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Office of the Auditor General

Report Summary

Performance Audit
Michigan Medical Marihuana Program
(MMMP)
Department of Licensing and Regulatory
Affairs

Report Number:
641-0435-16

Released:
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MMMP is the State registry program that administers the Michigan Medical Marihuana Act (Sections 333.26421 - 333.26430 of the *Michigan Compiled Laws*). As of September 30, 2015, MMMP had 182,091 registered patients and 34,269 active caregivers. In fiscal year 2015, MMMP received 81,090 initial and 22,879 renewal applications, collected \$6.4 million in revenue, and expended \$4.2 million. As of January 31, 2016, MMMP had 30 employees.

Audit Objective			Conclusion
Objective #1: To assess the effectiveness of MMMP's administration of the Michigan Medical Marihuana Act.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
MMMP had not implemented its audit process to verify the validity of physician certifications to mitigate the risk of fraudulent physician certification forms. We identified 1 physician who certified 11,810 (14%) applicants and 22 other physicians who certified 46,854 (56%) applicants (Finding #1).	X		Agrees
MMMP should improve the timeliness of processing change forms submitted by registered patients and primary caregivers. MMMP took more than 25 days to process 24% of the change forms we sampled, which could leave patients without access to their medicine for extended periods of time and cause legal ramifications (Finding #2).		X	Agrees
MMMP should consider implementing an electronic system to provide an online application process to decrease application processing time and costs and also increase program efficiency and effectiveness (Finding #3).		X	Agrees

Audit Objective			Conclusion
Objective #2: To assess MMMP's compliance with legislative reporting requirements.			Complied
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable	Not applicable	Not applicable

A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: www.audgen.michigan.gov

Office of the Auditor General
201 N. Washington Square, Sixth Floor
Lansing, Michigan 48913

Doug A. Ringler, CPA, CIA
Auditor General

Laura J. Hirst, CPA
Deputy Auditor General