 174–175 (1927).

³⁷ *Lowe v. Summers*, 69 Mo. App. 637, 657 (1897), considering whether a committee which had summoned a prosecuting attorney to answer properly-posed questions he had previously refused to answer could punish the attorney for refusal to obey the summons and show why he had refused to testify. The court held that, while the

acts done to “defeat, embarrass, or obstruct its proceedings,”³⁸ whether or not they were committed within its presence or the presence of one of its committees.

While that case addressed a failure to appear in front of a House committee pursuant to that committee’s summons, that act is by no means the only one which may be taken to “defeat, embarrass, or obstruct” a House committee’s proceedings. Intentional interference with a House committee because it is “pursuing a legitimate inquiry,” which includes a committee’s “questions asked...proper and germane to the objects of the investigation,”³⁹ would almost certainly constitute what the Missouri Constitution contemplates as punishable “disrespect to the House.”⁴⁰ There can be little doubt that such action occurs with the intent of defeating or obstructing House proceedings, and would subject such corrupt actors to contempt proceedings.

Finally, members are advised to report any interference, threats, or retaliation they have experienced or may experience as a response to this oversight investigation to caucus staff, House counsel, or a regional Federal Bureau of Investigation office.⁴¹

- End Memorandum -

attorney’s refusal to present to the committee was not done in the presence of the House, the attorney was still guilty of contempt.

³⁸ At the time, this provision was housed under Mo. Const. Art. 4, § 17. It currently exists under Art. 3, § 18.

³⁹ *Lowe* at 656-657.

⁴⁰ *See* Mo. Const. Art. 3, § 18, which gives the House powers of contempt including the power to “arrest and punish by fine not exceeding three hundred dollars, or imprisonment in a county jail not exceeding ten days, or both, any person not a member, who shall be guilty of disrespect to the house by any disorderly or contemptuous behavior in its presence during its sessions.”

⁴¹ Members may find a listing of contact information for Missouri FBI offices in Appendix T – Contact Information for Missouri FBI Offices.

Appendix A – SCOGO May 7, 2020, Document Production Request



May 7, 2020

Dr. Randall W. Williams, MD FACOG
Director
Missouri Department of Health and Senior Services
912 Wildwood
Jefferson City, MO 65102

Director Williams,

Having conducted our initial hearings to understand the Department of Health and Senior Services' process in awarding Missouri's medical marijuana cultivation, manufacturing, and dispensary licenses, there remained too many unanswered questions. Instead of calling more witnesses who could not or would not answer questions or who would provide questionable answers because of their obvious conflict of interest the Committee agreed that a request for documents were required to ask the right questions for future hearings.

As the Department in charge of mitigating the spread of COVID-19, this request, however, was put on hold so DHSS could appropriately and without distraction focus on the coronavirus.

Even though Missourians dealt with a deadly virus, based on your comments at Governor Parson's daily briefing on April 29th that you still had a team in place to remain on target with the implementation of Amendment 2, the committee felt a request for documents could also be satisfied.

The members of the Special Committee on Government Oversight respectfully request that by June 1st, the Department of Health and Senior Services provide the Committee the following documents:

Hiring of Director Fraker and Deputy Director Amy Moore

1. All emails and document records of Randall Williams or Adam Crumbliss mentioning, pertaining to, or discussing the hiring of a Director and Deputy Director of Medical Marijuana dated anytime beginning November 6, 2018, up through and including December 16, 2018.
2. All emails and document records of Randall Williams or Adam Crumbliss mentioning, pertaining to, or discussing Lyndall Fraker dated anytime beginning November 6, 2018, up through and including December 16, 2018.
3. All emails and document records of Randall Williams or Adam Crumbliss mentioning, pertaining to, or discussing Amy Moore dated anytime beginning November 6, 2018, up through and including December 16, 2018.
4. All emails and document records of Randall Williams, Adam Crumbliss, or Richard Moore discussing the hiring of Lyndall Fraker with Robert Knodell anytime between November 6, 2018 and his start date of January 2, 2019.

Department Meetings

1. All records of meetings or scheduled meetings between Randall Williams, Adam Crumbliss, Lyndall Fraker, Amy Moore, Richard Moore, or Andrea Balkenbush with a registered lobbyist, board member, or staff member of Missouri Medical Cannabis Trade Association (MOCANN Trade) dated anytime between November 6, 2018 and March 16, 2020.
2. All records of meetings or scheduled meetings between Randall Williams, Adam Crumbliss, Lyndall Fraker, Amy Moore, Richard Moore, or Andrea Balkenbush with a registered lobbyist, employee, officer, or agent of Green Precision Analytics, Inc. dated anytime between November 6, 2018 and March 16, 2020.
3. All records of meetings or scheduled meetings between Randall Williams, Adam Crumbliss, Lyndall Fraker, Amy Moore, Richard Moore, or Andrea Balkenbush with a registered lobbyist, employee, officer, or agent of BeLeaf Medical LLC dated anytime between November 6, 2018 and March 16, 2020.
4. All records of meetings or scheduled meetings between Randall Williams, Adam Crumbliss, Lyndall Fraker, Amy Moore, Richard Moore, or Andrea Balkenbush with a staff member of the Office of Governor Parson dated anytime between November 6, 2018 and March 16, 2020.

Deloitte Study

1. All emails and document records of Randall Williams, Adam Crumbliss, Lyndall Fraker, Amy Moore, or Andrea Balkenbush mentioning, pertaining to, or discussing Deloitte, dated any time between November 6, 2018 up through and including April 26, 2019.
2. All emails and document records Randall Williams, Adam Crumbliss, Lyndall Fraker, Amy Moore, or Andrea Balkenbush mentioning, pertaining to, or discussing a maximum number or amount of medical marijuana licenses, dated any time between November 6, 2018 up through and including April 26, 2019.
3. All emails and document records of Randall Williams, Adam Crumbliss, Lyndall Fraker, Amy Moore, or Andrea Balkenbush mentioning, pertaining to, or discussing Drew Erdmann, dated any time between November 6, 2018 up through and including April 26, 2019.
4. The study ultimately produced by Deloitte for DHSS pursuant to emergency contract #DH190027001.

Market Minimums Study

1. All emails and document records of Randall Williams, Adam Crumbliss, Lyndall Fraker, or Amy Moore pertaining to or discussing Joe Haslag or Joseph Haslag, dated any time between November 6, 2018 up through and including April 26, 2019.
2. All email correspondence of Randall Williams, Adam Crumbliss, Lyndall Fraker, or Amy Moore with Joe Haslag or Joseph Haslag, dated any time between November 6, 2018 up through and including April 26, 2019.
3. All email correspondence of Randall Williams, Adam Crumbliss, Lyndall Fraker, or Amy Moore pertaining to or discussing a market minimums study, dated any time between November 6, 2018 up through and including April 26, 2019.

Rules Change

1. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser pertaining to or discussing the department's medical marijuana rules dated anytime between April 1, 2019, up through and including June 30, 2019.

Application Questions

1. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser pertaining to or discussing the medical marijuana licensure application questions issued by the department on May 24, 2019, dated anytime between May 1, 2019, up through and including May 24, 2019.

Selection of RFP Evaluator's

1. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, Andrea Balkenbush, or April Howser pertaining to or discussing who would evaluate proposals for the third party scorer dated anytime between June 10, 2019, up through and including July 19, 2019.
2. All emails and document records of Sharlet E. Kroll, Patricia Hageman, or Stephen Doerhoff pertaining to or discussing the evaluation of submitted proposals for the third party scorer dated any time between June 10, 2019 up through and including July 19, 2019.

Failed Application Round

1. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser pertaining to or discussing modifying, changing, or issuing an addendum to the medical marijuana facility application scoring services contract (RFPS30034901902925), dated anytime between June 10, 2019, up through and including July 30, 2019.
2. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser with Chad Westom pertaining to specific changes to contract (RFPS30034901902925), dated anytime between June 26, 2019, up through and including June 28, 2019.

RFP Design Changes

1. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser pertaining to or discussing modifying, changing, or issuing an addendum pertaining to the following sections of the medical marijuana facility application scoring services contract (RFPS30034901902925), dated anytime between June 10, 2019, up through and including July 11, 2019:
 - a. 2.7
 - b. 2.7.1
 - c. 2.7.2
 - d. 2.7.2 c
 - e. 2.7.3
 - f. 2.7.3. a
 - g. 2.7.3 b
 - h. 2.7.4
 - i. Exhibit A
2. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser pertaining to or discussing modifying, changing, or issuing an addendum pertaining to the following sections of the medical marijuana facility application scoring

services contract (RFPS30034901902925), dated anytime between June 10, 2019, up through and including July 12, 2019:

- a. 2.8.1 a
3. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser pertaining to or discussing modifying, changing, or issuing an addendum pertaining to the following sections of the medical marijuana facility application scoring services contract (RFPS30034901902925), dated anytime between June 28, 2019, up through and including July 18, 2019:
 - a. 2.3.1
4. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser with Chad Westom discussing modifying, changing, or issuing an addendum pertaining to the following sections of the medical marijuana facility application scoring services contract (RFPS30034901902925), dated anytime between July 12, 2019, up through and including July 18, 2019:
 - a. 2.3.1
5. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser pertaining to modifying, changing, or issuing an addendum pertaining to the following sections of the medical marijuana facility application scoring services contract (RFPS30034901902925), dated anytime between June 10, 2019, up through and including July 26, 2019:
 - a. 2.5.1
 - b. 2.5.2
 - c. 2.5.2 a
 - d. 2.5.5 b
 - e. 2.5.9

Third Party Scoring Contract

1. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser mentioning, pertaining to, or discussing Wise Health Solutions, Oaksterdam University, or Veracious Investigative and Compliance Solutions, dated anytime between November 6, 2018, up through and including March 11, 2020.
2. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser mentioning, pertaining to, or discussing Chad Westom or Dale Sky Jones, dated any time between November 6, 2018 up through and including March 11, 2020.
3. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser mentioning, pertaining to, or discussing issuing the medical marijuana facility application scoring services contract to Wise Health Solutions, Oaksterdam University, or Veracious Investigative and Compliance Solutions, dated anytime between June 10, 2019, up through and including July 30, 2019.
4. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser mentioning, pertaining to, or discussing issuing the medical marijuana facility application scoring services contract to, Wise Health Solutions, Oaksterdam University, or Veracious Investigative, or Compliance Solutions or LinkedIn, or their

web site, dated anytime between January 1, 2020, up through and including March 11, 2020.

5. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Andrea Balkenbush, Stephen Doerhoff, or April Howser mentioning, pertaining to, or discussing issuing the medical marijuana facility application scoring services contract that would allow facility applicants to generate their own facility number, dated anytime between June 22, 2019, up through and including June 28, 2019.

Application Records

1. All applications, including all records submitted in any format in conjunction with applications, for licenses under the medical marijuana program, including business applicant ownership structure forms.

Industry Groups

1. All emails and document records of Randall Williams, Adam Crumbliss, Richard Moore, Lyndall Fraker, Amy Moore, Patricia Hageman, Stephen Doerhoff, Andrea Balkenbush, or April Howser with a registered lobbyist, board member, or staff member of Missouri Medical Cannabis Trade Association (MOCANN Trade), individuals who are or appear to be affiliated with MOCANN Trade, dated anytime between November 6, 2018, up through and including April 29, 2020.

We appreciate your immediate attention to this issue.

Sincerely,



Rep. Robert Ross
Chair



Rep. Nick Schroer
Vice Chair



Rep. Peter Merideth
Ranking Minority Member



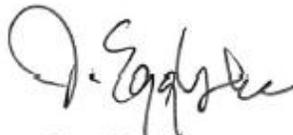
Rep. Jon Carpenter



Rep. Maria Chappelle-Nadal



Rep. Dirk Deaton



Rep. J. Eggleston



Rep. Dan Houx



Rep. Jered Taylor

Appendix B – MMD Letter to All Applicants Regarding Pending Litigation



Missouri Department of Health and Senior Services

P.O. Box 570, Jefferson City, MO 65102-0570 Phone: 573-751-6400 FAX: 573-751-6010
RELAY MISSOURI for Hearing and Speech Impaired and Voice dial: 711

Randall W. Williams, MD, FACOG
Director



Michael L. Parson
Governor

September 4, 2020

Subject: Notice Regarding your Confidential Application Information

Dear Medical Marijuana Facility Applicant,

In all of the appeals from denials and conditional denials of applications for medical marijuana licenses (dispensary, manufacturing, and cultivation), the Department has resisted disclosing information from your application and others. That resistance is based on the promise you received, in Article XIV, that your application would be “confidential.” Two developments at the Administrative Hearing Commission (AHC) threaten that confidentiality as explained below. Absent a change in the AHC position, either by a change in the view of the AHC itself or as ordered by a court, you can expect that your application—including its most sensitive aspects—will be disclosed and become public.

In recent decisions, the AHC has now read the “confidential” clause in Article XIV to not protect confidentiality if the application information is sought by an unsuccessful applicant in an AHC proceeding. In other words, the AHC has determined that unsuccessful applicants can, on appeal, gain access through discovery tools to all aspects of all other applications—or at least other applications for the same type of license - dispensary, manufacturing, or cultivation. The AHC has entered such orders, so far, in these cases:

20-0213, Heya Kirksville Cultivation v. DHSS

20-1120, Verdant Creations Missouri 2-5, v. DHSS

20-0524, King Garden Midwest v. DHSS

To further defend the constitutional protection regarding confidentiality of information from your application and others, the Department is seeking a writ of prohibition, asking the circuit court for Cole County to prohibit the AHC from requiring disclosure of information submitting in other applications, such as yours. That petition is pending as 20AC-CC00327. The Department is also seeking stays of AHC cases where the confidentiality question is now at issue.

If you wish to be heard on the issue of the confidentiality of your application materials and other information submitted to DHSS, or have any questions about this notification, please contact our Office of the General Counsel at MM-OGC@health.mo.gov.

Thank you,

Amy Moore, Deputy Director and Counsel
Lyndall Fraker, Director

Section for Medical Marijuana Regulation
Department of Health and Senior Services

www.health.mo.gov

Healthy Missourians for life.

The Missouri Department of Health and Senior Services will be the leader in promoting, protecting and partnering for health.

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER: Services provided on a nondiscriminatory basis.

Appendix C - Introduction of Mr. Westom to Director Williams, through MoCann Leadership/License Recipient

Date : 12/4/2018 5:07:03 PM

From : "Williams, Randall" Randall.Williams@health.mo.gov

To : "Mebruer, Debbie" Mebruer, Debbie, "Anderson, Doug" Anderson, Doug

Subject : FW: Referrals on Experts who have navigated Merit Based Licenses Processes

From: Heather Miley [mailto:heather@pistilandstigma.com]

Sent: Tuesday, December 04, 2018 4:51 PM

To: Williams, Randall

Cc: Rebecca Gasca; Crumbliss, Adam; Anderson, Doug

Subject: Re: Referrals on Experts who have navigated Merit Based Licenses Processes

Randall and Doug,

Please give me your time zone and I will find a time for you to chat with Rebecca.

Would you have any availability on Thursday, December 13th?

Thank you.

Heather

On Tue, Dec 4, 2018 at 2:37 PM Williams, Randall <Randall.Williams@health.mo.gov> wrote:

Rebecca safe travels and thank you for reaching out. I am copying Doug who is gathering information and thank you for offering to be a resource. Randall

From: Rebecca Gasca [mailto:r@pistilandstigma.com]

Sent: Tuesday, December 04, 2018 12:47 PM

To: Williams, Randall

Cc: Heather Miley

Subject: Re: Referrals on Experts who have navigated Merit Based Licenses Processes

Hello Dr. Williams (BCC Jack Mitchell),

Pleased to make your acquaintance! Per Jack's request, I have reached out to a former regulator who worked at the Department of Health at the time our program was rolled out. He will confirm our work together as I represented several companies through the regulatory creation and competitive licensing application process in Nevada. While he is no longer at the Department of Health (he is with a local county Health Department), he does do consulting work on the side in the cannabis industry. For instance, he is currently helping to grade the applications that were recently submitted in another state. As soon as I hear back from him, I will put you in touch as I think his experience could serve you well.

In the mean time, is there anything that I can do to help support your work? I happen to be flying to Kansas City right now and land in a few hours. I speak at the MoCann Association meeting tonight about my company's experience and work in other states. I fly out tomorrow at 8:30am to return to Reno, but would be happy to make myself available from the airport before my departure or on my layover in Salt Lake City from 10:40-11:30am Mountain / 11:40-12:30pm Central. After a long week of travels between Mexico City and Washington DC, I am taking Thursday and Friday off of this week, but next week is very flexible for a chat.

I am copying Heather from our team who can help us get a time on the calendar.

All my best (and thank you for connecting us, Jack),
Rebecca

(email thread continued on following page)

On Tue, Dec 4, 2018 at 6:26 AM Jack Mitchell <jack.mitchell@mitchellhospitality.asia> wrote:

Dr. Williams,

In our meeting you asked for feedback on people who have successfully navigated the processes of establishing procedures and executing them for a merit based licensee award legal regimen.

I have attached the bio of Anthony Tyler, 312- 806-6030 who is now with Electrum Partners, but was a key advisor to the Illinois government in rolling out their program. It went well.

I also have copied Rebecca Gasca, 775 815-4813 who worked day to day with the Nevada health department on another successful merit based roll out. Rebecca has worked in around 16 states and endured many of the problems and litigation when licensee selection has not been executed so well.

Both of these individuals are great professionals and available for feedback.

I hope this is helpful and we are available upon request.

Best Regards,
Jack Mitchell
Chairman Governmental Affairs Committee MoCann Trade Association
858 848 4588

--

Rebecca S. Gasca
CEO // Founder
C: 775-815-4813
E: r@pistilandstigma.com

[Keep up with new policies and laws via our bi-weekly updates.](#)

Pistil and Stigma Inc.
Reno, NV // Oakland, CA // San Diego, CA



www.pistilandstigma.com

NOTICE: This message, including attachments, is confidential and may contain privileged information. If you are not the intended recipient of this message or their agent, please immediately alert the sender by reply email and then delete this message and any attachments. If you are not the addressee, any use, disclosure, dissemination, copying or storage of this message or its attachments is strictly prohibited.

(original introductory email, showing individuals cc'd on the initial communication)

Date : 12/4/2018 8:26:46 AM

From : "Jack Mitchell" jack.mitchell@mitchellhospitality.asia

To : "Williams" Williams, "Randall" Randall

Cc : "Mitch Meyers (mitch@beleafco.com)" Mitch Meyers (mitch@beleafco.com), "Joseph Chip Sheppard (jsheppard@cecb.com)" Joseph Chip Sheppard (jsheppard@cecb.com), "Joshua Mitchem (josh@revms.net)" Joshua Mitchem (josh@revms.net), "Andrew Mullins director@mocanntrade.org" director@mocanntrade.org, "Tyler Anthony tyler.anthony@electrumpartners.com" tyler.anthony@electrumpartners.com, "Rebecca Gasca' r@pistilandstigma.com" r@pistilandstigma.com, "Barry Grissom barry.grissom@electrumpartners.com" barry.grissom@electrumpartners.com

Subject : Referrals on Experts who have navigated Merit Based Licenses Processes

Attachment : EP Biographies Barry and Tyler.pdf;

Dr. Williams,

In our meeting you asked for feedback on people who have successfully navigated the processes of establishing procedures and executing them for a merit based licensee award legal regimen.

I have attached the bio of Anthony Tyler, 312- 806-6030 who is now with Electrum Partners, but was a key advisor to the Illinois government in rolling out their program. It went well.

I also have copied Rebecca Gasca, 775 815-4813 who worked day to day with the Nevada health department on another successful merit based roll out. Rebecca has worked in around 16 states and endured many of the problems and litigation when licensee selection has not been executed so well.

Both of these individuals are great professionals and available for feedback.

I hope this is helpful and we are available upon request.

Best Regards,

Jack Mitchell

Chairman Governmental Affairs Committee MoCann Trade Association
858 848 4588

Appendix D – Westom Resume as Provided in WHS’ Missouri Bid

EXHIBIT C TECHNICAL PROPOSAL PERSONNEL QUALIFICATIONS

EXECUTIVE LEAD BIOGRAPHY

Directions for Vendor: Only one (1) Executive Lead’s biography will be considered in the evaluation. The biography should be submitted in the attached format. By including the biography, the vendor is committing the Executive Lead to support the project, should it be awarded. The biography should identify a minimum of three (3) years of professional experience on an executive level, experience in project management, and experience analyzing complex subject matter.

Name:	Chad Warren Westom
Title:	Executive Lead
Proposed project role:	Ensure execution of services under the contract
% of time committed to project:	100%

Education, certifications, and other distinctions:

Degree, certification, or other distinctions	Institution	Date
<i>B.S. in Natural Sciences/Environmental Management</i>	<i>University of Houston</i>	<i>1995</i>
<i>Leadership Certification; graduate level coursework</i>	<i>Great Basin Public Health Leadership Institution</i>	<i>2008</i>
<i>Registered Environmental Health Specialist</i>	<i>NEHA and State of Nevada</i>	<i>1999 through present</i>

Employment history:

Organization	Role	Dates
Wise Health Solutions LLC	Managing Partner	2019 – Present
Veracious Compliance Solutions LLC	Managing Partner	2017 – Present
Washoe County Health District	Division Director, Environmental Health Services	2017 – 2019
State of Nevada DHHS	Health Bureau Chief (5+ yrs); Program Manager	2005-10, 2011-17

Specific experience relevant to project:

Topic	Years of experience	Brief description of relevant experience (e.g., specific projects; previous employment)
Project Management & Analysis of Complex Subject Matter	18+	<p>As Division Director at Washoe County Health District, responsibilities included directing the Division's staff, budget and resources to prevent disease in the community. The Division focuses on prevention and education, and this is implemented through routine monitoring, surveillance and sampling of restaurants, hotels, pools, other facilities, and conditions that may contribute to the occurrence or transmission of disease.</p> <p>As Health Bureau Chief at the State of Nevada DHHS, responsibilities included directing the activities of 80+ staff, and oversaw grant and fee-funded budgets totaling \$18 million annually. Oversaw the implementation of a statewide, Full Scale Exercise (FSE) involving terrorism and over a thousand illness outbreak deaths, and coordinated with state, local and federal partners.</p> <p>Also directed the program planning and the full implementation of the Medical Marijuana Establishment (MME) program from statutory inception, including workforce recruitment and development. Within two years as Chief, all bureau</p>

Exhibit C BAFO #001 for MO RFPS30034901902925 Wise Health Solutions LLC

		<p>programs facing challenges were led to unprecedented levels of success, effectiveness, and relevance.</p> <p>Additional programs within the bureau include Radiation Control, the Medical Marijuana Cardholder program, the Office of Vital Records (OVR), and Emergency Medical Systems (EMS). Childcare inspections and health facility investigations were also within the bureau from 2012 until 2013.</p>
Compliance and other auditing	17+	<p>Veracious Solutions LLC conducts third-party compliance audits of licensed Marijuana Cultivation, Production, Stores, and other establishments. Provides rapid responses for clients to inquiries on regulatory requirements, and develops and reviews state correspondence and submissions; compliance monitoring of advertising campaigns. Insight/input on industry and operational issues.</p> <p>Contracts to performs, for U.S. state governments, review and scoring of marijuana license applications for dispensaries, cultivations, edible manufacturers and laboratories.</p> <p>As State of Nevada Program Manager over Health Facility Investigations and Environmental Health program, examples of duties included performing and overseeing all complaint investigations — including unlicensed physicians and facilities, and illness outbreaks. Developed new and streamlined investigation techniques and systems, accountability, policies, and tracking methods. Managed a professional team of supervisors, Registered Nurses, and inspectors. Oversaw fiscal matters for the bureau including billing for investigations, and organizational development. Also managed dietary surveys at hospitals and nursing homes; and negotiated contracts and compliance agreements with health care corporations across Nevada. Managed a statewide Environmental Health (EH) program and staff, including seven regional offices and a nearly \$3 million annual budget. Staff and I inspected food establishments and manufacturers, pools, prisons, schools, and septic systems.</p>

Other experience or background information:

Mr. Westom has more than 20 years of experience working in QA and regulatory compliance, at prestigious companies and government agencies. His broad experience includes public health, environmental protection, and health care. He has served as a department director at a nationwide company and in the public sector. As Bureau Chief with the State of Nevada, he built Nevada’s first-ever marijuana regulatory structure from 2013 through 2017, and oversaw the licensing and opening of all of Nevada’s marijuana establishments. Veracious Solutions LLC had a lead role in reviewing the marijuana dispensary license applications for the State of Arkansas in late 2018 after the state was sued for their botched internal reviewing of marijuana license applications. He's served repeatedly as a subject matter expert in court cases, and provided interviews for newspapers, and TV and radio news reports.

Appendix E – Veracious’ Missouri Consulting Client

From: Beth Heidrich <beth@kindbio.com>
Sent: Wednesday, August 21, 2019 11:24 AM
To: Kurt Heidrich <kurt@kindbio.com>
Subject: Summary of notes with Veracious

Chad Weston from Veracious called me on 8/16 from a (775) area code number from an online inquiry I filled out on 8/15. I told him about our business and that we would like help with our application. I talked to him for about a half hour. During the call he mentioned other clients, specifically one in MO for which they were consulting for a vertical operation. He asked what state we were applying in (even though he must have known from my online inquiry.) I said MO and he said there was a conflict of interest as he had just found out he was awarded the contract to score the MO applications. He said if we ever wanted to apply for licenses in other states after receiving our MO licenses to contact him again. I said I would certainly would.

Warm Regards,

Beth Heidrich

Co-Founder

KindBio

beth@kindbio.com

Appendix F – WHS Bid Documents Reflecting Best and Final Offer and Award Dates

1



**STATE OF MISSOURI
OFFICE OF ADMINISTRATION
DIVISION OF PURCHASING (PURCHASING)
REQUEST FOR BEST AND FINAL OFFER (BAFO)
FOR REQUEST FOR PROPOSAL (RFP)**

**BAFO REQUEST NO.: 001
SOLICITATION/OPPORTUNITY (OPP) NO.: RFPS30034901902925
TITLE: Medical Marijuana Facility Application Scoring Services
ISSUE DATE: July 26, 2019**

**REQ NO.: NR 580 41031900539
BUYER: Leslie Kemna
PHONE NO.: (573) 751-4887
E-MAIL: leslie.kemna@oa.mo.gov**

BAFO RESPONSE SHOULD BE RETURNED BY: July 31, 2019 AT 12:00 PM CENTRAL TIME

MAILING INSTRUCTIONS: Print or type **RFP Number** and **Return Due Date** on the lower left hand corner of the envelope or package. Sealed BAFOs should be in Division of Purchasing office (301 W High Street, Room 630) by the return date and time.

(U.S. Mail)	or	(Courier Service)
RETURN BAFO RESPONSE TO: PURCHASING PO BOX 809 JEFFERSON CITY MO 65102-0809		PURCHASING 301 WEST HIGH STREET, RM 630 JEFFERSON CITY MO 65101-1517

CONTRACT PERIOD: Effective Date of Contract through One Year

DELIVER SUPPLIES/SERVICES FOB (Free On Board) DESTINATION TO THE FOLLOWING ADDRESS:

**Department of Health and Senior Services
Division of Licensure & Regulation/Medical Marijuana Program
912 Wildwood
Jefferson City MO 65109**

The vendor hereby declares understanding, agreement and certification of compliance to provide the items and/or services, at the prices quoted, in accordance with all terms and conditions, requirements, and specifications of the original RFP as modified by any previously issued RFP addendums and by this and any previously issued BAFO requests. The vendor agrees that the language of the original RFP as modified by any previously issued RFP addendums and by this and any previously issued BAFO requests shall govern in the event of a conflict with his/her proposal. The vendor further agrees that upon receipt of an authorized purchase order from the Division of Purchasing or when a Notice of Award is signed and issued by an authorized official of the State of Missouri, a binding contract shall exist between the vendor and the State of Missouri.

SIGNATURE REQUIRED

VENDOR NAME Wise Health Solutions LLC	MissouriBUYS SYSTEM ID (SEE VENDOR PROFILE - MAIN INFORMATION SCREEN) MB00143081
MAILING ADDRESS 2613 Empire Ranch Rd #22791	
CITY, STATE, ZIP CODE Carson City NV 89706	
CONTACT PERSON Chad Warren Westom	EMAIL ADDRESS cwestom@veracious.co
PHONE NUMBER 775-443-8713	FAX NUMBER
VENDOR TAX FILING TYPE WITH IRS (CHECK ONE) <input checked="" type="checkbox"/> X Corporation <input type="checkbox"/> Individual <input type="checkbox"/> State/Local Government <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> IRS Tax-Exempt	
AUTHORIZED SIGNATURE 	DATE July 30, 2019
PRINTED NAME Dale Sky Jones	TITLE Member



STATE OF MISSOURI
 OFFICE OF ADMINISTRATION
 DIVISION OF PURCHASING (PURCHASING)
 REQUEST FOR BEST AND FINAL OFFER (BAFO)
 FOR REQUEST FOR PROPOSAL (RFP)

BAFO REQUEST NO.: 001
 SOLICITATION/OPPORTUNITY (OPP) NO.: RFPS30034901902925
 TITLE: Medical Marijuana Facility Application Scoring Services
 ISSUE DATE: July 26, 2019

REQ NO.: NR 580 41031900539
 BUYER: Leslie Kemna
 PHONE NO.: (573) 751-4887
 E-MAIL: leslie.kemna@oa.mo.gov

BAFO RESPONSE SHOULD BE RETURNED BY: July 31, 2019 AT 12:00 PM CENTRAL TIME

MAILING INSTRUCTIONS: Print or type RFP Number and Return Due Date on the lower left hand corner of the envelope or package. Sealed BAFOs should be in Division of Purchasing office (301 W High Street, Room 630) by the return date and time.

	(U.S. Mail)		(Courier Service)
RETURN BAFO RESPONSE TO:	PURCHASING	or	PURCHASING
	PO BOX 809		301 WEST HIGH STREET, RM 630
	JEFFERSON CITY MO 65102-0809		JEFFERSON CITY MO 65101-1517

CONTRACT PERIOD: Effective Date of Contract through One Year

DELIVER SUPPLIES/SERVICES FOB (Free On Board) DESTINATION TO THE FOLLOWING ADDRESS:

Department of Health and Senior Services
 Division of Licensure & Regulation/Medical Marijuana Program
 912 Wildwood
 Jefferson City MO 65109

The vendor hereby declares understanding, agreement and certification of compliance to provide the items and/or services, at the prices quoted, in accordance with all terms and conditions, requirements, and specifications of the original RFP as modified by any previously issued RFP addendums and by this and any previously issued BAFO requests. The vendor agrees that the language of the original RFP as modified by any previously issued RFP addendums and by this and any previously issued BAFO requests shall govern in the event of a conflict with his/her proposal. The vendor further agrees that upon receipt of an authorized purchase order from the Division of Purchasing or when a Notice of Award is signed and issued by an authorized official of the State of Missouri, a binding contract shall exist between the vendor and the State of Missouri.

SIGNATURE REQUIRED

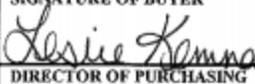
VENDOR NAME Wise Health Solutions LLC	MISSOURI BUYER SYSTEMS ID (SEE VENDOR PROFILE - MAIN INFORMATION SCREEN) MB00143081
MAILING ADDRESS 2613 Empire Ranch Rd #22791	
CITY, STATE, ZIP CODE Carson City NV 89706	

CONTACT PERSON Chad Warren Westom	EMAIL ADDRESS cwestom@veracious.co
PHONE NUMBER 775-443-8713	FAX NUMBER
VENDOR TAX FILING TYPE WITH IRS (CHECK ONE) <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Individual <input type="checkbox"/> State/Local Government <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> IRS Tax-Exempt	
AUTHORIZED SIGNATURE 	DATE July 30, 2019
PRINTED NAME Dale Sky Jones	TITLE Member



NOTICE OF AWARD

State Of Missouri
Office Of Administration
Division Of Purchasing
PO Box 809
Jefferson City, MO 65102-0809
<http://oa.mo.gov/purchasing>

SOLICITATION NUMBER RFPS30034901902925	CONTRACT TITLE Medical Marijuana Facility Application Scoring Services
CONTRACT NUMBER CS192925001	CONTRACT PERIOD August 9, 2019 through August 8, 2020
REQUISITION/REQUEST NUMBER NR 580 41031900539	SAM II VENDOR NUMBER/MissouriBUYS SYSTEM ID 8424486290 0 / MB00143081
CONTRACTOR NAME AND ADDRESS WISE HEALTH SOLUTIONS LLC 2613 EMPIRE RANCH RD #22791 CARSON CITY NV 89706	STATE AGENCY'S NAME AND ADDRESS Department of Health and Senior Services Division of Licensure & Regulation/Medical Marijuana Program 912 Wildwood Jefferson City MO 65109
ACCEPTED BY THE STATE OF MISSOURI AS FOLLOWS: The proposal submitted by Wise Health Solutions LLC in response to SOLICITATION/OPPORTUNITY (OPP) NO.: RFPS30034901902925 is accepted in its entirety with the inclusion of the BAFO 001 response and the email from C.W. Westom with Wise Health Solutions LLC dated August 5, 2019 and the exception of the WBE participation commitment of Wise Education Technology, Inc. (dba) Oaksterdam University, which shall be excluded from the contract.	
BUYER Leslie Kemna	BUYER CONTACT INFORMATION Email: leslie.kemna@oa.mo.gov Phone: (573) 751-4887 Fax: (573) 526-9816
SIGNATURE OF BUYER  DIRECTOR OF PURCHASING	DATE August 8, 2019
 Karen S. Boeger	

Appendix G – WHS Conflict-of-Interest Allegations from Concerned Prospective Licensees in MMD’s Possession

Information from a concerned prospective Missouri medical marijuana licensee:

*This is a section of the RFP submission template pertaining to conflicts. The full version is attached.

RFPS30034901902654 Definition of "Conflict of Interest"

2.8. Conflict of Interest:

2.9. During the term of the contract, the contractor shall not have a conflict of interest or apparent conflict of interest in relation to the services required herein. Such conflicts may include, but are not limited to, any of the following actions by the contractor or its officers, contractor’s personnel, consultants, subcontractors, suppliers, or agents: **I guess this means that the contractor could consult Missouri applicants up until the day of executing the contract.**

2.10. The contractor shall not provide consulting services regarding any aspect of the Missouri medical marijuana industry to medical marijuana license or certification applicants or potential medical marijuana license or certification applicants for a period of five (5) years after the term of the contract. **Oaksterdam was not booted, just the WBE participation commitment piece was rejected. <https://oaksterdamuniversity.com/missouribootcamp/> This is a major conflict IMO. They made money advising clients on Missouri applications.**

2.11. During the term of the contract for the services outlined in this RFP, the contractor shall not apply for any type of medical marijuana license or certification. **"Shall not apply", is this limited to just the contractor, what about its agents? What about assisting others in applying for any type of medical marijuana license? It seems like that is how many of the contract's agents make their livings.**

2.12. Except for payment as set out herein, the contractor and its personnel shall not accept any collateral gift, payment, commission, or other direct benefit arising from or connected to performance under the contract; and **what if they were paid before the contract began?**

2.13. The contractor, its personnel or any person within two degrees of contractor kinship or consanguinity shall not have any financial interest in the business of a third party that causes, or would appear to cause, a conflict of interest in connection with the contractor’s performance under the contract. **It appears that Veracious' business nature is in conflict with this requirement. Not to mention Samaara Robbins' background as an application writer, consultant, and director of a licensed marijuana business in Reno.**

2.14 The contractor must submit signed Attachment 2 for all contractor’s personnel and subcontractor personnel in accordance with paragraph 2.1.3. **It would be interesting to look into this. There is only on Attestation 6 in the Notice of Award document.**

Dale Sky Jones is a Member of Wise Health Solutions Inc. Dale Sky Jones bio <https://oaksterdamuniversity.com/dale-sky-jones/>

Information from a second concerned prospective Missouri medical marijuana licensee:

Right before I left Missouri for Florida I stumbled across some concerning stuff related to the blind scoring company. I started a little digging tonight and it turned into a huge sinkhole. You may already know all of this, but here it goes anyway:

- As you know, Oaksterdam University is 50% of the company that won the scoring contract.
 - This is shown on page 20 and 48 of the award letter pdf (in the article below)
- The awarded company is "Wise Health Solutions, LLC"
 - Oaksterdam's name is actually "Wise Education Technology, Inc dba Oaksterdam"
 - Also on page 48 in the award letter PDF
 - News release - <https://www.prnewswire.com/news-releases/wise-health-solutions-awarded-contract-for-missouri-medical-marijuana-business-application-review-300903464.html>
- Dale Sky Jones is the CEO and President of Oaksterdam
 - See page 51 of the PDF
- Dale Sky Jones signed that there were no conflicts of interest on page 46 and 83
 - On page 49 she implies that 150+ current and/or past Oaksterdam faculty will be reviewing the applications
 - On page 76 two subcontractors are specifically listed
 - Cougar Acres from Oregon
 - <https://www.cougaracres.com/>
 - High Road Consulting from California
 - <https://www.highroadcg.com/>
 - I have heard that some people that applied in Missouri worked with one or both consulting groups in California, Arizona, and Oregon.
 - She is a founding board member of NCIA so there is no way that she doesn't work with Missouri applicants since many belong to NCIA
 - <https://www.linkedin.com/in/dale-jones-80435346/>
 - <https://www.netrootsnation.org/profile/dale-sky-jones/>
 - She is literally one of the pioneers of our industry, which is impressive, but hard to argue no conflicts of interest
 - <http://www.greengoldstories.com/the-stories/dalesky>
 - <https://www.marijuana.com/news/2016/06/cannabis-innovators-and-activists-dale-sky-jones/>
 - Oaksterdam co-presented multiple sessions in Missouri specific to creating winning applications and charged \$25 for the kickoff meeting and \$500 per person for the actual bootcamp
 - <https://oaksterdamuniversity.com/missouribootcamp/>
 - <https://www.cannabisbusinesstimes.com/article/missouri-licensing-boot-camp-minority-women-owned-business-owners/>
 - https://www.stltoday.com/news/local/metro/nonprofit-hosting-training-camp-to-help-minorities-women-break-into/article_9ede3189-7a19-5736-9a39-a85dadde2ce2.html
 - <https://oaksterdamuniversity.com/medical-cannabis-experts-launch-licensing-boot-camp-for-minority-and-women-owned-business-owners/>
 - Dale Sky Jones is good friends with Sarah Ceti, co-owner of Green Rush Consulting
 - <https://greaterstlnorml.org/missouris-green-rush-attracts-cannabis-influencers/>
 - The Missouri Application Bootcamps were presented by:

- Green Rush (Ceti)
 - Oaksterdam (Jones)
 - NCIA (Ceti and Jones)
- Ceti describing how the bootcamp attendees (that Oaksterdam co-hosted) will have an advantage in the application process -
 - https://www.twjpu.com/M4MM_Chair/tweet/1139875732761587712
 - <http://www.oaklandmagazine.com/Keeping-Pace-With-the-Green-Rush/>
 - Both spoke at MCIA to those attendees about how to apply -
 - <http://www.mocla.org/wp-content/uploads/2019/04/Reader-Layout.pdf>
 - <https://greenrushconsulting.com/open-a-dispensary-in-missouri/>
 - <https://www.ktvn.com/story/40569754/missouris-first-cannabis-startup-competition-announces-winners>
- The fact that the blind scoring is being done by a company that co-hosted application bootcamps in the state is beyond sketchy. The fact that Oaksterdam has current students in Missouri and is advertising in Evolution for more Missouri students is a pretty blatant violation. The fact Oaksterdam co-hosted an application bootcamp in Missouri is way beyond a conflict of interest. Imagine Oaksterdam being able to go into the next state with a claim that "Everyone that attended the Missouri bootcamp won a Missouri license".
 - I want to believe it was an innocent mistake, but I find it hard to believe that anyone would be connected at all to an application bootcamp and then sign a declaration saying that scoring the applications is not a conflict of interest. They absolutely have a vested interest in the how the attendees score and if they gave them template answers, then they don't need to see the applicant name. They will know it is a bootcamp attendee if the answer is the same as the template one they provided to attendees.

Appendix H – Oaksterdam MoCann Biz Con Potential Conflict of Interest

Date : 1/31/2020 4:22:36 PM
From : "Dale Sky Jones" dale@oaksterdamuniversity.com
To : "Moore" Moore, "Amy" Amy
Cc : "Jessie Smith jessie@oaksterdamuniversity.com" jessie@oaksterdamuniversity.com
Subject : Re: MO event
Attachment : image001.jpg;image002.jpg;image003.jpg;

Thank you for the clear response

Have a beautiful day Amy



Dale Sky Jones
Executive Chancellor
Campus: 510.251.1544
oaksterdamuniversity.com



"Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has." - Margaret Mead

The long-awaited, highly anticipated CONFIDENTIALITY NOTICE:

This e-mail message and the information it contains is confidential, is intended only for the named recipient(s) above, and may contain information that is privileged, attorney work product or exempt from disclosure under applicable law. If you have received this message in error, or are not a named recipient, you are hereby notified that any dissemination, distribution or copying of this e-mail is strictly prohibited. If you have received this message in error, please notify the sender by return e-mail and delete this e-mail message from your computer and email server.

On Fri, Jan 31, 2020 at 1:44 PM Moore, Amy <Amy.Moore@health.mo.gov> wrote:

Dale,

Again, I'm so sorry it took us this long to get back to you. I discussed with our attorneys, and unfortunately, we all agree participation in the MoCannBizCon would create an appearance of conflict and would be prohibited by our contract. We're focused on potential allegations of bias during litigation in which you and others associated with Oaksterdam may appear as witnesses. As for later education and training of Missouri's work force, we should probably discuss more. We have no desire to unnecessarily limit Oaksterdam's participation in Missouri opportunities. We're also certainly aware you're one of the best resources for training in this industry and would not want to limit the industry's access to you without good reason. However, some of concerns have been raised that this would fall within consulting services regarding aspects of the MO medical marijuana industry, which is also prohibited in the contract.

I'm open to explaining as much as I can next time we talk, but as far as the conference goes, I don't expect our conclusion about that to change at this point.

Sorry to be the bearer of bad news.

Amy E. Moore

Deputy Director and Counsel, Medical Marijuana

573-751-6234

From: Dale Sky Jones <dale@oaksterdamuniversity.com>

Sent: Friday, January 31, 2020 3:10 PM

To: Moore, Amy <Amy.Moore@health.mo.gov>

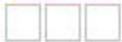
Cc: Jessie Smith <jessie@oaksterdamuniversity.com>

Subject: Re: MO event

poke poke

:) they apparently still want us to come teach

:) they apparently still want us to come teach

	Dale Sky Jones Executive Chancellor Campus: 510.251.1544 oaksterdamuniversity.com
	

"Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has." - Margaret Mead

*The long-awaited, highly anticipated CONFIDENTIALITY NOTICE:
This e-mail message and the information it contains is confidential, is intended only for the named recipient(s) above, and may contain information that is privileged, attorney work product or exempt from disclosure under applicable law. If you have received this message in error, or are not a named recipient, you are hereby notified that any dissemination, distribution or copying of this e-mail is strictly prohibited. If you have received this message in error, please notify the sender by return e-mail and delete this e-mail message from your computer and email server.*

On Tue, Jan 28, 2020 at 7:51 PM Moore, Amy <Amy.Moore@health.mo.gov> wrote:

Dale, So sorry, I thought you had already decided to forgo the March event. I haven't gotten an answer from the internal folks yet. I'm email them now to see if I can get a consensus by tomorrow.

From: Dale Sky Jones <dale@oaksterdamuniversity.com>
Sent: Tuesday, January 21, 2020 5:26 PM
To: Moore, Amy <Amy.Moore@health.mo.gov>; Jessie Smith <jessie@oaksterdamuniversity.com>
Subject: MO event

Hi Amy,

Any chance we can get feedback on just the March event? OU regular classes can wait, but I would like to get back to the organizers
thank YOU!

	Dale Sky Jones Executive Chancellor Campus: 510.251.1544 oaksterdamuniversity.com
	

"Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has." - Margaret Mead

*The long-awaited, highly anticipated CONFIDENTIALITY NOTICE:
This e-mail message and the information it contains is confidential, is intended only for the named recipient(s) above, and may contain information that is privileged, attorney work product or exempt from disclosure under applicable law. If you have received this message in error, or are not a named recipient, you are hereby notified that any dissemination, distribution or copying of this e-mail is strictly prohibited. If you have received this message in error, please notify the sender by return e-mail and delete this e-mail message from your computer and email server.*

Date : 1/8/2020 8:31:39 AM
From : "Jessie Smith" jessie@oaksterdamuniversity.com
To : "Moore" Moore, "Amy" Amy
Cc : "Dale Sky Jones dale@wisehealthsolutions.com" dale@wisehealthsolutions.com
Subject : Re: Regarding Conflicts of Interest
Attachment : Oaksterdam in MO.pdf;

Hi Amy,

Attached (and copied below) you will find a summary of proposed activities in the state of Missouri.

Thank you,



Jessie Smith

Executive Assistant to the Chancellor
206.854.7271
jessie@oaksterdamuniversity.com
1734 Telegraph Ave. Oakland, CA 94612



HOW OAKSTERDAM UNIVERSITY OPERATES WITH EVENTS:

Oaksterdam University works in trade for all events that it does not produce as an organization. An example from December 2019 would be The Emerald Cup (Santa Rosa, CA): Provided Chancellor Dale Sky Jones for moderating a government panel, in exchange for a two-day booth, 8 vendor passes, 2 speaker passes, 3 parking passes, and pre/post event VIP access. Over the years, in exchange for booths and sponsorships, we have traded a combination of scholarships, marketing, and our esteemed faculty for speaking, moderating, and educational tracks. We historically operate in sweat equity without financial transaction.

Oaksterdam University also produces independent educational events: online programming, on-campus in Oakland, CA, and at remote locations throughout the United States. These include: a five-day Business of Cannabis certification, a five-day Horticulture Certification, workshops focused on science, hemp, and CBD, and an expanding workforce training program. Oaksterdam University will often collaborate with local organizations and businesses to enhance local knowledge of our produced events.

Oaksterdam University operates as a not-for-profit authority on cannabis knowledge, offering scholarships for equity members and our military veterans. We believe the best support we can provide for successfully expanding new cannabis markets is creating a solid foundation through education.

HOW OAKSTERDAM UNIVERSITY PROPOSES OPERATING IN MISSOURI:

Below are three ways Oaksterdam University proposes operating in Missouri during 2020 with the hope to repeat similar programming in 2021. All of these events will be Oaksterdam University exclusive, and Wise Health Solutions business will not be discussed.

March 11-12, 2020

MO Cann BizCon Summary of Involvement (a copy of the full email/offer below): Oaksterdam University is being offered a sponsorship trade for the Workforce Training Track. The value of this sponsorship is \$15,000 and Oaksterdam University would provide scholarships in equal value (eight scholarships); these scholarships would be distributed among qualified community by Midwest Canna Expos.

Our name and logo would be utilized in promotion of the event and on-site during the event, and we would have a booth presence. Our trade is fulfilled by the scholarships, and we are extended an offer for providing speakers from our organization and have the option of offering a workshop. Any associated costs of travel, housing, and time would be paid by Oaksterdam University.

□ Quarter 2-4, 2020

Oaksterdam University Seminars

As the Missouri market expands and begins heavily hiring within the local markets, we want to offer an in-state Business and Horticulture certification to help individuals transitioning to this industry prepare with best practices; offering two seminars between Q2-4. We would bring our established faculty and no one providing education will have established involvement with a Missouri licensee. This event would provide a local option for scholarship recipients of the MOCann BizCon trade.

Workforce Development

One of the struggles with emerging markets is educating the retail sales associates, and through a series of one and two-day workshops we rapidly elevate the knowledge of your local workforce. After offering these workshops we would potentially sponsor a job fair with a local organization.

□□□ **EMAIL & OFFER FROM AYLICIA OF MOCANN BIZCON & EXPO:**

Good afternoon Jessie, Karin and I spoke in great detail after our phone conversation and we couldn't be more excited to be working with Oaksterdam for MOCANN BIZCON + EXPO 2020 and are just as excited to have you joining forces for the job fair events! I wanted to make sure to inform you that due to Karin Chester being a consultant on a Dispensary Application we feel that it is best that I handle all direct communication out of respect for both her and Dale's current professional positions. I apologize in advance for me not realizing Oaksterdam University is a non for profit, as unprepared as I was, I am extremely excited to have found such an amazing organization to partner up with in our mission to educate our Midwest Cannabis Community. All of our collaborations from here on out will be on a no cash exchange basis. I have attached all of the event details we discussed and look forward to working out details with you at your earliest convenience. Feel free to email me your logo and I will upload it into our system for all future involvement.

Below is an outline of our previous discussion about MOCANNBIZCON+2020, I have also attached the Career Fair+Expo Information to help guide your participation requests. I look forward to working with you to iron out the details for our Single Track/ Career Based event and providing you with a clear outline of final participation characteristics for all events.

(MOCANN BIZCON+EXPO 2020)

Session Room Sponsorship for the Workforce Training Track.

100% Barter

10x10 booth (Booth # 403)

2 sponsor provided pop-up banners in the session room.

Half page program ad

Recognition from mainstage

Post event e blast recognition of sponsors

Small logo on website, print ads and program

Social media announcement with custom graphic

1/2 page program ad

Inclusion of 2 swag items and/or marketing materials in the goody bag

2 VIP Party passes (Invitation Only)

10% Unique Promo Code□

Discussed Collaboration Tools

Email/ Web Blast Promotions (Ticket Sales) - Details TBD

Web Blast Announcements (Speaker & Highlight Mmments) - Details TBD

Scholarship Giveaways - Details TBD

Speaking/ Moderating Involvement (Workforce Training Track)- Details TBD.

Speaking/ Moderating Involvement (Workforce Training Track)- Details TBD.

Alycia L. Mundell
Midwest Canna Expos
Business Development Director
1 (636) 744- 4036
Alycia@MidwestCannaExpos.com
MidwestCannaExpos.com

On Fri, Dec 27, 2019 at 9:22 PM Moore, Amy <Amy.Moore@health.mo.gov> wrote:

Dale, I've had some conversations with the OA attorney, and he's requested that you send us a proposal, of sorts, for him to review. If you would like to pursue this, please send me a description of what OU would hope to do in Missouri as well as why you believe that would not be a conflict. The more specific you could be with all the options OU would normally consider – sponsorship, small group training, public training, private contracts, etc. - the better. I think we are likely to get better guidance if we really understand what OU would be doing, and providing detail as well as an explanation for why it wouldn't be a conflict is a good start.

-Amy

From: Moore, Amy
Sent: Thursday, December 12, 2019 12:33 PM
To: 'Dale Sly Jones' <dale@wischealthsolutions.com>
Cc: Jessie Smith <jessie@cakesterdamuniversity.com>
Subject: RE: Regarding Conflicts of Interest

All reasonable questions. I think I'll need to check in with OA to see if they want to give an opinion or guidance, first. I'll send the attorney a message today and let you know asap.

Date : 12/12/2019 12:33:08 PM
From : "Moore, Amy" Amy.Moore@health.mo.gov
To : "'Dale Sky Jones' dale@wisehealthsolutions.com" dale@wisehealthsolutions.com
Cc : "Jessie Smith jessie@oaksterdamuniversity.com" jessie@oaksterdamuniversity.com
Subject : RE: Regarding Conflicts of Interest

All reasonable questions. I think I'll need to check in with OA to see if they want to give an opinion or guidance, first. I'll send the attorney a message today and let you know asap.

From: Dale Sky Jones
Sent: Wednesday, December 11, 2019 4:24 PM
To: Moore, Amy
Cc: Jessie Smith
Subject: Re: Regarding Conflicts of Interest

Hi Amy,

Thank you so much for your time and your reply. I would be curious to briefly explore what would be considered acceptable with regard to Oaksterdam University participating in this or other expo's or conferences in general but for now I do want to get back to the organizers asap and break the tough news.

I am also trying to understand which part of this specific MOCannBizCon would be an apparent conflict, or is it all of it? Wondering if there is any lesser way to contribute to education for MO workforce at this event.

Is it specifically the marketing/planning as "in kind" for sponsorship but would only be acceptable if we paid for the booth or the sponsorship? Is it okay if we just participate in panels and offer education but do not take any sponsorship trade of value such as receiving the special extra training room?

Is there any acceptable level of participation or education in MO conferences by OU? Are we only able to come in if planning independent event and if we charge individual attendees for their classes? Should we just stay the heck away entirely until 2022?

Looking for options and realism...not trouble

Thank you,

Dale Sky Jones
Compliance Officer
Wise Health Solutions LLC
c. 949-680-5452 (text is best)

On Wed, Dec 11, 2019 at 1:47 PM Moore, Amy <Amy.Moore@health.mo.gov> wrote:

Dale,

I spoke with my colleagues here, and the consensus is that the engagement you described would likely create an "apparent conflict of interest." I think this goes beyond your direct participation, too, as the RFP response from Wise Health Solutions described WHS as a joint venture between Oaksterdam and Veracious. I definitely understand there could be differing interpretations of this, though, as what would constitute an apparent conflict of interest was not defined. If you would like me to seek an official opinion from the Office of Administration, please let me know, and I'll be happy to do that. If that's the case, I would like to have you send me a written description of the options you're looking at for Oaksterdam's participation so that I can pass that along to the appropriate people.

Thanks,

Amy E. Moore
Deputy Director and Counsel, Medical Marijuana
Missouri Department of Health and Senior Services
Jefferson City, MO 65102
Phone: 573-751-6234

CONFIDENTIALITY NOTICE: The Missouri Bar Disciplinary Council requires all Missouri lawyers to notify all recipients of e-mail that (1) e-mail communication is not a secure method of communication, (2) any e-mail that is sent to you or by you may be copied and held by various computers the e-mail passes through as it goes from sender to recipient, (3) persons not participating in our communication may intercept our communications by improperly accessing your computer or the firm's computers or even some computer unconnected to either of us which the e-mail passes through. This office is communicating to you via e-mail because you have consented to receive communications via this medium. If you change your mind and want future communication to be sent in a different fashion, please advise our office AT ONCE.

This email is from the Missouri Department of Health and Senior Services. It may contain confidential or privileged information that may be protected from disclosure by law. Unauthorized disclosure, review, copying, distribution, or use of this message or its contents by anyone other than the intended recipient is prohibited. If you are not the intended recipient, please immediately destroy this message and notify the sender at the following email address:

amy.moore@health.mo.gov or by calling (573) 751-6234.

Date : 2/1/2020 3:11:53 PM
From : "Moore, Amy" Amy.Moore@health.mo.gov
To : "Balkenbush" Balkenbush, "Andrea" Andrea
Subject : Re: Education

Let's talk Monday. I just had to tell her Friday that she and OU can't participate in a training deal at MoCamBizCon and that there are some concerns about OU offering training more individually after that. The first was an appearance of conflict concern. The second is re: the portion of the conflict provision about consulting in any area of the industry. I didn't tell her it was a hard no on the second part, tho. I can go over the legal team's reasoning with you and see if we can find a niche we're all comfortable with under the conflict of interest provision that would still offer benefit to all sides.

On Feb 1, 2020 3:04 PM, "Balkenbush, Andrea" wrote:

Amy, would it be acceptable at this point in time to contact Dale Sky about resources she is aware of either through Oaksterdam or other places that would help us with staff training and education. There isn't much out there and this is a consistent question I receive from staff as a need.

Thanks



Appendix I – Director Fraker MoCann Guest Request

Date : 2/15/2020 6:53:25 AM
From : "Fraker, Lyndall" Lyndall.Fraker@health.mo.gov
To : "Moore" Moore, "Amy" Amy
Subject : Re: Orientation on Thursday 03/05/20 in Jeff City
Will do. Have a great week.
Appreciate you!

Sent from my iPhone

On Feb 14, 2020, at 10:55 PM, Moore, Amy wrote:

We got a couple media requests - Greenway and Evolution - that Lisa responded to by saying we don't have space. We did discuss waiting to see how many requests we get from others, though, and then reconsidering if there weren't many others. There's a lot of potential benefit to having friendly media there, and we certainly have nothing to hide, but I hesitate to start letting additional people in without knowing the extent to which we will have these kinds of requests. I know some facilities wanted to bring additional people, while others, as Andrew mentions, may have extra seats. For now, I would suggest telling Andrew we would like to have him there but will need to see how many requests we get for extra people attending before we can tell him for certain whether we will have room to allow additional people. The space issue is a real concern, and there's no way to know yet who will ask that may have a particularly persuasive reason. For attending. Perhaps we could promise to get back to him by the 28th? We can all get together that week - you, me, Lisa, and Andrea - and see how many requests for extra attendance have come in and make a decision then?

On Feb 14, 2020 7:07 PM, "Fraker, Lyndall" wrote:
Thoughts before I respond. He could be my personal invited guest if anyone asks. He, Jac and their entire organization has been very supportive throughout this entire process.
I would want your approval though
Thanks

Sent from my iPhone

Begin forwarded message:

From: Andrew Mullins
Date: February 14, 2020 at 5:21:15 PM CST
To: "Fraker, Lyndall"
Cc: "Moore, Amy", "Maasen, Cheryl"
Subject: Orientation on Thursday 03/05/20 in Jeff City

Lyndall,

As a follow up to our in office conversation, I wanted to see if it would be OK to attend the orientation on Thursday as a guest. I believe you said it shouldn't be a problem, but definitely wanted to confirm. If problematic, I can probably find a vertical that can offer me a spot, but wanted to inquire with DHSS first.

Hope you are doing well and the team can get out early today to enjoy the Valentines holiday. I thought the article in the Post today on the rep from Poplar Bluff was interesting. It all seems to come out in the wash doesn't it.

See you soon

Andrew
Andrew Mullins – Executive Director
MoCannTrade (Missouri Medical Cannabis Trade Association)
director@mocanntrade.org
www.mocanntrade.org
(800) 766-0599

Appendix J - First Weekly WHS Report

To: Missouri Department of Health and Senior Services
From: Wise Health Solutions, LLC
Re: Weekly Report I – Update on Medical Marijuana Facility Application Scoring
Date: October 4, 2019

Pursuant to the Missouri Department of Health and Senior Services' Medical Marijuana Regulatory Program, RFP Section 2.6.4, we are providing a weekly update of the applications scoring services performed by Wise Health Solutions.

In accordance with the following questions:

Question I: The number of facility applications and questions that have been scored per facility type:

The results, thus far regarding Testing Labs – 16 out of 17 Lab Applications completed, 1,310 questions have been scored (130 total questions remain to be scored – however, by the time of this report submission, the remaining questions will have been completed).

Question II: The percentage of facility applications completed relative to the due date:

The results, thus far, regarding the percentage of Testing Lab applications completed: As of the September 30th due date, Wise Health Solutions completed 16 out of the 17 total applications. The 17th and final application was provided to Wise Health Solutions on October 4th. Completion was at 92 percent, and our scoring will soon be finalized and uploaded to Missouri DHSS, once we have completed and test the statistical anomaly review.

Appendix K - Eight Weekly Reports

Date : 3/3/2020 2:22:24 PM

From : "Kroll, Sharlet" Sharlet.Kroll@health.mo.gov

To : "Doerhoff" Doerhoff, "Stephen" Stephen

Subject : RE: Weekly reports WHS

The last was actually VIII and I neglected to save it to the drive. Everything is there now and nicely labeled.
Sharlet

From: Doerhoff, Stephen

Sent: Monday, March 2, 2020 5:18 PM

To: Kroll, Sharlet

Subject: Weekly reports WHS

[\\SDH\FILP4087\KnpShared\SMMR\Administrative\Contracts\Wise](#) Health Solutions\Project documents\Reports

The last report is "draft weekly report VIII"- is that the last one? I want to make sure I have all of the final reports received for sunshine and discovery requests.

Stephen Doerhoff

Legal Counsel, Medical Marijuana Regulation

Office of General Counsel

Missouri Department of Health and Senior Services

912 Wildwood Dr., 3rd Floor

Jefferson City MO 65102

573-751-6469 phone

Stephen.Doerhoff@health.mo.gov



Appendix L - Scoring Issue Emails Referenced in Timeline

Date : 9/22/2019 2:30:39 PM
From : "Moore, Amy" Amy.Moore@health.mo.gov
To : "Chad Westom chad@wisehealthsolutions.com" chad@wisehealthsolutions.com
Subject : Re: redaction guidance (during mock grading)

Planning to call you in about 15 min. It will be a 901 area code.

On Sep 22, 2019 11:38 AM, Chad Warren Westom wrote:
Amy please call today when convenient for you. I can take your call anytime today other than 12:30 - 2 p.m your time (CST).

Chad
775.443.8713

On Sat, Sep 21, 2019, 7:57 PM Moore, Amy <Amy.Moore@health.mo.gov> wrote:
Chad, Are you referring to the company name Everything Automotive? This is a good opportunity for clarification. The only business name that has to be redacted is the name (or names) of the applicant facility.

If I've misunderstood what you were referring to, please let me know. I'm reviewing on my phone. I can talk sometime tomorrow, too, if that would be easier.

On Sep 21, 2019 8:57 PM, Chad Warren Westom <chad@wisehealthsolutions.com> wrote:

Amy and Sharlet,

As we've been working through mock grading, we used this worksheet for question 1/worksheet 1. We found on page 16 the applicant name or relevant company related to an owner...? We feel this violates instructions on redaction, so a score of zero is appropriate. Since we have not started grading yet----- only practicing----- we wanted to see if you are interested in providing us guidance on this.

Please advise. Warm Regards,

Chad Warren Westom, REHS
Wise Health Solutions LLC
702.518.2045

Date : 9/23/2019 10:20:58 AM
From : "Moore, Amy" Amy.Moore@health.mo.gov
To : "'Chad Warren Westom' chad@wisehealthsolutions.com" chad@wisehealthsolutions.com
Cc : "Kroll, Sharlet" Kroll, Sharlet, "Balkenbush, Andrea" Balkenbush, Andrea
Subject : RE: redaction guidance (during mock grading)
Attachment : List of Facility Applicants.xlsx;

Chad, You raised a good question: How will the scorers know if an applicant has failed to redact its facility business name if the scorer does not know the applicant facility business name? I think what we discussed is a reasonable solution to the problem. I have attached here a current list of the applicant facility business names. Since it is publicly available information, there is no reason why you cannot have access to it. However, in order to preserve the anonymity of the applications for the scorers, we ask that scorers not have access to this list and that any scorer who thinks he or she has run across an unredacted facility business name verify with the executive team whether the business name they've spotted is one on the list. We would ask that scorers keep context in mind, too, just in case an applicant is talking about OTHER applicant facilities it is aware of and not the facility that is actually at issue for that application. Let me know if this makes sense to you. Also, please update the work plan and training materials to reflect this procedure.

Finally, there may be just a few more entities to add to this list next week. We will let you know if that's the case.

Thanks,

Amy E. Moore

Deputy Director and Counsel, Medical Marijuana
573-751-6234

From: Chad Warren Westom

Sent: Sunday, September 22, 2019 11:39 AM

To: Moore, Amy

Subject: Re: redaction guidance (during mock grading)

Amy please call today when convenient for you. I can take your call anytime today other than 12:30 - 2 p.m your time (CST).

Chad

775.443.8713

On Sat, Sep 21, 2019, 7:57 PM Moore, Amy <Amy.Moore@health.mo.gov> wrote:

Chad, Are you referring to the company name Everything Automotive? This is a good opportunity for clarification. The only business name that has to be redacted is the name (or names) of the applicant facility.

If I've misunderstood what you were referring to, please let me know. I'm reviewing on my phone. I can talk sometime tomorrow, too, if that would be easier.

On Sep 21, 2019 8:57 PM, Chad Warren Westom <chad@wisehealthsolutions.com> wrote:

Amy and Sharlet,

As we've been working through mock grading, we used this worksheet for question 1/worksheet 1. We found on page 16 the applicant name or relevant company related to an own0...? We feel this violates instructions on redaction, so a score of zero is appropriate. Since we have not started grading yet----- only practicing----- we wanted to see if you are interested in providing us guidance on this.

Please advise. Warm Regards,

Chad Warren Westom, REHS

Wise Health Solutions LLC

702.518.2045

Date : 10/15/2019 7:24:00 AM
From : "Moore, Amy" Amy.Moore@health.mo.gov
To : "Amick, Tina" Amick, Tina, "Kroll, Sharlet" Kroll, Sharlet
Subject : Fwd: Corrupted Files Challenge of Last Batch of Cultivation Applications
Attachment : Batch 4 Applications.xlsx;

Tina, I'll be in shortly. Let's talk before you contact Chad.

----- Forwarded message -----

From: Chad Warren Westom
Date: Oct 15, 2019 1:08 AM
Subject: Corrupted Files Challenge of Last Batch of Cultivation Applications
To: "Moore, Amy", "Kroll, Sharlet"
Cc: Dale Jones, Ross Mirkarimi

Amy and Sharlet,

As I gave a heads up on this earlier today, attached is the list of 210 Cultivation applications that we downloaded from the SFTP and distributed to our graders last week. Our review of the files and reports from our graders indicate that 50% or more of these files may be corrupted.

Therefore, today we instructed our graders to cease scoring the attached (batch 4) files. At least half of the files we have attempted to open are corrupted and we are unable to score. In addition, the tech team, four people, spent two days slicing and dicing the files and spreading them out to the graders; all is lost time and work. Plus the graders themselves, emailing each corrupted file until the sheer volume over the weekend it became evident we can not continue to pay our graders for the extra work of finding and logging bad files.

If you have it available, we request a fresh batch entirely to be uploaded into the SFTP site for redistribution to the graders. We also need to request that DHSS check each file, or at least a thorough representative sample, to ensure they are not also corrupt prior to uploading the application files into the SFTP. If there is not a fresh batch yet available, many of our graders will no longer be productive in a day or two.

First the recalled files, now the massive corrupt file issue---- this is taking a significant toll on Wise Health Solutions. Many of us work most of the weekends lately on this project, away from our families and other obligations. The salary cost to WHS is very significant and this set back will now take days to recover from, and we know the technology and sorting and grading will have to be redone. We are facing consequences to the timeline, the budget, and our productivity. We look forward to hearing about the solution to the corrupt files, and brainstorming with you on solving these matters.

Thank you,

Chad Warren Westom and Dale Sky Jones
Wise Health Solutions LLC

Date : 10/15/2019 8:12:46 AM
From : "Moore, Amy" Amy.Moore@health.mo.gov
To : "Kroll" Kroll, "Sharlet" Sharlet
Cc : "Dick, Angie" Dick, Angie, "Balkenbush, Andrea" Balkenbush, Andrea, "Amick, Tina" Amick, Tina
Subject : RE: Recalled Cultivations
Attachment : image001.png;

Sharlet, When you and Angie have a moment, let's discuss. This issue arose late Friday as I was leaving.
Amy E. Moore
Deputy Director and Counsel, Medical Marijuana
573-751-6234

From: Kroll, Sharlet
Sent: Tuesday, October 15, 2019 8:11 AM
To: Moore, Amy
Cc: Dick, Angie ; Balkenbush, Andrea ; Amick, Tina
Subject: FW: Recalled Cultivations

Amy,
See Chad's note below regarding creation of an FTP folder to communicate recalled worksheets.
Chad references recalled scoresheets. I'm not sure what he is referencing.
Sharlet

From: Chad Warren Westom <chad@wisehealthsolutions.com>
Sent: Monday, October 14, 2019 10:32 PM
To: Kroll, Sharlet <Sharlet.Kroll@health.mo.gov>
Cc: Dale Jones <dale@wisehealthsolutions.com>
Subject: Recalled Cultivations

Sharlet,

I hope you had a good holiday weekend. We have been gathering the Recalled worksheet scoresheets. I did not see a folder for them on the the sfs. I created a folder for them. Please let us know if that is where I should put them or if another folder is preferred.

image.png

Thank you,
Chad Warren Westom, REHS
Wise Health Solutions LLC
702.518.2045

Date : 10/15/2019 4:51:52 PM

From : "Moore, Amy" Amy.Moore@health.mo.gov

To : "'Chad Warren Westom' chad@wisehealthsolutions.com" chad@wisehealthsolutions.com, "Kroll, Sharlet" Kroll, Sharlet

Cc : "Ross Mirkarimi ross@wisehealthsolutions.com" ross@wisehealthsolutions.com, "Dale Sky Jones dale@wisehealthsolutions.com" dale@wisehealthsolutions.com, "Balkenbush, Andrea" Balkenbush, Andrea, "Dick, Angie" Dick, Angie

Subject : RE: Redactions for Testing Labs

Yes, let's plan to discuss. Definitely good news on the Testing scores. Thanks.

Amy E. Moore

Deputy Director and Counsel, Medical Marijuana

573-751-6234

From: Chad Warren Westom

Sent: Tuesday, October 15, 2019 4:47 PM

To: Kroll, Sharlet ; Moore, Amy

Cc: Ross Mirkarimi ; Dale Sky Jones ; Balkenbush, Andrea ; Dick, Angie

Subject: Redactions for Testing Labs

Amy and Sharlet,

While we are on the topic of redactions, over the weekend we were able to connect with all testing lab graders and review the zeroes given by the lab graders. None of the testing lab zeroes given seemed to be associated with redaction issues. I trust that is good news for DHSS.

With Cultivations, though, graders have been reporting redaction issues like the one Dale sent to you. Ross, as project manager, has been tracking the redaction questions. At our Thursday standing meeting, would you like for us to discuss the redaction issues we have been encountering with the Cultivation worksheets?

Thank you,

Chad Warren Westom, REHS

Wise Health Solutions LLC

702.518.2045

Kroll, Sharlet

From: Moore, Amy
Sent: Wednesday, November 6, 2019 10:52 AM
To: 'Ross Mirkarimi'
Cc: Kroll, Sharlet; Balkenbush, Andrea; Chad Warren Westom; Dale Jones
Subject: RE: Redaction Report Examples - Cultivation
Attachments: Copy of REDACTED versions of Cultivation Redactions list - program responses.xlsx

Ok, I have some concerns here. What I'm seeing in a majority of the issues listed is a particular misunderstanding of our rule. Specifically, where a business name appears, only the facility applicant business name must be redacted – not parent companies or prior businesses or consultant businesses. If you are not certain whether the business listed is the applicant, you should refer to the public list of facility applicants to see if that business name is on the list. The extent of these notes indicates this misunderstanding could be prevalent, and I don't see any indication that the graders have been corrected. Unlike most grading decisions, this is not a case where there should be any grader discretion. Correcting the grader on this point is not influencing the application of their expertise or judgement; it's correcting an error. As we've discussed since the beginning, it is VERY important to us that each grader have a completely accurate understanding of what constitutes a redaction failure, and it continues to be our expectation that zeros for redaction issues will be reviewed by the executive team to ensure compliance.

I would ask three things: 1) that you go back to all of the graders and clarify this point; 2) that you go back through each redaction-related zero, whether listed here or not, and be sure it was applied with an accurate understanding of our redaction rule. I understand this will take additional time, but it is imperative that we get this right; and 3) that you send me a file like the one attached every week before our call showing all notes for redaction-related zeros until we all agree there are no more errors showing up.

I've attached the spreadsheet with our notes so you can see the examples I'm referencing.

Thanks, all.

Amy E. Moore
Deputy Director and Counsel, Medical Marijuana
573-751-6234

From: Ross Mirkarimi <ross@wisehealthsolutions.com>
Sent: Wednesday, November 6, 2019 10:26 AM
To: Moore, Amy <Amy.Moore@health.mo.gov>
Cc: Kroll, Sharlet <Sharlet.Kroll@health.mo.gov>; Balkenbush, Andrea <Andrea.Balkenbush@health.mo.gov>; Chad Warren Westom <chad@wisehealthsolutions.com>; Dale Jones <dale@wisehealthsolutions.com>
Subject: Re: Redaction Report Examples - Cultivation

Amy - in most of these circumstances, affirmative. These are examples where the grader arrived at the decision to grade a zero in a failure to redact cases.

Best,
Ross Mirkarimi

On Wed, Nov 6, 2019 at 6:52 AM Moore, Amy <Amy.Moore@health.mo.gov> wrote:

(email continued below)

Ross, Clarification: are the circumstances in the Issue column examples of where a grader has noticed these issues and given the question a zero of failure to properly redact?

Amy E. Moore

Deputy Director and Counsel, Medical Marijuana

573-751-6234

From: Ross Mirkarimi <ross@wisehealthsolutions.com>

Sent: Tuesday, November 5, 2019 11:06 PM

To: Moore, Amy <Amy.Moore@health.mo.gov>; Kroll, Sharlet <Sharlet.Kroll@health.mo.gov>; Balkenbush, Andrea <Andrea.Balkenbush@health.mo.gov>

Cc: Chad Warren Westom <chad@wisehealthsolutions.com>; Dale Jones <dale@wisehealthsolutions.com>

Subject: Redaction Report Examples - Cultivation

Hello Amy,

Attached is a report of redaction examples from cultivation applications. These examples reflect up to 10 (ten) redaction cases per grader. Pursuant to our understanding, we are conveying redaction occurrences per grader per license type.

Please let me know me if you have any questions.

Best regards,

Ross Mirkarimi

Project Manager

Date : 11/8/2019 2:35:55 PM
From : "Moore, Amy" Amy.Moore@health.mo.gov
To : "Balkenbush" Balkenbush, "Andrea" Andrea
Subject : RE: Aligning Cultivation Applications' Lists MDHSS/WHS

Agreed. It certainly appears that way to me as well. Otherwise, how can they be realizing they don't have all these files so much later after we upload them?

Amy E. Moore
Deputy Director and Counsel, Medical Marijuana
573-751-6234

From: Balkenbush, Andrea
Sent: Friday, November 8, 2019 12:08 PM
To: Moore, Amy

Subject: FW: Aligning Cultivation Applications' Lists MDHSS/WHS

I'm working on a couple items, however I would like to ask Wise to provide verification of each of our daily reports within a couple days of our uploads. We provide the daily and weekly reports so they have something to verify their downloads from, but I don't think that is happening. Thoughts?

From: Aviad Giat <aviad@wisehealthsolutions.com>

Sent: Friday, November 8, 2019 7:28 AM

To: Balkenbush, Andrea <Andrea.Balkenbush@health.mo.gov>

Cc: Ross Mirkarimi <ross@wisehealthsolutions.com>; Dale Sky Jones <dale@wisehealthsolutions.com>; Chad Warren Westom <chad@wisehealthsolutions.com>; Amick, Tina <Tina.Amick@health.mo.gov>; Rackers, Cyndi <Cyndi.Rackers@health.mo.gov>; Moore, Amy <Amy.Moore@health.mo.gov>; Kroll, Sharlet <Sharlet.Kroll@health.mo.gov>

Subject: Re: Aligning Cultivation Applications' Lists MDHSS/WHS

Hi Andrea,

Thank you for your detailed response!

Can you please re-upload the applications mentioned above that we are missing? When I downloaded the original batches, those, for some reason, were either not there or not downloaded to my computer correctly.

Originally we created a folder to insert the reloaded worksheets called "10 Batch" so you may have already uploaded them again per our last request, however, I looked in this folder and did not see them yet.

Since that request, per instructions, I deleted the files from the server after downloading the general files so if they were mixed in the general population, maybe they were deleted in this process.

Here is the list again:

1. CKCC3344
2. CLMC0006
3. HFZZ1028
4. HMJO0202
5. KCGF1234
6. KSBA5145
7. LEAF0001
8. LFBC1536
9. NYDE0994
10. QFTC5637
11. SCGR0002
12. VAPN1660

Here are my comments for the 12 above (very generic :-)) and to the other items in the list in Green:

1. APRV3M77

You have the App APRV3M77 on your list.

I do not.

I do have the App APRV3077 with its working sheets.

Is that a different application or just a typo on your end?

APRV3007 is correct and has been updated on our side.

We have it both inside and outside the app as APRV3077.

We will send the correct TmpId with the report.

(email continued below)

2. 2KOBA2184

I have this App, but you do not have it on your list.

Is that a legit App or is it a duplication of KOBA2184

Unable to locate 2KOBA2184. Can you send a few worksheets?

I believe it is a duplicate then. They look identical inside.

I attached 2 worksheets from the 2 apps (2KOBA2184 and KOBA2184)
for your review.

Let me know if it is safe to remove this one from my records and our server.

3. CFGP9779

I am missing the Application on my end.

Uploaded 10/24

It was actually in the Dispensary License type folder on the SFTP site.

I will move it to Dispensary. I can see it has WS39 and NOT WS40.

4. CKCC3344

I am missing the Application on my end.

Uploaded 10/28

It was never downloaded from the SFTP site by us. We do not have it.

5. CLMC0006

I am missing the Application on my end.

Uploaded 10/28

It was never downloaded from the SFTP site by us. We do not have it

6. EEIC0002

I have this App, but you do not have it on your list.

The Application was withdrawn by affidavit on 11/04 and no longer needs to be scored. Has it been scored?

I never heard about this withdrawal and we did score it.

7. EVFC0103

I have this App, but you do not have it on your list.

EVFC0103 is correct and has been updated on our side.

Ok!

8. EVFC1111

I am missing the Application on my end.

Incorrectly listed on the spreadsheet. Should be EVFC0103. Updated on our side. (same app as # 7 above)

Ok!

9. HFZZ1028

I am missing the Application on my end.

Uploaded 10/28

It was never downloaded from the SFTP site by us. We do not have it

(email continued below)

10. HMJO0202
I am missing the Application on my end.
Uploaded 10/28
It was never downloaded from the SFTP site by us. We do not have it

11. KCGF1234
I am missing the Application on my end.
Uploaded 10/28
It was never downloaded from the SFTP site by us. We do not have it

12. KSBA5145
I am missing the Application on my end.
Uploaded 10/28
It was never downloaded from the SFTP site by us. We do not have it

13. LAUD2018
I am missing the Application on my end.
I do have the App LAUD2118.
LAUD2118 is correct and has been updated on our side.
Ok!

14. LEAF0001
I am missing this App.
I do have LEAF0002. This is a different app
LEAF0001 uploaded 10/11
It was never downloaded from the SFTP site by us. We do not have it

15. LFBC1536
I am missing the Application on my end.
Uploaded 10/28
It was never downloaded from the SFTP site by us. We do not have it

16. MGRL1000
I am missing the Application on my end.
Uploaded 10/28
I found that this application was uploaded to Dispensary instead of Cultivation. I do have it and I will move it to a new batch for Dispensary.
Note that this Application is missing WS10. I will send a separate email about this one and others that came with missing WSs.

17. NYDE0994
I am missing the Application on my end.
Uploaded 10/29
It was never downloaded from the SFTP site by us. We do not have it

18. QFTC5637
I am missing the Application on my end.
Uploaded 10/28
It was never downloaded from the SFTP site by us. We do not have it

(email continued below)

19. SCGR0002

I am missing the Application on my end.

Uploaded 10/28

It was never downloaded from the SFTP site by us. We do not have it

20. THDC9011

I am missing the Application on my end.

Should be TDHC9011, uploaded 10/01

Ok!

21. TLSJ0314

I am missing the Application on my end.

Uploaded 10/28

I found this Application in Dispensary.

22. TPDC4111

I have all working sheets file names' as TPDC4111

The Sheets inside indicate that the App is TPGC4111

We scored them as-is and you will receive the correct App name in the final report from Chad.

TPGC4111 updated on our side per email of 11/01

Ok!

23. MBCU0001

I have all working sheets file names' as MBCU0001

The Sheets inside indicate that the App is BMCU0001

We scored them as-is and you will receive the correct App name in the final report from Chad.

BMCU0001 updated on our side

Ok!

24. PFFF8274

I have all working sheets file names' as PFFF8274

The Sheets inside indicate that the App is PFFL8274

We scored them as-is and you will receive the correct App name in the final report from Chad.

PFFL8274 updated on our side

Ok!

25. TIAQ0001

I have all working sheets file names' as TIAQ0001

The Sheets inside indicate that the App is TAIQ0001

We scored them as-is and you will receive the correct App name in the final report from Chad.

TAIQ0001 updated on our side. Application contained a mixture of both file names.

Ok!

26. VAPN1660

I am missing the Application on my end.

Uploaded 10/14

It was never downloaded from the SFTP site by us. We do not have it

27. "withdrawn"

Do you have an extra folder or file on your end that was counted on your list and is NOT an application?

"Withdrawn" is most likely EEIC0002, which was withdrawn on 11/04.

Ok!

I will also send you later a list of missing working sheets for the Dispensary applications I downloaded from the SFTP.

Thank you!

Aviad

(email continued below)

Thank you!

Aviad

On Wed, Nov 6, 2019 at 8:56 AM Balkenbush, Andrea <Andrea.Balkenbush@health.mo.gov> wrote:

Scoring team, below in red are responses to Aviad's questions regarding specific applications. I have also added some notes and guidance for the group to review. I'd be happy to discuss today or on our call tomorrow. A lot of work is being done by so many people – thank you!

Re-naming of Applications (App Id) - There will be cases where an application or the attachment will have multiple app id's listed. The Medical Marijuana Program chooses which app id to use. Please do not choose or change the app id on your end – if an id needs to be changed, the Medical Marijuana program will make the change if the program determines a change is needed.

Corrupted file questions, etc.: I want to make sure that your team is opening all files in their original file format? For example, if the document is a PDF the scorers should be opening the files in Adobe. If the document is Word, then it should be opened in Word, etc. When we are viewing files that have been presented as "corrupt" we are able to open and view them without a problem. We have been re-uploading the exact files again without problems. I'd like to determine what the issues may be so this can be resolved.

If we updated file names on our end, the update will be captured in the Friday, To Date Upload Report.

We have provided the dates of when numerous files were uploaded to the SFPT site, please check these dates and the daily upload reports to locate these. We are getting numerous request for missing files that have been uploaded and are on the daily reports. Are these daily upload reports helpful in ensuring you are receiving all the uploads we doing daily? One intent of the report is to verify daily (or soon after) that you have received the files that we have uploaded.

We have had a couple applicants that have withdrawn their applications and do not want to move forward. The application worksheets and attachments should not have been passed on, but please let us know if you did receive them.

Thank you

Andrea Balkenbush

Facility License & Compliance Director
Medical Marijuana Regulatory Program
Department of Health & Senior Services
andrea.balkenbush@health.mo.gov

Date : 11/15/2019 12:41:10 AM

From : "Chad Warren Weston" chad@wisehealthsolutions.com

To : "Moore, Amy" Moore, Amy, "Kroll, Sharlet" Kroll, Sharlet

Cc : "Dale Jones dale@wisehealthsolutions.com" dale@wisehealthsolutions.com

Subject : Invoice 004 for Fully Scored (Redacted) Cultivation Applications

Attachment : WHS LLC Invoice to Missouri DHSS, Invoice 0004, Completed Cultivation Applications as of 11 14 19.pdf;

Amy and Sharlet,

Please see the attached invoice for the 100% completion of 451 Cultivation applications. The redacted report of them was shared previously with Sharlet. Graders are currently completing the last 13 now. We are resolving technical issues and/or redaction issues on the remainder of the total.

Please let me know of any questions or concerns.

Thank you,

Chad Warren Weston, REHS
Wise Health Solutions LLC
702.518.2045



Date : 11/18/2019 9:05:06 AM
From : "Moore, Amy" Amy.Moore@health.mo.gov
To : "Ross Mirkarimi" ross@wisehealthsolutions.com" ross@wisehealthsolutions.com, "Kroll, Sharlet" Kroll, Sharlet,
"Balkenbush, Andrea" Balkenbush, Andrea
Cc : "Chad Warren Westom chad@wisehealthsolutions.com" chad@wisehealthsolutions.com, "Dale Jones
dale@wisehealthsolutions.com" dale@wisehealthsolutions.com
Subject : RE: Redaction Report I

Ross, I really appreciate the work you've done on this process. Just a couple notes this time:
On rows 17 and 24 – the business name Elemental Wellness does not appear on the applicant entity list, so that would not be a redaction failure.
On row 25 – Neither Modern Medicine nor Altitude Organic appears on the applicant entity list, so this would not be a redaction failure.
Row 3 – it looks like this could be referring to a business name. If so, I would just check that one against the applicant entity list to verify it appears.
Otherwise, looks good.

Amy E. Moore
Deputy Director and Counsel, Medical Marijuana
573-751-6234

From: Ross Mirkarimi
Sent: Saturday, November 16, 2019 12:24 AM
To: Moore, Amy ; Kroll, Sharlet ; Balkenbush, Andrea
Cc: Chad Warren Westom ; Dale Jones
Subject: Redaction Report I

Hello Amy and MDHSS Team,

We have been refining our redaction vetting process. Below is a letter sent to our graders illustrating our organizing approach to redactions and discrepancies. The letter includes links for chronicling redactions and discrepancy cases as well as updated reference materials (Training Manual) for grader support. When logging redactions and discrepancies, we will make sure they are differentiated by license type.

Attached below is a slightly edited spreadsheet of 24 **cultivation** redaction examples - according to MDHSS criteria - some are affirmed as redaction failures, and some are examples of grader redaction queries. These examples will be transferred to the new Redactions Log. The cultivation redaction examples provided to you last week were reviewed and determined to not be redaction failures, therefore, they will not be included in the Redactions Log.

We'll send you another update next week and as always, we look forward to your feedback.

Best,
Ross Mirkarimi

Happy Friday Graders!

In our constant attempts to streamline the process and bring clarity, we have a few tools and discoveries we want to bring (back) to your attention. Some of you are already familiar; this email is to get us all on the same page :)

To make it smoother for both Graders and Tech team, as well as reduce a step with fewer emails, we are encouraging Graders to log your issues directly, and therefore skip sending an email. (You can also quickly check if we are already dealing with the worksheet you discovered from another Grader).

Here is the [Redactions Log](#)

Here is the [Dispensary Discrepancies Log for Graders](#)

(email continued below)

As always, if you do not want to use the log, continue to email Redactions@ or Error@ with your issues.

You do not need to do "both" log and send an email, pick one :)

REDACTIONS scoring guidelines have been clarified. Updated the

[WHS's Training Manual V3: Missouri Scoring & Grading Rubric, 11_13_19 DHSS](#) with new "Tips for Scoring" at the very end of the binder :)

UNREADABLE FILES/ UNABLE TO SCROLL

If you have a problem looking at the entire WS pdf (can not preview, scroll or "error" message). We discovered this is a result of applicants using an unadvised software. In general, training that you should NOT "open pdf with google docs" to see the pdf file as you will not "see" the complete answer is still accurate. You are still to Download the worksheets to properly view the Worksheet PDF. If you need to "view" the complete answer, please download and open the pdf. Alternatively, look for the tiny plus sign "+" to view. **ONLY if all this fails, your last and final step is to try to "open as a google doc" as we discovered you can sometimes see ALL the text this way in situations there is no other way to view it. Keep in mind, images do disappear so any text in an image will not show up, but we can score what is there.** Report these unopenable or un-scrollable files to the discrepancies log or email error@wisehealthsolutions.com

Thank you, have a productive scoring weekend!

Tech Team

(email continued below)

UA#	Worksheet (W Question #	Issue
TSAJ0421	13	50 the necessary financing for the remainder of
LMBW1601		specific name & proposed name given
LNCU0819		Parnters names given.
VGCF2001		Operator's name given.
VGCF2002		Operator's name given.
VNBJ0819		Owner named.
CAME0002	10	20 Company and principals named in email lette
CCPD5171	8	18 Failure to redact name on insurance quote
MPSM0728	4	14 Failure to redact signature on attachment. N
NHWW0002	4	14 Failure to redact names and addresses of inc
RRME5622	4	14 Failure to redact name and address on attac
JKTM1234	4	14 Failure to redact indiv names on attachment
STAR1120	4	14 Failure to redact one of the applicant's full na
ROMA2121	1	1 Applica'ts full name not redacted in subject
ROMA2122	1	1 Applica'ts full name not redacted in subject
BRAN2007	1	1 Business name, Elemental Wellness, not red
LPDM6577	4	14 Failure to redact applicant full name on attac
DISP3697	1	1 Applicant full name on page 3 attachment d r
GIBS2010	1	1 Applicant's full name not redacted on p. 2-5,
SAFE2358	4	14 Failure to redact applicant full name on attac
VINE2019	4	14 Failure to redact 1 of the applicant's full name
INGR6954	1	1 Applicant full name not redacted on attachme
KEAR3148	1	1 Business name, Elemental Wellness, not red
MDIS0002	1	1 Business name 'Modern Medicine LLC, dba ,

Date : 11/19/2019 10:18:38 AM
From : "Chad Warren Westom" chad@wisehealthsolutions.com
To : "Balkenbush" Balkenbush, "Andrea" Andrea
Cc : "Aviad Giat" aviad@wisehealthsolutions.com, "Aviad" aviad@wisehealthsolutions.com, "Dale Sky Jones" dale@wisehealthsolutions.com, "Dale" dale@wisehealthsolutions.com, "Ross Mirkarimi" ross@wisehealthsolutions.com, "Ross" ross@wisehealthsolutions.com, "Moore, Amy" Moore, Amy, "Kroll, Sharlet" Kroll, Sharlet, "Amick, Tina" Amick, Tina
Subject : Re: New Cultivation App to Upload

We understand Andrea and thank you for the call.

Thank you,

Chad Warren Westom, REHS
Wise Health Solutions LLC
702.518.2045

On Tue, Nov 19, 2019 at 6:47 AM Balkenbush, Andrea <Andrea.Balkenbush@health.mo.gov> wrote:

Team, I have a cultivation app that fell through the cracks here. We will be uploading it this afternoon and add it to our finalized list of Cultivation applications. Sorry for this inconvenience, but happy we caught it before final scoring was complete. I'll follow-up with a phone call. Thank you.

Andrea Balkenbush

Facility License & Compliance Director

Medical Marijuana Regulatory Program

Department of Health & Senior Services

andrea.balkenbush@health.mo.gov

Date : 11/25/2019 8:20:42 PM
From : "Moore, Amy" Amy.Moore@health.mo.gov
To : "Chad Westom chad@wisehealthsolutions.com" chad@wisehealthsolutions.com
Cc : "Balkenbush, Andrea" Balkenbush, Andrea, "Kroll, Sharlet" Kroll, Sharlet, "Dale Jones dale@wisehealthsolutions.com" dale@wisehealthsolutions.com, "Ross Mirkarimi ross@wisehealthsolutions.com" ross@wisehealthsolutions.com
Subject : Re: Cultivation Scores now in sfts

Thank you! I sincerely appreciate your extra attention to getting the redaction issue all squared up. And congrats on reaching yet another milestone.

On Nov 25, 2019 8:12 PM, Chad Warren Westom wrote:

Amy and Sharlet and Andrea,

The grading of Cultivation applications is complete. No statistically significant variances were identified, but we did an additional review of grader redaction scoring. Additional redaction coaching and discussions were held with graders as needed, ensuring their perspectives aligned with DHSS and WHS.

The Cultivation scores are now in the sfts for your review. Please let me know if you have any questions or concerns.

Thank you,

Chad Warren Westom, REHS
Executive Lead
Wise Health Solutions LLC
702.518.2045

Date : 11/30/2019 4:31:25 PM
From : "Chad Warren Westom" chad@wisehealthsolutions.com
To : "Moore" Moore, "Amy" Amy
Cc : "Kroll, Sharlet" Kroll, Sharlet, "Balkenbush, Andrea" Balkenbush, Andrea, "Dale Jones dale@wisehealthsolutions.com" dale@wisehealthsolutions.com, "Ross Mirkarimi ross@wisehealthsolutions.com" ross@wisehealthsolutions.com
Subject : Re: Cultivation Scores ; Resolution
Attachment : Summary of Cultivation DHSS and WHS differences 11 27 19.pdf;

Amy, Andrea, and Sharlet,

We have figured out a solution to the Cultivation discrepancies. We had this figured out on Thursday but I needed to report back to you still. The attached chart should explain the discrepancies between our list and yours. I hope it will help you understand there are 578 cultivation applications in total. We submitted 575. Three applications--- MGRL1000, SMCK1231, TLSJ0314 --- were not graded by WHS, and the email conversations leading up to those misunderstandings are shown on the attached. Our graders have completed the scoring of most of those questions now, but we are still waiting for completion by a handful. Using "Beyond Compare" software, we also identified two applications that we still need to change the names of. We identified and fixed all the broken spreadsheet formulas, and we will triple-check that before resubmitting. We have been checking application inventory control now twice per week. Please review the attached and let us know if it matches your records, or of any questions. Once you've approved this plan and the three (3) last applications are fully graded, we can resubmit all 578 Cultivation score sheets.

Thank you,

Chad Warren Westom, REHS
Executive Lead
Wise Health Solutions LLC
702.518.2045

On Tue, Nov 26, 2019 at 1:53 PM Chad Warren Westom <chad@wisehealthsolutions.com> wrote:

We are reviewing this now Amy. We should plan on discussing this at 11 tomorrow because with the time zone difference I'm not sure we can resolve it prior.

Thanks. Chad

On Tue, Nov 26, 2019, 1:03 PM Moore, Amy <Amy.Moore@health.mo.gov> wrote:

Chad, We have not reviewed the scores you sent, but we can see from the number of scores that the total number you have sent us is 575, which seems to be confirmed by this invoice. If you refer to the most recent spreadsheet we sent, we were expecting 578 applications to be scored plus the 1 late application. I've attached both relevant email strings here, as well as the spreadsheet that was attached to the first email. Thus, the total number of applications that should have been finally scored is 579. We should discuss, but in the meantime, we will not be working with these scores. In addition to this issue, Tina noticed when checking for data that some of our formulas are broken in the scoring worksheets. One other thing, for some reason, it appears there are two final scores folders for Cultivation that contain files that look like the final scores. We haven't compared closely to see if they are exactly the same.

Unless you'd like to talk immediately, we'll give you the evening to look into this and talk to you on our call tomorrow at 11.

Amy E. Moore

Deputy Director and Counsel, Medical Marijuana

573-751-6234

From: Chad Warren Westom <chad@wisehealthsolutions.com>
Sent: Tuesday, November 26, 2019 12:29 PM
To: Kroll, Sharlet <Sharlet.Kroll@health.mo.gov>
Cc: Balkenbush, Andrea <Andrea.Balkenbush@health.mo.gov>; Moore, Amy <Amy.Moore@health.mo.gov>; Dale Jones <dale@wisehealthsolutions.com>; Ross Mirkarimi <ross@wisehealthsolutions.com>
Subject: Re: Cultivation Scores now in sfts

Sharlet,

Per your email and our call, please see the attached invoice for closing out the Cultivation phase. Please confirm it's in the format you need. If you need any edits, please let me know and I'm available to make them.

Thank you,

Chad Warren Westom, REHS
Wise Health Solutions LLC

(email continued from previous page)

702.518.2045

On Tue, Nov 26, 2019 at 2:16 PM Kroll, Sharlet <Sharlet.Kroll@health.mo.gov> wrote:

Hi Chad,

Amy and I will both be out of office tomorrow – traveling and working remote. So, if you plan to submit your invoice this week, I recommend doing it today by 1:00 PM Pacific time.

Thanks

Sharlet

From: Chad Warren Westom <chad@wisehealthsolutions.com>

Sent: Monday, November 25, 2019 8:12 PM

To: Balkenbush, Andrea <Andrea.Balkenbush@health.mo.gov>; Moore, Amy <Amy.Moore@health.mo.gov>; Kroll, Sharlet <Sharlet.Kroll@health.mo.gov>

Cc: Dale Jones <dale@wisehealthsolutions.com>; Ross Mirkarimi <ross@wisehealthsolutions.com>

Subject: Cultivation Scores now in sfts

Amy and Sharlet and Andrea,

The grading of Cultivation applications is complete. No statistically significant variances were identified, but we did an additional review of grader redaction scoring. Additional redaction coaching and discussions were held with graders as needed, ensuring their perspectives aligned with DHSS and WHS.

The Cultivation scores are now in the sfts for your review. Please let me know if you have any questions or concerns.

Thank you,

Chad Warren Westom, REHS

Executive Lead

Wise Health Solutions LLC

702.518.2045

Date : 12/15/2019 8:17:56 PM

From : "Moore, Amy" Amy.Moore@health.mo.gov

To : "'Chad Warren Westom' chad@wisehealthsolutions.com" chad@wisehealthsolutions.com, "Kroll, Sharlet" Kroll, Sharlet, "Balkenbush, Andrea" Balkenbush, Andrea

Cc : "Dale Jones dale@wisehealthsolutions.com" dale@wisehealthsolutions.com, "Ross Mirkarimi ross@wisehealthsolutions.com" ross@wisehealthsolutions.com, "Dick, Angie" Dick, Angie

Subject : RE: Medical marijuana-infused products Manufacturers

Great news! We'll review and get back to you asap.

That bright thing in front of you is the light at the end of the tunnel.

From: Chad Warren Westom

Sent: Sunday, December 15, 2019 8:12 PM

To: Moore, Amy ; Kroll, Sharlet ; Balkenbush, Andrea

Cc: Dale Jones ; Ross Mirkarimi ; Dick, Angie

Subject: Medical marijuana-infused products Manufacturers

Amy and Sharlet and Andrea,

The grading of Medical marijuana-infused products Manufacturer applications is complete. Redaction coaching and discussions were held with graders as needed, ensuring their perspectives aligned with DHSS and WHS. No statistically significant variances were identified at the project wrap-up.

The Manufacturer scores are now in the sfs for your review. Please let me know if you have any questions or concerns.

Thank you,

Chad Warren Westom, REHS

Executive Lead

Wise Health Solutions LLC

702.518.2045

Date : 12/16/2019 9:44:10 AM
From : "Moore, Amy" Amy.Moore@health.mo.gov
To : "Fraker" Fraker, "Lyndall" Lyndall
Subject : FW: Dispensary Scoring Completed

This is the last of the scores. Barring some technical issue, we're done exactly on time. The contract deadline was today.

Amy E. Moore

Deputy Director and Counsel, Medical Marijuana

573-751-6234

From: Kroll, Sharlet

Sent: Monday, December 16, 2019 7:25 AM

To: 'Chad Warren Westom'; Moore, Amy; Balkenbush, Andrea

Cc: Dale Jones; Dick, Angie; Ross Mirkarimi

Subject: RE: Dispensary Scoring Completed

Great news. Your team deserves some R&R.

Thank you

Sharlet

From: Chad Warren Westom <chad@wisehealthsolutions.com>

Sent: Monday, December 16, 2019 1:30 AM

To: Moore, Amy <Amy.Moore@health.mo.gov>; Balkenbush, Andrea <Andrea.Balkenbush@health.mo.gov>; Kroll, Sharlet <Sharlet.Kroll@health.mo.gov>

Cc: Dale Jones <dale@wisehealthsolutions.com>; Dick, Angie <Angie.Dick@health.mo.gov>; Ross Mirkarimi <ross@wisehealthsolutions.com>

Subject: Dispensary Scoring Completed

Amy and Sharlet and Andrea,

The grading of Medical marijuana Dispensary applications is complete. The 1,201 score sheets are now in the sfts for your review. Throughout the scoring process, redaction coaching was provided to graders as needed, ensuring their perspectives aligned with DHSS and WHS. No variances of statistical significance were identified in our technological or quality control reviews. For Dispensaries, as well as for all facility application types, we successfully achieved having individual scoring team members score the same set of questions for the entire facility type.

Please let me know if you have any questions or concerns. It has been our honor to partner with you and DHSS on this crucial and unprecedented marijuana application review.

Thank you,

Chad Warren Westom, REHS

Executive Lead

Wise Health Solutions LLC

702.518.2045

Appendix M – Records Request Response Letter to Chairman



Missouri Department of Health and Senior Services

P.O. Box 570, Jefferson City, MO 65102-0570 Phone: 573-751-6400 FAX: 573-751-6010
RELAY MISSOURI for Hearing and Speech Impaired and Voice dial: 711

Randall W. Williams, MD, FACOG
Director



Michael L. Parson
Governor

June 15, 2020

Representative Robert Ross
Missouri House of Representatives
201 West Capitol Avenue
Room 302-1
Jefferson City MO 65101

Re: May 7, 2020 Oversight Committee Request for Information Regarding Medical Marijuana Program

Chairman Ross,

This letter is in response to your May 7, 2020, request for information related to the medical marijuana program. Accompanying this letter is a flash drive with approximately 3,000 e-mails and approximately 640 electronic files. The Department has attempted to provide every relevant document responsive to the committee's extensive request. However, documents regarding any confidential information under Article XIV of the Missouri Constitution or attorney/client privileged communications, closed to the public pursuant to section 610.021(1), RSMo., have been omitted.

Sincerely,

A handwritten signature in black ink that reads "Randall W. Williams".

Randall W. Williams, MD, FACOG
Director

Appendix N – Example of Correspondence Provided Where Director Williams, Director Crumbliss, Mr. Moore Discuss Hiring of Deputy Director Moore

Date : 12/8/2018 9:19:12 AM

From : "Williams, Randall" Randall.Williams@health.mo.gov

To : "Moore, Richard" Richard.Moore@health.mo.gov, "Crumbliss, Adam" Adam.Crumbliss@health.mo.gov, "Anderson, Doug" Doug.Anderson@health.mo.gov

Just talked with attorney that Richard recommended and she would really, really like to discuss Director of Medical Marijuana job. It has been said that 80% of success is showing up and I think that is true for this endeavor because I think it requires a major commitment. Will meet with her Wednesday. Richard, well done. Randall



Date : 12/8/2018 9:30:44 AM

From : "Williams, Randall" Randall.Williams@health.mo.gov

To : "'any.e.moore2@gmail.com'" any.e.moore2@gmail.com

Cc : "Crumbliss, Adam" Adam.Crumbliss@health.mo.gov, "Anderson, Doug" Doug.Anderson@health.mo.gov, "Moore, Richard" Richard.Moore@health.mo.gov

Amy thank you for taking the time to talk with me. If you get a chance, read David Gergen's Eyewitness to Power. David talks a lot about emotional intelligence and looking at your Honors Thesis at UT-C, you would find it interesting. Best, Randall



Appendix O – Executive Branch Stakeholders MMD Contacted for Feedback on Proposed MMJ Matters

From: Moore, Richard

Sent: Tuesday, March 5, 2019 1:01 PM

To: Baker, Julie <Julie.Baker@governor.mo.gov>; Phillips, Joshua <Joshua.Phillips@dss.mo.gov>; Ironbar, Umo <Umo.Ironbar@dss.mo.gov>; McAdams, Jim (OA-Comm OFC) <Jim.McAdams@oa.mo.gov>; 'Kyle.Atkinson@mshp.dps.mo.gov'; Weinert, Nathan <Nathan.Weinert@dps.mo.gov>; Sanders, Maria <MARIA.SANDERS@dor.mo.gov>; Westen, Jacob <Jacob.Westen@dnr.mo.gov>

Cc: Moore, Amy <Amy.Moore@health.mo.gov>

Subject: Draft Medical Marijuana Rules (Facilities) - PRIVILEGED COMMUNICATION

Colleagues,

As you know the Department of Health and Senior Services has been tasked with drafting administrative rules to implement Amendment 2 (Article XIV), relating to medical marijuana. Your client has been identified by the DHSS as an entity which should have the opportunity to review draft medical marijuana rules before finalizing our draft and releasing the drafts to the public. Due to the fact we are on a very tight time line to have the rules in place before certain deadlines mandated by the Constitution, the proposed rules must be submitted as emergency rules this spring. To provide the opportunity for stakeholder and public feedback while the rules are being drafted, we have developed the following process:

1. Once DHSS has completed a draft rule (topic), it will be shared with other key state agencies for their comments (1 week review).
2. Once DHSS makes any changes based on comments of state agencies, the draft rule will be posted on the Medical Marijuana website for public/stakeholder comment.
3. DHSS will allow suggestions for potential changes to be made until mid-April.

Attached you will find four draft rules for your review, which relate to Cultivation Facilities, Infused Products Manufacturing Facilities, Dispensary Facilities, and Facilities Generally. Also, below you will find a listing of the draft rules we are working on. Please provide your feedback to the drafts by March 13th.

Rule #	Topic
0.010	Definitions
0.020	General Provisions
0.030	Qualified Patient / Primary Caregiver
0.040	Medical Marijuana Establishments Generally
0.050	Cultivation Facility
0.060	Infused Products Manufacturing Facility
0.070	Testing Facility
0.080	Dispensary Facility
0.090	Seed to Sale Tracking
0.100	Transportation
0.110	Physician / Health Care Provider
0.120	Taxation
0.130	Penalties
0.140	Miscellaneous Provisions

Richard W. Moore

General Counsel

Missouri Department of Health and Senior Services

PO Box 570, 912 Wildwood Drive

Jefferson City, MO 65102

Phone: (573) 751-6005

Fax: (573) 751-0247

Appendix P - Governor's Office Involvement, Draft Bonus Points Rules

Date : 3/20/2019 12:44:55 PM

From : "Moore, Richard" Richard.Moore@health.mo.gov

To : "Baker" Baker, "Julie" Julie

Cc : "Moore, Amy" Moore, Amy

Subject : Re: MM Draft Rule - Scoring

Amy is in the IT RFP scoring for the next several days. I can handle discussing/answering your questions. I am free starting at 1 for the rest of the day. I am also free most of tomorrow. Call whenever works for the two of you.

Sent from my iPhone

On Mar 20, 2019, at 11:59 AM, Baker, Julie <Julie.Baker@governor.mo.gov> wrote:

Richard,

Kayla and I have a few questions for either or both of you if you have time for a call. I tried to find time this afternoon or tomorrow, but it looks like your schedule is pretty full. Would you like us to discuss this with Amy or would you like to find time for the 4 of us to chat by phone?

Thanks,

Julie Baker

Deputy General Counsel

Office of Governor Michael L. Parson

(573) 751-8684

From: Moore, Richard <Richard.Moore@health.mo.gov>

Sent: Tuesday, March 19, 2019 10:59 AM

To: Baker, Julie <Julie.Baker@governor.mo.gov>

Cc: Moore, Amy <Amy.Moore@health.mo.gov>

Subject: MM Draft Rule - Scoring

Julie,

Attached you will find a portion of a rule that relates to scoring of applications. We would like to post this ASAP to give those considering applying some insight as to where we are heading when they are considering site selection. One item you will see is the concept of incentivizing MM dispensaries to locate throughout a congressional district, rather than have all 24 in one small area. We have attempted to address this in two ways: (1) create an incentive for a dispensary to locate in a State Representative district unlikely to have other applicants; and (2) provide an incentive for an applicant that seeks to serve an area 25 miles or more from the nearest dispensary (if the license would be granted after Round 2).

The logic of the idea is to utilize MO State Representative legislative districts as an area where an applicant would receive bonus points for receiving the highest points in the district. Thus, an applicant will have an incentive to locate in a representative district where they believe no one else will seek a license, thereby distributing dispensaries more evenly. We like the idea of rep districts as they have been found to be "contiguous and compact", are already established in law, and are easily searchable to determine what district serves a physical address. Amendment 2 already establishes a minimum of 24 dispensaries per congressional district. Amendment 2 also roughly establishes that we should have at least 1 dispensary per 31,000 population (5,988,927 Missourians / 192 minimum licenses = 31,192 population per dispensary). State Representative districts are based on approximately 1 rep per every 36,742 people.

In addition to the hints of intent that we find in how the Amendment spreads dispensaries between congressional districts, there are arguably three other provisions of Amendment II that would support our idea, and all can be found in Section 1, Subsection 3, Subdivision (1)(h):

(ii) the business plan proposed by the applicant, which in the case of cultivation facilities and dispensaries shall include the ability to maintain an adequate supply of marijuana . . . ;

(vi) the potential for positive economic impact in the site community;

And most clearly:

(viii) in the case of Medical Marijuana Dispensary Facilities . . . the suitability of the proposed location, and its accessibility for patients;

How scoring would work:

Round 1: Blind score and apply weights to each question and topic to determine a total raw score.

Round 2: The highest scoring applicant in each state rep district will receive a bonus to their score.

- The bonus will be determined by averaging the top 192 dispensary scores, after Round 1, and then multiplying the average score by the bonus percentage – 5%

- Any district that crosses a congressional district line will only be used in the congressional district with the highest percentage of population for such rep district.

Round 3: An applicant with a location that is at least 25 miles from the nearest dispensary, which is within the top 24 of the congressional district after Round 2, will receive a 5% bonus to their score.

Recalculate after Round 3, remove any applicants that have more than the allowable number of licenses, etc. and award dispensary licenses.

We have submitted the following two questions to the AGO:

1. Do we have authority to impose such a scoring bonus?
2. If we have authority, does the bonus have to be given within the specific scoring for the topic (provision vii listed above) or can we add the bonus at the end as described in Round 2 (above)?

Any thoughts you might have on the draft rule or the legality of this concept would be greatly appreciated. I am not planning to send this piece out to the normal stakeholders as this is limited to scoring.

Thank you,

Richard

Richard W. Moore

General Counsel

Missouri Department of Health and Senior Services

PO Box 570, 912 Wildwood Drive

Jefferson City, MO 65102

Phone: (573) 751-6005

Fax: (573) 751-0247

Appendix Q - Governor's Office Involvement, Finalizing Bonus Points Rules

Date : 5/23/2019 12:35:54 PM
From : "Hahn, Kayla" Kayla.Hahn@governor.mo.gov
To : "Moore" Moore, "Richard" Richard
Subject : RE: Medical Marijuana Draft Rules

Richard,

Would you be available for a call today? Just let me know.

Thanks,
Kayla

—Original Message—

From: Moore, Richard <Richard.Moore@health.mo.gov>
Sent: Thursday, May 23, 2019 7:28 AM
To: Hahn, Kayla <Kayla.Hahn@governor.mo.gov>
Subject: Re: Medical Marijuana Draft Rules

Kayla,

I hope you are all safe. I am having Arnie Coleman send you the red line version of the documents we discussed yesterday.

Sent from my iPhone

> On May 22, 2019, at 6:31 PM, Hahn, Kayla <Kayla.Hahn@governor.mo.gov> wrote:

>

> Sending the redlines would be great. I have not been able to review the rules at this point, but plan to do that tomorrow.

>

> Thanks,

> Kayla

>

> Sent from my iPhone

>

>> On May 22, 2019, at 5:08 PM, Moore, Richard <Richard.Moore@health.mo.gov> wrote:

>>

>> Kayla,

>>

>> I sent a similar email to Julie a few hours ago and have since learned that she is totally unavailable, that you will be back in the office on Thursday and will be reviewing the medical marijuana rules prior to their filing. Thus, I wanted to touch base and let you know that there have been a few tweaks to the drafts I provided on Friday. If it is ok with you, I would like to send you a red lined version of those tweaks by 1pm on Thursday (tomorrow). To be clear the redline would only show what has changed this week. Does that work for you?

>>

>> Also, do you have any changes to the drafts? It is my hope to incorporate any changes and sign the rules on Friday morning so that we can file them mid day as people may be leaving early for the long weekend.

>>

>> Thanks,

>>

>> Richard Moore

>>

>>>> On May 17, 2019, at 12:21 PM, Moore, Richard <Richard.Moore@health.mo.gov> wrote:

>>>>

>>>> Julie,

>>>>

>>>> As we have previously discussed, we will need to file these rules with the SOS no later than Friday May 24th. I am attaching (1) the fiscal notes; (2) two sets of rules to this email, the only difference in the rule versions is the redline version shows changes since you last reviewed the rules; (3) the business license application questions and scoring documents, which go with Generally Applicable Provisions 19 CSR 30-95.025; and (4) an employment data table by zip code, which go with Generally Applicable Provisions 19 CSR 30-95.025. Since the last time you have reviewed these drafts we have received hundreds of comments and have adjusted the rules accordingly.

>>>>

>>>> If you have any questions, please do not hesitate to let me know.

>>>>

>>>> Thank you,

>>>>

>>>> Richard W. Moore

>>>> General Counsel

>>>>

>>>> Missouri Department of Health and Senior Services PO Box 570, 912

>>>> Wildwood Drive Jefferson City, MO 65102

>>>> Phone: (573) 751-6005

>>>> Fax: (573) 751-0247

>>>>

>>>>

Appendix R – Key Findings, Market Minimums Report

Executive Summary

With the November 2018 election, medical marijuana became legal in Missouri. The purpose of this report is to assist Missouri's Department of Health and Senior Services with quantitative analyses of the market for medical marijuana. Specifically, we are charged with projecting the number of qualified patients and caregivers and the quantity of medical marijuana that will be needed to treat these patients. In doing so, we will use data from as many states as we can to identify market developments. In addition, it is critical that the key challenges facing Missouri regulators be brought forward—in particular the coexistence of the legal medical market and the illegal recreational market—so that best practices can be developed to help the legal market operate in the way in which it was intended. Overall, price and quantity provided in a timely manner are critical for the medical marijuana market to be as efficient as possible.

Our key findings are presented in the following bullet points:

- Medical marijuana markets have now existed in the U.S. since 1996 (California), growing to 33 states and the District of Columbia as of 2018. However reliable, quality data capture seemed an afterthought. In our view, Washington, Arizona, Massachusetts, and Colorado offer the most complete data available and we rely principally on these four states for our calculations. We observe that the market for medical marijuana grows over the first several years, reflecting a maturation process.
- Based on evidence from across 19 states and over time, we project that the number of Missouri qualified patients will be approximately 19,000 in 2020, 22,500 in 2021, and 26,000 in 2022.
- Based on consumption per medical marijuana patient, we project with 66 percent confidence that Missouri cultivators will need to harvest between 5,000 pounds and 7,000 pounds for the approximately 19,000 qualified patients in year 2020.
- Based on the average production and the distribution of growers—indoor and outdoor—in Colorado, we project with 66 percent confidence that Missouri will need between 10 and 14 cultivators in 2020, 18 to 24 cultivators in 2021, and 24 to 29 cultivators in 2022.
- Based on the growth of qualified patients over time, we project that Missouri will support 85 infused-product manufacturers, perhaps in the first year of medical marijuana sales. There is no data reported on the output of the typical infused-product manufacturers. Because the projection is based exclusively on Colorado reports, the confidence in the projection is low.
- Based on quantity of medical marijuana sold per dispensary in Washington and in Colorado, we project with 66 percent confidence that between 115 and 132 dispensaries will be needed by the year 2022.

- Both price and quantity reports are critical for regulators to properly monitor developments in the medical marijuana market and to limit opportunities for legal medical marijuana to be diverted to the illegal recreational market.
- There are a number of actions already undertaken to address the potential diversion from the legal medical market to the illegal recreational market. Specifically, the application fees for participants in the supply chain—that is, cultivators, infused-product manufacturers, and dispensaries—are large enough to incentivize firms to abide by the law. In addition, the seed-to-sale technology is an important monitoring feature to deal with the potential moral hazard in the legal medical marijuana market.
- Our chief recommendation is that monitoring also include a functioning real time reporting mechanism that looks at both price and quantity movements, especially at the cultivator and dispensary levels. The Department of Health and Senior Services has indicated that they have real-time data on price and quantity, so the signs are encouraging that diversion to illegal markets can be minimized.

Appendix S – Governor’s Office Involvement, Market Minimums Study

Date : 4/3/2019 1:18:22 PM
From : "Moore, Richard" Richard.Moore@health.mo.gov
To : "Baker" Baker, "Julie" Julie
Subject : MM Market Analysis
Attachment : report to dhss sub ver.pdf;

Julie,
Attached is the draft market analysis for the medical marijuana program. Please let me know if you have any thoughts or concerns. Director Williams would like to release this report this week.
Richard W. Moore
General Counsel
Missouri Department of Health and Senior Services

SS

Appendix T – Contact Information for Missouri FBI Offices

Jefferson City Office

305 E McCarty St # 200
Jefferson City, MO 65101
(573) 636-8814

Kansas City Office

1300 Summit Street
Kansas City, MO 64105
(816) 512-8200

St. Louis Office

2222 Market Street
St. Louis, MO 63103
(314) 589-2500