

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

DRAFT Meeting Minutes

August 31, 2017

Meeting Location: Via Teleconference

Office Location: 1820 E Sahara Avenue Suite 208, Las Vegas NV 89104

Members Present

Tony Cabot
Alan Feldman
Ted Hartwell
Connie Jones (joined shortly after roll-call was taken)
Carolene Layugan
Carol O'Hare
Denise Quirk
Don Yorgason

Members Absent

Ryan Gerchman

Others Present

Lori Chirino, The Problem Gambling Center (Las Vegas)
Dr. Jeff Marotta, Problem Gambling Solutions
Chris Murphey, New Frontier (Fallon)
Merle Sexton, Bridge Counseling Associates (Las Vegas)
Dianne Springborn, Bristlecone (Reno)
Pat Petrie and Gloria Sulhoff, DHHS Office of Community Partnerships and Grants (OCPG)

I. Call to Order, Welcome, Introductions, and Announcements

Denise Quirk, Chair of the ACPG, welcomed everyone and called the meeting to order at 2:31 PM. She introduced the newest committee member, Alan Feldman, Executive Vice President of Global Industry Affairs at MGM Resorts International, and asked him to say a few words.

Mr. Feldman shared that he has had the good fortune of spending 22 of his 27 years in the industry interacting with the problem gambling community, as well as the academic community. He currently serves as Board Chair of the National Center for Responsible Gaming, and is excited to get more involved in what's happening in Nevada.

Ms. Quirk welcomed him and thanked him for serving on the committee.

Pat Petrie, State Lead for the Problem Gambling Services program, led roll call and confirmed a quorum of members present. Members of the public introduced themselves for the record.

II. Public Comment

None

III. Approval of Minutes of May 18, 2017 ACPG Meeting

Ms. Quirk requested comments or corrections to the draft minutes of the previous meeting.

- Carol O'Hare motioned to approve the minutes of the May 18, 2017 ACPG meeting as presented. There being no discussion or comments, the motion carried unopposed with no abstentions.

IV. Reports

Mr. Petrie reviewed several reports that were posted on the [ACPG meeting website](#).

- The [Nevada Problem Gambling Treatment System Performance Report](#) for SFY17 was generated from data in the UNLV system. It shows ratings by treatment clinic based on benchmark achievements in ten areas:
 - Access - first appointment within five days of initial contact
 - Retention – client had 10 or more encounters for treatment (benchmark 40%)
 - Successful completion (benchmark 35%)
 - Client satisfaction – would positively recommend program
 - Long term outcome – one year follow up with clients
 - Consent for follow-up obtained
 - Residential case cost – average case cost
 - Outpatient case cost – average case cost
 - Documentation accuracy – as confirmed by on-site reviews/audits (benchmark 95%)
 - Service cost share – funding from other sources; the percentage of clients not billed to the state program

Clinics were awarded a performance rating of 1 if they met the benchmark goal; otherwise, they were awarded a 0. A global performance rating was calculated for each clinic indicating each clinic's overall performance percentage.

Ms. O'Hare asked for clarification on the benchmark for retention. Mr. Petrie stated that the report was mislabeled; instead of indicating the percentage of clients who had ten or more encounters, the numbers actually reflect the number of clients with ten or less encounters. Ms. O'Hare requested that future reports include the benchmarks for reference.

Mr. Feldman asked for clarification on the service cost share benchmark, which references the number of clients not billing the state because they receive support from other resources. Dr. Marotta read the definition of the Service Cost Share performance standard from page 31 of the [Strategic Plan](#): "The percentage of total reported services not claimed for DHHS reimbursement should be no less than 75% of the average percentage of total reported services not claimed for DHHS reimbursement across all DHHS treatment grantees." He explained that it refers to the percentage of claims that providers are making that are not being reimbursed by the State's Problem Gambling Fund. Providers are asked to submit encounters for all activities. If providers continue to treat individuals after they have reached their cap of benefits, we ask they continue to submit claims. While no reimbursements are made for those encounters from the Problem Gambling Fund, that data is incorporated into the cost share equation. In other words, how many services are being provided by treatment centers that are not being reimbursed from the State.

Mr. Feldman asked how the scoring thresholds were determined; in some cases the performance percentages vary widely, but there does not seem to be much distinction between a performance rating of 1 or 0. Dr. Marotta explained that the difference appears extreme because of the way the benchmarks are set. In the case of average case costs, the treatment centers' case costs were averaged, and if their claims were within 75% of the cost share average, they received a rating of 0. If claims were outside of the 75%, they received a 1.

- The [Nevada Problem Gambling Treatment System Fiscal Report](#) for SFY17 was also generated from data entered into the UNLV system. Mr. Petrie pointed out that the numbers fluctuate somewhat from the data he compiled from the Department's fiscal logs and the quarterly reports submitted by the clinics.
 - Line 1 indicates the SFY17 treatment goal (number of gambling clients served) for each clinic. These goals were set by the Department using a formula based on past experience and average client costs.
 - Line 3 shows each clinic's achievement toward goal. Systemwide, the clinics reached 82% of goal. Mr. Petrie noted that Pathways did not apply for funding in SFY18 and stopped seeing clients a few months prior to the end of FY17, which contributed to their low achievement.
 - Line 10 shows the grant award amounts for each treatment clinic, and Line 11 shows the total amount each clinic drew down against the award. Systemwide, treatment grant awards totaled \$702,043, and 94.93% of the funds were spent.
 - Mr. Petrie explained the mid-year reallocation process, which helps to ensure all available funds are utilized each year. Following the second quarter of the fiscal year, each grant is reviewed to see if they are on track with the number of clients seen and money spent. Funding is reallocated between clinics that are underspending and those that are exceeding the anticipated number of clients served to ensure all can continue with funding throughout the year. Traditionally, each of the clinics seem to be busy at different times of year. Mr. Petrie stated that there are three brand-new treatment grantees this year. He expects it will take a few months for them to get established, and the first six months of activity will not present a fair picture. This year, he intends to wait nine months or so before conducting the spending reviews.

Ms. O'Hare commented on the high number of "concerned others" clients enrolled at Reno Problem Gambling Center. She asked what might have contributed to the high success rate. Ms. Quirk, Executive Director of Reno Problem Gambling Center, replied that there are usually four to seven family members for every problem gambler. As a Marriage and Family Therapist as well as a Problem Gambling Counselor, she has the opportunity to invite family members to get involved perhaps more frequently than the other clinics. They are invited to every group. Another contributing factor is that they have increased treatment services with the addition of more part-time counselors.

- The [SFY2017 Problem Gambling Fund Spending Report](#) includes all problem gambling grants and contracts. The grant amount is the amount of money awarded competitively, except the three that were non-competitive. It was noted that the award for consultant services is a contract, not a grant.
 - Four of the five treatment clinics spent 99.6 to 100% of their grant awards. This is a great improvement over the previous year. Bristlecone's unspent funds may be

attributed to the additional mid-year allocation they received, if they weren't as busy during the second half of the year as they were in the first half.

- Treatment center enhancement grants were small, noncompetitive grants to support program enhancements such as training, materials, outreach, or advertising. Only 60% of those funds were spent in FY17, and because this has been the trend for the past few years, the enhancement grants were eliminated in FY18 and the funds rolled back into treatment.
- The two prevention grants, UNLV's data collection grant, and Dr. Marotta's contract all were spent out 100%.
- Funding for the media campaign, administered by Nevada Council on Problem Gambling (NCPG), was utilized 100%. NCPG ran PSAs, conducted outreach and contracted media work. While it is difficult to determine success, much more of the treatment funds were spent than before, and this is probably due to the media campaign.
- Overall, the programs spent 97% of the money we had authority to spend.

- In reviewing the [Problem Gambling Spending Comparison Report](#), which listed spending from fiscal years 2013 through 2017, Mr. Petrie focused on FY16 and 17. The enrollment goal was lowered in FY17 based on several factors, including an increase in some of the treatment rates and the addition of some new billing codes. FY17 showed a significant improvement over the previous year in the percentage of goals reached and percentage of grant funds spent.

Mr. Petrie explained that unspent funds roll over into the next fiscal year, but we don't necessarily have authority to spend it. The spending authority is based on expenditures from a base-budget year. Money not spent goes into the Problem Gambling Fund's reserves. He further explained there are two reserve accounts; the first holds funds that are not granted out but that are within our spending authority. The ACPG could make recommendations on how to spend the funds in this reserve. They are available to spend but have not been allocated. The second reserve account is outside our authority; we have to go through the Interim Finance Committee with a work order to get authority to spend any of those funds. Some funds must remain in this second account to cover cash flow and other things.

Mr. Feldman thought it might be beneficial to see a cash flow report showing where the money comes from, the spending authority, and an ending fund balance to help balance the Fund and understand the overall financial picture. Mr. Petrie stated he would need to request that from the fiscal unit in the Director's Office. He offered to add this to the agenda for the next meeting and invite Jason Kolenut, the ASO in fiscal, to present an overview. The ACPG can then make recommendations to him on what kind of reports they would like to see.

- The final report, [SFY 18 Grant Awards](#), listed all fund recipients along with program type and award amount. For fiscal year 2018, \$1.314 million was awarded, exceeding the spending authority of \$1.094 million by \$219,000. The spending authority of \$1.094 M was determined by expenditures in the last "base budget" year, FY16. After discussions with fiscal staff, the OCPG Chief and Department Director, it was decided to approve \$1.314 M in funding for FY18 reserves, maintaining the funding level of the previous year. The fiscal staff said it shouldn't be a problem because there was plenty of revenue forecasted and plenty in reserves. Fiscal will process a work program through the IFC (the Legislative Interim Finance Committee) to pull funds from reserves to cover the shortfall. Mr. Petrie said it was his understanding that they

could not begin the process until after the start of the new fiscal year, but now that we are into the new fiscal year, Mr. Kolenut will begin the process so the funds will be available when needed. This has been discussed in prior ACPG meetings during the time the RFAs (Request for Applications) were being developed.

In response to a question from Carolene Layugan, Mr. Petrie explained that all grant awardees are paid monthly, on a reimbursement basis. The treatment centers enter data into the UNLV system, and Sarah St. John generates an "encounter report" which Mr. Petrie reviews and approves before submitting to fiscal for payment. All other grant recipients are reimbursed monthly through a payment request submitted to Mr. Petrie, who reviews them to ensure all expenses are allowable, included in the grantee's approved budget, and allocable to the scope of work.

V. SB120 Summary

Tony Cabot, Chair of the Legislative Workgroup, provided an update on the outcome of Senate Bill (SB) 120, put forth by the ACPG. The Bill contained three parts:

- Modify committee membership to allow more flexibility and more easily fill vacant positions;
- Modify the statutory duties of the committee to bring them in line with duties as they have evolved over the years; and
- Modify the methodology for funding the program. The current funding method takes a portion of the gaming tax revenues contingent on the number of slot machines in the State. The decrease in the number of machines over the past 15 years has resulted in a decrease in funding to Problem Gambling. The hope was to remove that funding methodology in order to get an increased amount that could support the master plan going forward.

Two of three objectives were met; changes in the composition and statutory authority of the committee passed. What didn't pass were the changes to the metrics of funding and no additional funding coming from the State.

Mr. Feldman asked for Mr. Cabot's thoughts on what might have held the legislators back from supporting this portion of the bill. Mr. Cabot stated that, in retrospect, the ACPG should have been more proactive. By the time they started campaigning for the bill, the Governor had already set out the state budget, which did not include an increase for problem gambling. He felt that the legislative members were not that interested in trying to figure out how to move the Governor's budget to increase funding for problem gambling. It wasn't that they were unreceptive to the idea, necessarily, but they weren't receptive to figuring out where the money comes from. Mr. Cabot stated he did reach back to the Governor's Office but it was too little too late; there was no appetite from any legislators to figure out where to come up with the money.

Ms. Quirk stated that the ACPG will need reconvene the Legislative Workgroup on a regular basis to prepare for the next legislative session. Mr. Cabot agreed, adding they should get to the Governor's Office early in the process and get their support. They should also meet with the legislators as soon as they are elected, and continue to meet on a regular basis, to educate them more thoroughly and earlier than we did. They didn't understand the need, or the use of funds, or the surpluses. All those questions could have been answered if we had started the process earlier.

Ted Hartwell commented on the importance of building out the case for need. He referenced a previous ACPG discussion regarding the need for a well-designed, current prevalence study to show the level of

need in treatment and the need for data, especially related to those who are being treated outside the state system. He also would like to see the media campaign continue as an ongoing effort, stating it would be a good problem to have a backlog of people seeking treatment. Mr. Hartwell accepted Ms. Quirk's request to again serve on the Legislative Workgroup. Mr. Feldman also volunteered to serve on the Workgroup.

Ms. Quirk asked for clarification on the procedure for resuming the Workgroup. Mr. Petrie stated that it can be added to the agenda for the next committee meeting and members can be appointed at that time.

Ms. O'Hare commented that the statutory changes in the role of the ACPG are very relevant now. In addition to advising the Department on grant awards, the ACPG should be advising everyone on the issue of problem gambling. In the realm of addiction, there is not much community awareness around this issue. She asked the Legislative Workgroup to take that into account; that the ACPG should be doing more to ensure that when legislators see a bill on problem gambling, they are just as concerned about it as they are with peer support and other topics.

Ms. O'Hare also asked Department staff to verify whether the ACPG bylaws need updating to comply with the recent legislative changes, and that a bylaws review be included on the agenda for the next meeting.

Connie Jones offered a tiny bright spot regarding the outcome of SB120. It helps the industry to know that with no additional funding coming from the State, they need to continue to support program gambling treatment and prevention in Nevada.

VI. Data Collection System Updates

Mr. Petrie reported on behalf of Sarah St. John, who was not on the call. The treatment centers provided a lot of input on the UNLV data collection system, and Ms. St. John did a lot of revamping to make the system more user-friendly and easier to navigate. There were quite a few bugs the first month, but they have been pretty much all worked out now.

VII. Public Comment

None

VIII. Additional Announcements and Adjournment

Ms. Quirk thanked everyone for being on the call and being involved. She welcomed the new grantees and encouraged their participation in the meetings. She announced the date of the next meeting as November 16 at 9 AM, noting that the regularly scheduled quarterly meetings are traditionally held in person, teleconferenced from locations in Carson City and Las Vegas. Additionally, a phone-in option is usually available for those who need it.

- There being no further announcements, Connie Jones motioned to adjourn. The meeting adjourned at 3:37 PM.