**Section 1290.425 Administration**

a) A dispensing organization shall operate continuously and maintain an uninterrupted supply of medical cannabis for qualifying patients, provisional patients, OAPP participants and designated caregivers.

b) A dispensary shall be open for a minimum of 35 hours a week, except as otherwise authorized by the Division.

c) A dispensing organization shall establish, maintain and comply with written policies and procedures as submitted in an Operations and Management Practices Plan, approved by the Division, for the security, storage, inventory and distribution of cannabis. These policies and procedures shall include methods for identifying, recording and reporting diversion, theft or loss, and for correcting errors and inaccuracies in inventories. At a minimum, dispensing organizations shall ensure the written policies and procedures provide for the following:

1) Conduct mandatory and voluntary recalls of cannabis products. The procedure shall be adequate to deal with recalls due to any action initiated at the request of the Division and any voluntary action by the dispensing organization to remove defective or potentially defective cannabis from the market or any action undertaken to promote public health and safety;

2) Prepare for, protect against, and handle any crises that affects the security or operation of a dispensary in the event of strike, fire, flood or other natural disaster, or other situations of local, State or national emergency;

3) Ensure that outdated, damaged, deteriorated, misbranded or adulterated cannabis is segregated from other cannabis and destroyed. This procedure shall provide for written documentation of the cannabis disposition;

4) Ensure the oldest stock of a cannabis product is distributed first. The procedure may permit deviation from this requirement, if such deviation is temporary and appropriate;

5) Training of Agents

A) Train agents:

i) in the provisions of the Act and the Division's administrative rules;

ii) to effectively operate the point of sale system, the State verification system, Illinois Cannabis Tracking System, and proper inventory handling and tracking;

iii) to adhere to patient, provisional patient, OAPP participant and caregiver confidentiality requirements;

iv) in specific uses of cannabis or cannabis-infused products;

v) in regulatory inspection preparedness and law-enforcement interaction;

vi) in awareness of the legal requirements for maintaining status as an agent; and

vii) in other topics specified by the dispensing organization or the Division.

B) The dispensing organization shall maintain evidence of all training provided for every agent in its files and subject to inspection and audit by the Division. The dispensing organization shall ensure agents receive a minimum of eight hours of training annually, unless otherwise approved by the Division;

6) Develop and maintain business records consistent with industry standards, including by-laws, consents, manual or computerized records of assets and liabilities, audits, monetary transactions, journals, ledgers and supporting documents, including agreements, checks, invoices, receipts and vouchers. These records shall be retained for five years;

7) Inventory control, including:

A) Tracking qualifying patient and provisional patient records, including purchases, denials of sale and confidentiality;

B) Tracking OAPP participant records, including purchases, denials of sale, verification of written certification, selected dispensary, and confidentiality; and

C) Disposal of unusable or damaged cannabis as required by the Act and this Part; and

8) Patient and participant education and support, including:

A) Updated information about the purported effectiveness of various forms and methods of medical cannabis administration;

B) Updated information about the purported effectiveness of strains of medical cannabis on specific conditions;

C) Current educational information issued by DPH about the health risks associated with the use or abuse of cannabis;

D) Whether possession of cannabis is illegal under federal law;

E) Information about possible side effects;

F) Prohibition on smoking medical cannabis in public places; and

G) Offer any other appropriate patient education or support materials.

d) A dispensing organization shall maintain copies of the policies and procedures on the dispensary premises and provide copies to the Division upon request.

e) A dispensing organization shall review dispensing organization policies and procedures at least once every 12 months from the issue date of the registration and update as needed or as requested by the Division.

f) A dispensing organization shall ensure that each principal officer and each dispensary agent has a current agent identification card in the agent's immediate possession when the agent is at the dispensary.

g) A dispensing organization shall ensure that any identifying information about a qualifying patient, provisional patient, OAPP participant or caregiver is kept in compliance with the privacy and security rules of HIPAA (45 CFR 164).

h) A dispensing organization shall provide prompt written notice to the Division, including the date of the event, when a dispensing organization agent no longer is employed by the dispensing organization;

i) A dispensing organization shall promptly document and report any loss or theft of medical cannabis from the dispensary to ISP and the Division. It is the duty of any agent who becomes aware of the loss or theft to report it as provided in this Part. If the dispensing organization knows that a principal officer or dispensary agent has been arrested for or convicted of an excluded offense, the dispensing organization shall promptly notify the Division.

j) A dispensing organization shall post the following information in a conspicuous location in an area of the dispensary accessible to consumers:

1) The dispensing organization's registration; and

2) The hours of operation.

k) A dispensing organization shall not:

1) Allow a physician to conduct a physical examination of a patient for purposes of diagnosing a debilitating medical condition or a medical condition for which opioids have been or could be prescribed at the dispensary;

2) Allow a physician to hold a direct or indirect economic interest in the dispensary if the physician recommends the use of medical cannabis to patients or OAPP participants or is in a partnership or other fee or profit-sharing relationship with a physician who recommends medical cannabis;

3) Accept referral of patients or OAPP participants from a physician; or

4) Allow a physician to advertise at the dispensary.

l) A physician may work as an independent contractor with a dispensing organization, provided that the physician's involvement is limited exclusively to designing, implementing or conducting non-proprietary medical research or studies.

m) Violation of any requirement under this Section may subject the dispensing organization to discipline, up to and including revocation of its registration.

(Source: Amended at 43 Ill. Reg. 6593, effective May 20, 2019)