

# **CBD May Be Covered Under Medicare as Federal Agency Acts**

## **Federal Health Agency Moves to Allow CBD Coverage Under Medicare Following Trump-Endorsed Video**

A federal health agency is preparing to authorize insurance coverage for cannabidiol (CBD) under select Medicare programs, marking a potentially significant shift in U.S. policy. The announcement comes about a month after U.S. Health and Human Services (HHS) Secretary Robert F. Kennedy Jr. met with Howard Kessler, CEO of the Commonwealth Project, the organization behind a video promoting CBD for seniors that was shared by former President Donald Trump over the summer.

The video highlighted the therapeutic potential of CBD and advocated for Medicare coverage, describing it as “the most important senior health initiative of the century.” The renewed focus on cannabidiol reflects both growing public interest and ongoing efforts to integrate cannabis-derived products into mainstream healthcare frameworks.

## **CMS to Publish Federal Register Notice Updating Cannabis Coverage Rules**

The Centers for Medicare & Medicaid Services (CMS), operating under HHS, is scheduled to publish a notice in the Federal Register detailing updates to “marketing and communications, drug coverage, enrollment processes, special needs plans, and other programmatic areas.” Among these changes is the planned revision of policies regarding cannabidiol coverage under Medicare programs.

Previously, CMS had explicitly excluded marijuana and hemp-derived CBD from coverage under Medicare Advantage and other programs. The agency’s April 2026 final rule stated that cannabis products were ineligible for coverage, even when derived from federally legal hemp. However, the proposed rule for 2027 would narrow that exclusion to cannabis products that are illegal under applicable federal or state laws, opening the door for coverage of hemp-derived CBD in states where such products are legally sold.

## **Legal Hemp Products Could Qualify for Medicare Coverage if Federally Compliant**

The new policy framework suggests that patients in states allowing hemp-derived CBD could file insurance claims for coverage, provided the products also comply with federal law. CMS clarified that hemp and hemp-derived cannabis products meeting the 2018 federal definition are not controlled substances, and those that meet the amended definition starting November 12, 2026, will continue to be federally legal.

The notice also emphasized that products must comply with all relevant federal regulations, including provisions under the Federal Food, Drug, and Cosmetic Act (FFDCA). CMS further indicated that certain hemp-derived items, such as hulled hemp seed, hemp seed protein powder, and hemp seed oil, would remain eligible because the FDA has already recognized them as generally safe (GRAS).

## **Challenges Ahead: Regulatory and Market Limitations Could Affect Access**

Despite the proposed changes, recent amendments to federal hemp law and state-level restrictions on consumable cannabinoids could significantly limit which products patients may access. Concentration limits on THC and other cannabinoids mean that many commercial CBD products may require costly extraction processes to meet compliance standards, potentially affecting availability and affordability for seniors seeking coverage.

Industry stakeholders have noted that while the carve-out for CBD is promising, navigating these overlapping federal and state regulations may present operational hurdles for growers, manufacturers, and healthcare providers alike.

## **Focus on Seniors and Therapeutic Applications in Oncology and Palliative Care**

Early reports suggest that CMS may prioritize coverage for seniors in oncology and palliative care settings, though the specifics remain unclear. Bloomberg reviewed a summary of the CMS policy change that indicated targeted applications could include patients requiring supportive care, highlighting CBD's potential role in pain management, appetite stimulation, and other therapeutic uses.

The proposed rule aligns with ongoing HHS initiatives under Secretary Kennedy, who has publicly endorsed access to cannabis and psychedelics for medical purposes. Kennedy's engagement with the Commonwealth Project underscores a continued push to integrate evidence-based cannabinoid therapies into senior healthcare frameworks.

## **Trump's Video Amplifies Public Awareness and Policy Pressure**

The video shared by Trump emphasized both the health and economic benefits of medical cannabis. Featuring clips from Fox News, it estimated potential annual cost savings of \$64 billion if cannabis were fully integrated into the healthcare system. The message highlighted Medicare coverage for CBD as a pivotal opportunity to support seniors, educate physicians about the endocannabinoid system, and facilitate research on therapeutic applications.

The Commonwealth Project also submitted comments to the federal docket advocating for greater certainty in the legal status of medical cannabis, emphasizing that formal recognition and insurance coverage would encourage pilot programs, clinical research, and broader adoption of cannabinoid therapies.

## **Implications for Seniors, Researchers, and the Cannabis Industry**

If implemented, the CMS rule could significantly impact Medicare beneficiaries, particularly seniors seeking alternative treatments for pain, inflammation, sleep disorders, and other conditions. Additionally, it could incentivize further research into cannabis-based therapeutics and stimulate demand for compliant CBD

products, influencing the broader market for hemp-derived cannabinoids.

The proposed changes mark a notable step toward integrating cannabis-derived products into federally regulated healthcare, potentially opening doors for coverage, legitimization, and mainstream adoption of CBD therapies. For the cannabis industry, the shift represents both opportunity and challenge: ensuring compliance with evolving federal and state regulations while scaling products for patient access.

## **A Historic Moment for Medicare and Cannabis Policy**

The proposed CMS rule reflects a convergence of public health policy, industry advocacy, and political influence. By reconsidering coverage for hemp-derived CBD under Medicare, federal regulators are acknowledging both the growing demand for alternative therapies among seniors and the broader movement toward normalizing cannabis in healthcare.

While hurdles remain particularly in terms of legal compliance, product availability, and practical implementation the initiative signals a potential turning point in U.S. cannabis policy, highlighting the evolving role of CBD in senior care, therapeutic applications, and mainstream healthcare coverage.

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