

# Cannabis for Medical Purposes

## Issue

Veterans Affairs Canada provides reimbursement for the cost of cannabis for medical purposes to eligible Veterans in keeping with its [Cannabis for Medical Purposes Reimbursement Policy](#). In 2022, Veterans Affairs Canada's Audit and Evaluation Division published an [audit](#) of the program. The audit outlined six recommendations to improve program oversight and mitigate risks to Veteran health and the Department.

## Context

Cannabis is not a Health Canada-approved therapeutic product.

The reimbursement policy established a limit of three grams per day for dried cannabis or its equivalent in other forms up to a maximum reimbursement rate which is currently set at \$8.50 per gram. Requests for reimbursement for more than three grams per day are reviewed on an exceptional basis, as outlined by the reimbursement policy.

Through the provision of medical authorization documents for the treatment of any medical condition, the primary control on the use of cannabis for medical purposes is the clinical decision-making of the Veteran's health care practitioner.

## Key Data and Milestones

- In Fiscal Year 2023-24, reimbursements for cannabis for medical purposes totaled \$191.7 million across 24,146 clients.
- As of December 31, 2024, reimbursements for cannabis for medical purposes in Fiscal Year 2024-25 to date totaled \$188.7 million across 26,645 clients. Estimated expenditures for Fiscal Year 2025/26 are \$246.3 million.
  - 25.6% of program clients were authorized for reimbursement of more than three grams per day of cannabis for medical purposes, 64.9% were authorized for three grams per day, and 9.5% were authorized for less than three grams per day.
- Key audit response actions scheduled for FY2025-26 include:
  - Implementation of a cannabis for medical purposes pre-authorization form and revised adjudication process (SDPM);
  - Implementation of a risk-monitoring framework (SDPM);
  - Enhanced data collection to inform future policy revisions (SDPM); and,
  - Continued implementation of administrative cost-savings initiatives (SDPM).