

**Department of Health and Human Services (DHHS)
Advisory Committee on Problem Gambling (ACPG)**

May 19, 2016 Meeting Minutes

Approved as Presented August 18, 2016

Meeting Locations (Videoconferenced)

Aging and Disability Services Division
Desert Regional Center
1391 S Jones
Las Vegas NV 89146

Division of Public and Behavioral Health
4150 Technology Way, Room 153
Carson City NV 89706

Members Present

Tony Cabot
Ryan Gerchman
Ted Hartwell
Carol O'Hare (via phone)
Connie Jones
Carolene Layugan
Denise Quirk
Lynn Stillely

Members Absent

Eric Heaney

Members of Public

Lea Cartwright, JK Belz and Associates
Andrea Dassopoulos and Sarah St. John, UNLV
Jeff Marotta, Problem Gambling Solutions (via phone)
Dianne Springborn, Bristlecone
Laurie Olson, Chief, DHHS Office of Community Partnerships and Grants (OCPG)
Laura Adair, Pat Petrie, Gloria Sulhoff, DHHS OCPG

I. Call to Order, Welcome, Introductions and Announcements

ACPG Chair Denise Quirk called the meeting to order at 9:05 AM and welcomed the members and visitors. Roll call was taken and a quorum was confirmed.

II. Public Comment

None

III. Approval of February 18 Meeting Minutes

- Ted Hartwell motioned to approve the minutes of the February 18, 2016 ACPG meeting as presented. The motion was seconded by Connie Jones and carried unanimously.

IV. Problem Gambling Treatment System Quarterly Report

Pat Petrie reviewed the third quarter report that was included in the morning's handouts. The report was compiled by Sarah St. John at UNLV and includes data by treatment center for the first three quarters of the fiscal year. Mr. Petrie commented on the following items.

- Treatment goals are close to target, with 411 new clients to date, representing 67% of goal. Client intake is not always consistent but he felt confident in reaching the goal of 611 by the end of the fiscal year.
- The percentage of new clients completing follow-up consent forms was 68% in the first two quarters, and 70% in the third quarter.
- Payments to treatment centers through the third quarter totaled \$588,522.92, 65% of the \$900,288 awarded. This is close to the average of 75% one would expect at the end of the third quarter, but again, some months are higher than others and Mr. Petrie was not too concerned. Payments to each clinic ranged from 54.5% to 79.5% of each grant awarded.
- Page two of the report shows data related to client cap extensions.

There were no questions, and Ms. Quirk thanked Mr. Petrie, Ms. St. John and the team at UNLV for compiling the report.

V. Legislative Workgroup Update

Tony Cabot, Chair of the ACPG Legislative Workgroup, reported that the workgroup had been meeting for the past several months to discuss four recommended changes in statute to present during the next legislative session. He reviewed the four areas that the workgroup addressed, as outlined in the handout (see Attachment).

1. Committee Makeup. There is a lack of flexibility in the existing statute regarding the appointment of ACPG members. Membership was originally defined by the individuals who were involved at the time the statute was created, but over time it has been difficult to find members to fill the specific seats, resulting in vacancies.
2. Duties of the Committee. Over the years, the duties and focus of the ACPG have changed from “in the weeds” review of grant applications and funding recommendations to a higher-level focus on policies and strategies.
3. Appointment of Groups. Changes to this section include wordsmithing and adjustments related to the recommended changes of ACPG duties.
4. Funding Formula. The current funding formula of \$2 per slot machine per quarter has proven to be problematic. As the popularity of these gaming devices declines, so does the Fund, disproportionate in relationship to the growth of gaming in the state. The workgroup recommends replacing the current funding formula with a specific dollar amount, with a built in annual increase based on the Consumer Price Index (CPI). The specific dollar amount is being researched by the Program Concepts Workgroup, which is tasked with determining the amount necessary to fund a comprehensive problem gambling services plan for state. The Legislative Workgroup was undecided whether to request “an amount equal to” or “no less than” the to-be-determined dollar amount. Mr. Cabot recommended “equal to” as being more politically palatable rather than have the Commission make the decision on whether funds go to problem gambling or the State general fund.

The members discussed the benefits and drawbacks between the two phrases.

- “Equal to” limits funding to the stated amount, while “no less than” allows for potential increases. However, “equal to” is a definitive amount, while “no less than” creates a situation where the Commission decides how much goes where. The Commission doesn’t have the authority to make decisions on what goes into the general fund, and that should not change.

- Mr. Hartwell thought that by originally proposing “no less than”, we could fall back to “equal to” as a bargaining chip during negotiations. Also, would the funding of a prevalence study be a separate ask, or carved out of the set amount? Mr. Cabot suggested they determine how often a study would need to be conducted, and then add the study to that year. Ms. Quirk thought the research workgroup would be recommending a dollar amount perhaps three times as much as has been available for treatment, prevention and research, and that this considerably larger sum should be sufficient to cover the costs of a study.
- Dr. Marotta stated that in Oregon, the language is “no less than” and based on a percentage of gross revenue. He has never seen it exceed the stated amount, which in effect results in the same thing as “equal to”. What this says is how much is appropriated to the fund, which is different than how much authority the Department has to spend. This becomes problematic when the fund exceeds the “equal to” amount due to interest income and unspent funds carried forward. Using “no less than” gives the Department wiggle room; it doesn’t ask for more, it just allows access to funds carried forward from one year to next. Ms. O’Hare disagreed, saying this is about what the commission deposits into the fund. Dr. Marotta didn’t know whether the number in statute was linked to the Department’s budget authority, and was concerned that by using a hard number, the folks who determine the authority will look at that number.

Laurie Olson, Chief of OCPG, DHHS, explained that the number in the Department’s budget comes from the projected slot tax fees; the budget authority is based on that, and Dr. Marotta’s concern is that the budget authority will be based on whatever hard number is in statute. She confirmed that it is possible to accrue an excess through interest income and unspent funds. Ms. Quirk asked what would happen to any unspent funds, given this language. Ms. Olson replied that she didn’t think the existing language addresses that, either. In order to spend it, the Department has to put together a work order, go to the Interim Finance Committee, and ask for spending authority. The approach the workgroup is taking is very unusual; usually statute specifies a something like the current language, or a percentage of incoming revenue. Statute doesn’t usually have a hard number, and she was not sure how hard it would be to get approved.

Ms. Quirk asked Mr. Cabot to describe the next steps, once the recommendations have been approved. Mr. Cabot explained that once the ACPG approves the language, the next step would be to talk with Senate and Assembly leadership and convince someone to champion the bill. They would submit an official request to the Legislative Council Bureau (LCB) for a bill draft, come up with suggested changes, and if accepted by the ACPG, the champion would introduce the bill. We would then try to recruit additional supporters to cosponsor the bill. The bill would be introduced in the 2017 legislative session to build the budget for 2018-19.

Ms. Quirk asked Dr. Marotta for suggestions on how to be prepared to spend the funds, assuming they are successful, so no money is left on the table. He responded that when you’re looking at a big increase, there needs to be infrastructure in place to spend those monies down. One suggestion would be to commission that one-time study. The cost of prevalence studies varies; a recent one in Oregon was \$300,000-\$400,000; Massachusetts’ was \$600,000.

Connie Jones thought it would be best to use language consistent with what is commonly used in the State. Ms. Quirk agreed, saying that is why she supports Mr. Cabot’s recommendation of “equal to”. Ms. Olson, commenting on the suggestion of basing the annual increase on the CPI, asked what would happen if the price index goes down. The passage isn’t specific about what would happen in that case.

Mr. Cabot said he looked through the statutes generally, and all of the ones based on increases, and copied the language that was most prevalent. The decision can be revisited at a later date if there is support for the bill. Once the bill is presented by the Senate or Assembly champion, it will come back all red marked up, and will need revisiting anyway.

VI. Approval of Legislative Workgroup's Proposed Recommendations

- Mr. Cabot motioned to adopt the recommendation of the workgroup as presented, with the following revision to Item IV. Funding Formula, Subparagraph (3): "an amount 'equal to' \$XXX". The motion was seconded by Connie Jones and, there being no further discussion, carried unanimously.

VII. ACPG Committee Membership Update

Pat Petrie reported that of the five members with expiring terms, two will not be seeking reappointment: Eric Heaney and Lynn Stilley. There is already an application in place to fill Ms. Stilley's seat, that of a member with experience in mental health, from Dr. Don Yorgason, who submitted a letter of interest for the veteran's seat filled by Ryan Gerchman. The other open seat is for a member with a nonrestricted gaming license. He asked the members to send him recommendations for that slot.

Mr. Petrie introduced the newest members, Ryan Gerchman and Carolene Layugan, who was attending her first ACPG meeting. Ms. Layugan is with Caesars Entertainment where she worked with Jen Shatley in Responsible Gaming for 16 years. She was excited to be working with the ACPG. Mr. Gerchman, representing veterans in Nevada, said that he is a University student and has held various multiple leadership positions within the veteran's community.

Ms. Quirk recognized and thanked Ms. Stilley for her compassion and years of service on the Committee, and played a recording of *Aloha Oe (Until We Meet Again)*, in her honor.

VIII. Review FY17-FY19 Strategic Plan

Dr. Marotta reviewed the methodology used in preparing the 2017-19 Strategic Plan for Problem Gambling Services, culminating in a workshop held on May 20 where the draft was reviewed in detail. The updated plan incorporates the full spectrum of services that fall under this program area, combining prevention and treatment into one document, with the addition of an administrative piece. He reviewed highlights of the document.

- Current Capacity and System Strengths and Limitations. Given the constraints of the current operation, mainly budgetary, only so many needs can be addressed.
- Framework & Guiding Principles. Addressing public health issues is best done from a spectrum of efforts beginning with health prevention, to treatment and supportive recovery efforts. We have been striving toward a continuum of care model and adopting federal or SAMHSA (Substance Abuse and Mental Health Services Administration) best practices, especially in prevention.

- Enhancement Activities. These are laid out in two phases, the first beginning July 1, the start of the new fiscal year and year two of the grant cycle. Phase 2 activities take place during the FY18-19 grant cycle and are contingent on funding availability.
 - Phase 1. Treatment was reviewed in depth and areas needing adjustment were identified. One area was workforce development; the current system didn't encourage a lot of new people entering field in part due to a low rate of pay. Fewer interns were entering the system because from an economic standpoint the programs weren't incentivized. The revised plan proposes to increase intern rates from 50% to 75% of the rate for certified problem gambling counselors. Intake assessment rates were also adjusted to address the disparity between the amount of time and tools used by the different providers. The Plan proposed to change the assessment reimbursement rate from a flat fee per client to a time-based reimbursement, which encourages programs to bring in more clients.
 - The reimbursement rates have not been adjusted. There was a lot of discussion at the May 20 workshop. Initially, we wanted problem gambling encounter rates higher than SAPTA (Substance Abuse Prevention & Treatment Agency) rates, hoping to entice people to provide problem gambling services. Meanwhile SAPTA changed its structure to mirror Medicaid rates, which are substantially higher, and essentially almost doubled their rates. So now, problem gambling rates are lower than substance abuse rates. We talked about that and looked at what is the true cost to deliver services. During discussion, the outpatient providers felt they are able to continue at the current rate without hardship, but residential programs' actual costs exceed the rate, so the Plan is recommending increasing residential rates.
 - Appendix A, the Treatment Provider Guide, also includes housekeeping changes involving data collection and data processing. The changes are highlighted in yellow for ease in identification. Another change allows a qualified mental health professional to temporarily fill in for certified counselors or interns during short absences due to vacations or conferences. For those providers with limited staff, the clients suffer because no one is there to step in.
 - Prevention is much more programmatic and therefore there is not much opportunity for changes to those grants mid-cycle. Mid-course corrections are done mainly through discussions between the Department and the providers. Prevention is described beginning on page 19. Phase 1 activities include exploring opportunities to add funding and expand on current efforts. Phase 2, with additional funding, includes several ways that prevention efforts could increase.
 - Research is covered under Information Management, beginning on page 17, and leans towards evaluation, ways to better understand wellness in the state, and avenues to generate and analyze data from existing efforts. Prevalence studies are not directly addressed. We talked under prevention regarding the need to do more to understand the environment we operating in, gather information and data.

Ms. Quirk asked Dr. Marotta to add a prevalence study somewhere in Phase 2. Dr. Marotta thought that was a good suggestion and stated that if this was the only revision, the ACPG could adopt the strategic plan with that revision. Many of the changes will impact the way data is collected and UNLV needs to start now in order to implement the changes, which explains the urgency to adopt the Plan.

IX. Action Item: Approval of FY17-19 Strategic Plan

- Ms. O'Hare, stating that the draft was discussed extensively in the May 20 workshop, motioned to recommend that the Department adopt the strategic plan, with the addition of conducting a prevalence study somewhere in Phase 2. The motion was seconded by Ted Hartwell. Ms. Quirk asked Sarah St. John if she had any concerns over the timeline. Ms. St. John responded no; they have been laying out plans and already have the first stage completed, so should be good to go by July 1. There being no further discussion, the motion carried unanimously.

Ms. Quirk asked the Department to conduct a webinar to walk the providers through the changes for the new fiscal year.

Mr. Cabot asked if the Strategic Plan's Phase 2 was a comprehensive plan that the Program Concepts Workgroup could use to determine the number to put in statute. Mr. Petrie said yes, but it is a working plan that can be revised or expanded. Mr. Marotta clarified that this plan does not include all the bells and whistles; it comes down to how comprehensive is a comprehensive plan. It's especially difficult to develop a prevention plan, which needs to be looked at from a long-term perspective and would need more attention. There are more areas to address if additional money becomes available. Ms. O'Hare added that from a prevention and workforce development perspective, she agreed that this wasn't a document that you could put a dollar value on; the concepts are there, but the extent to which of any of it gets implemented is what would determine that number. Mr. Cabot said that because we go to legislature shortly, we need the number soon. He did not want to be in situation where we come up with a number and then decide we need a lot more because it hadn't been thought it out. He would rather use a higher number to ensure sufficient funds to implement the things we want in Phase 3.

X. Public Comment

Lea Cartwright of JK Belz and Associates, representing the Nevada Psychiatric Association, announced that May is Mental Health Awareness Month. The Nevada Psychiatric Association has been conducting a social media outreach campaign which can be accessed on Twitter at NVPsychiatry and on Facebook at Facebook.com/nvpsychiatry. She also commented on the legislation recommendations for committee members, (Item I. Committee Makeup), Paragraph 2 (c), saying her clients had hoped to be able to suggest changing the language from two members who are problem gambling certified, to one with problem gambling experience.

Mr. O'Hare, responding to Ms. Cartwright's comment, stated that she reviewed the minutes of the Legislative Workgroup meeting. The item Ms. Cartwright referenced was changed so that we had two regular members, only one of whom is required to be certified as a problem gambling counselor. She thought the committee may have approved an older version of that recommendation. Ms. Quirk also remembered making that change.

- Mr. Cabot moved to modify the Proposed Statutory Changes as approved in Agenda Item VI as follows. In Item I, Committee Makeup, Paragraph 2 (c), change "Two regular members...*'who are certified as problem gambling counselors'...*" to "Two regular members...*'at least one of whom is' certified as a problem gambling counselor...*". Ms. O'Hare seconded the motion, which carried unanimously.

XI. Additional Announcements and Adjournment

Ms. Olson complimented Dr. Marotta on the layout and design of the strategic plan document. The date of the next meeting was confirmed as August 18, 2016.

- There being no further business, Ms. O'Hare moved to adjourn the meeting. The motion was seconded by Lynn Stillely, and the meeting adjourned at 10:39 AM.

**ATTACHMENT TO THE MAY 19, 2016 ACPG MEETING MINUTES
AS APPROVED IN AGENDA ITEM VI, WITH REVISIONS IN RED FONT**

**ACPG LEGISLATIVE WORKGROUP
PROPOSED STATUTORY CHANGES TO THE ACPG AND PROBLEM GAMBLING FUND
Presented to the Advisory Committee on Problem Gambling, May 19, 2016**

I. COMMITTEE MAKEUP

Current Statute

NRS 458A.060 Creation of ACPG; regular members and alternate members; terms of members; compensation; quorum; members holding public office or employed by governmental entity; duties.

1. The Advisory Committee on Problem Gambling, consisting of nine regular members, is hereby created within the Department.
2. The Governor shall appoint the following regular members to the Advisory Committee:
 - (a) One regular member who holds a restricted gaming license;
 - (b) Two regular members who hold nonrestricted gaming licenses;
 - (c) Two regular members who work in the area of mental health, at least one of whom has experience in the treatment of persons who are problem gamblers;
 - (d) One regular member who represents the Nevada System of Higher Education and has experience in the prevention or treatment of problem gambling;
 - (e) One regular member who represents an organization for veterans; and
 - (f) Two regular members who represent organizations that provide assistance to persons who are problem gamblers.

Recommended Changes

2. The Governor shall appoint the following regular members to the Advisory Committee:
 - (a) One regular member who holds a restricted gaming license or represents an association that represents restricted gaming licensees;
 - (b) Two regular members from a list of nominees provided by the State Association of Gaming Establishments whose members collectively paid the most gross revenue fees to the State pursuant to NRS 463.370 in the preceding year;
 - (c) Two regular members who work in the area of mental health or addictions ~~and who are~~ , at ~~least one of whom~~ is certified as a problem gambling counselor~~s~~ pursuant to the provisions of Chapter 641C of NRS.
 - (d) One regular member who represents an organization that promotes awareness and provides assistance to persons who are affected by problem gambling;
 - (e) Three other members who are Nevada residents, who have personal and/or professional knowledge and experience that in the discretion of the Governor can contribute meaningfully to the Advisory Committee regarding current problem

gambling issues and related concerns, including but not limited to personal recovery, at-risk populations, needs assessment, research, and supportive services.

II. DUTIES OF THE COMMITTEE

Current Statute

NRS 458A.070 Additional duties. The Advisory Committee shall:

1. Review each request received by the Department from a state agency or other political subdivision of the State or from an organization or educational institution for a grant of money or a contract for services to provide programs for the prevention and treatment of problem gambling or to provide services related to the development of data, the assessment of needs, the performance of evaluations or technical assistance;
2. Recommend to the Director each request received pursuant to subsection 1 that the Advisory Committee believes should be awarded;
3. Establish criteria for determining which state agencies and other political subdivisions of the State and organizations and educational institutions to recommend for grants of money or contracts for services pursuant to subsection 2;
4. Monitor each grant of money awarded by the Department to provide programs for the prevention and treatment of problem gambling or to provide services related to the development of data, the assessment of needs, the performance of evaluations or technical assistance; and
5. Assist the Department in determining the needs of local communities and in establishing priorities for funding programs for the prevention and treatment of problem gambling and funding services related to the development of data, the assessment of needs, the performance of evaluations or technical assistance.

Recommended Changes

NRS 458A.070 Additional duties. The Advisory Committee shall:

1. Provide advice, information or opinion to the Governor, the legislature, the Department, or other state agencies on issues or trends in the field of problem gambling.
 - (a) To assist in establishing priorities and criteria for funding programs and services for the prevention and treatment of problem gambling;
 - (b) To provide services related to the development of data, the assessment of needs, the performance of evaluations or technical assistance; or
 - (c) In consideration of additions or modifications to statutes, regulation or public policy.
2. Review recommendations made by the Department for the grant of money or the contract for services to provide programs for the prevention and treatment of problem gambling.
3. Recommend to the Director whether any changes should be made to recommendations made by the Department pursuant to subsection 2 that the Advisory Committee believes should be awarded.

4. Review outcome and evaluation reports compiled by the Department for each funded program and service for the prevention and treatment of problem gambling, and funded services related to the development of data, the assessment of needs, the performance of evaluations or technical assistance.

III. APPOINTMENT OF GROUPS

Current Statute

NRS 458.A080 Appointment of groups to consider specific problems and review requests for grants or contracts.

The Chair of the Advisory Committee may appoint groups consisting of members of the Advisory Committee, former members of the Advisory Committee and members of the public who have appropriate experience or knowledge to:

1. Consider specific problems or other matters that are related to and within the scope of activities of the Advisory Committee; and
2. Review requests for grants of money or contracts for services related to specific programs for the prevention and treatment of problem gambling or services related to the development of data, the assessment of needs, the performance of evaluations or technical assistance.

Recommended Changes

NRS 458.A080 Appointment of groups to consider specific issues and other matters related to problem gambling.

The Chair of the Advisory Committee may appoint groups consisting of members of the Advisory Committee, former members of the Advisory Committee and members of the public who have appropriate experience or knowledge to:

1. Consider specific issues and policy matters related to prevalence, impact, and prevention and treatment of problem gambling, within the scope of the duties of the Advisory Committee; and
2. Assist in research, development, and recommendation of strategic plans to advance the funding and delivery of comprehensive programs and services for the prevention and treatment of problem gambling.

IV. FUNDING FORMULA

NRS 463.320(2)(e) Licensing and Control of Gaming – Collection and Disposition of State Fees for Licenses and Penalties.

Current Statute

- (e) The Commission shall deposit quarterly in the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling created by NRS 458A.090 an amount equal to \$2 for each slot machine that is subject to the license fee imposed pursuant to NRS 463.373 and 463.375 and collected by the Commission.

Proposed Language

- (e) The Commission shall deposit quarterly in the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling created by NRS 458A.090 an amount ~~(equal to /no less than)~~ \$XXX, which amount shall be increased by a percentage annually equal to the increase in the Consumer Price Index for West Urban Consumers for the preceding year.