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

February 23, 2018 Meeting Minutes

Approved March 16, 2018

Meeting Location

Held via teleconference with physical location of ADSD, 1820 E Sahara Avenue, Suite 208, Las Vegas NV

Members Present

Members Absent

Tony Cabot, Chair

Ted Hartwell

Alan Feldman

Connie Jones

Judge Cheryl Moss

Carol O'Hare

Denise Quirk

Debi Robinson

Others Present

Dr. Jeff Marotta

Pat Petrie, Cindy Smith and Gloria Sulhoff, DHHS Office of Community Partnerships and Grants (OCPG)

I. Call to Order, Roll Call and Announcements

Tony Cabot, Chair of the ACPG's Legislative Workgroup, called the meeting to order at 2:00 PM. Roll call was taken and a quorum was confirmed. There were no announcements.

II. Public Comment

None

III. Approval of Minutes of February 2, 2018

Mr. Cabot called for comments or corrections to the minutes of the previous meeting. There were none.

Alan Feldman moved to approve the minutes of the February 2, 2018 ACPG Legislative Workgroup meeting as presented. The motion was seconded by Connie Jones and carried unopposed.

IV. Discussion on Program Funding

Mr. Cabot announced that two documents pertaining to this agenda item have been posted on the ACPG website: a <u>budget summary</u> provided by DHHS and an updated <u>"talking points"</u> provided by Ted Hartwell and Jeff Marotta.

Dr. Marotta reviewed the "talking points" document that he and Mr. Hartwell updated from the original, created for the 2017 legislative session. Changes made to each talking point were identified, followed by discussion.

1. Legislation that created the Account: no changes made.

First bullet point: It was suggested that the language referencing the \$2 per machine fee should be changed. Mr. Cabot volunteered to fix that sentence and send the revision to Dr. Marotta.

- 2. Nevada ranks second for gaming revenue: Some details were updated. The first bullet is new.
- **3.** Throughout Nevada's internet gambling legalization process: No changes.

First bullet: Nevada is looked upon as the gold standard, but it is not. The Governor has been very clear on the record that Nevada must maintain its position as the central international hub for regulation on the industry. The point needs to be made to the Legislature, that when the Governor says we're the leader and that the industry is part of the package, we need to be first. Group consensus was to revise that section.

Second bullet: This was included last time to address the issue of internet gaming. The group believed it is still relevant, but the reference to internet gambling is too limiting and should be revised to encompass future innovations and the expansion of gambling, including the influx of professional sports teams to Las Vegas. The term "expansion of gambling" was suggested as a substitute for internet gambling. It was noted that the talking point is that the State is aggressively pursuing expansion in gaming but nothing is being done to keep pace with the increased risk and need for services.

4. Nevada needs to focus on population health: The only change made was to update the number of dollars investing in prevention.

Third bullet point: The point was made that Nevada funds awareness campaigns for seat belts and drunk driving, but not for problem gambling. Funding for consumer safety has positive returns in social and economic impact. When funding was increased for suicide prevention, the state's ranking went down nationally; yet the population with the highest suicide rate among mental health groups is problem gamblers. While this should not become a competition for funds, it needs to be put in context that the State realizes the importance because it is already addressing suicide prevention.

Last bullet point: The reference to Ohio or any state has no relevance to the legislators. The point to be made is that problem gambling is recognized around the world as a public health concern, and common philosophy in public health is to focus on prevention. Nevada does not target problem gambling prevention the same way it approaches other behavioral health concerns. Legislators need to be reminded of this public health concern, of which they may not be entirely aware due to the way the funding is structured.

- **5.** Problem gambling directly impacts Nevadans: The estimated number of problem gamblers was updated to account for the change in population.
 - Second bullet point: Instead of "countless others", be more specific. This may be an appropriate place to include the high risks of problem gambling and suicide, particularly among veterans. While suicide is touched upon in the next topic area, that one is about saving dollars while this one is about people. Dr. Marotta will add a bullet point.
- **6.** Treating problem gamblers saves taxpayer dollars: The bullet point referencing the 2004 Grinols study will be removed and replaced with a more generic statement to the effect that problem gambling costs millions in socio-economic costs.

7. Treatment is effective and inexpensive: Dr. Marotta received updated numbers from UNLV that morning.

Second bullet point: The term "intake" may not be clearly understood to those outside the treatment system, and will be revised. Also, there is a large discrepancy between the 3,025 intakes over seven years, and the estimated 127,000 problem gamblers cited in talking point 5. The gap needs an explanation, whether it be due to a lack of awareness, a shortage of treatment clinics, or some other reason. It was noted that there is no way to determine or document the number of individuals who do not seek treatment but do attend support groups based on the program's awareness efforts.

Third bullet point: Include the average number of sessions required and/or provided for successful treatment. The last bullet indicates the average cost per case but does not relate that to the number of visits. The number of treatment hours represented by each of the 3,025 intakes would be a huge number and support the request for increased funds.

Last bullet point: Regarding the average cost per case, the statement should be expanded to explain that these numbers are much too low. The fact that a larger investment is required needs to be conveyed in a way that is relevant to the legislators.

8. Funding is needed: No changes.

Mr. Feldman commented that the political feedback he heard was that the statement of need was not made clear. Looking at the comparatively small number of people who sought treatment, there did not seem to be a big demand. He suggested adding the dollar amount that would be required to treat the number of problem gamblers.

9. Nevada should play a leadership role: No changes.

This should be the opening statement. It lays out all the hard facts and everything else should follow.

Graph: The graph has been updated and now shows actual dollars spent vs a per capita average.

It was thought that showing the per capita by state might make a more compelling argument. Dr. Marotta will include both charts on the next version so the group can decide which to use.

Additional feedback from the group included:

- It would be helpful to number the talking points for reference and discussion purposes.
- The "talking points" document includes a lot of data and is provided for review when meeting with the legislators. Other documents should be developed specifically for the legislators, such as a position statement or white paper, a bulleted summary with charts or and infographic that can be easily understood. Find that balance of using numbers and a public health issue approach. Articulate that all this activity should be to keep people healthy if they choose to play and make sure they can get healthy if they have a problem (prevention and treatment).
- Other behavioral health issues have been successfully presented to the Legislature, such as suicide prevention, opioid abuse and human trafficking. What was their approach, and can that be replicated? Personal stories may work for some issues, but those from problem gamblers have not been well-received by legislators in the past.

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Questions concerning lobbyists were brought up and answered. Mr. Cabot deferred the topic to
a future meeting when the group is ready to formulate a strategic plan. It was also mentioned
that Senator Beckie Harris is chairwoman of the Gaming Control Board, which has a strong
influence in the Legislature

Mr. Cabot asked Dr. Marotta and Mr. Hartwell to revise the talking points and distribute to the group prior to the next meeting. He hoped it could be finalized and then presented to the ACPG.

Cindy Smith, OCPG Chief, reviewed the Problem Gambling Fund <u>Budget Summary</u> spreadsheet that was initially presented at the ACPG meeting by Budd Milazzo, Administrative Services Officer (ASO) for the Department. She noted that this is a Revolving Account; funds are continuously being deposited in and paid out, so the balance will always fluctuate. The first column on the budget summary shows the Problem Gambling Program's original budget of \$1,796,547. A work program, which grants legislative approval to spend additional money, added \$118,483 for a revised budget total of \$1,915,030. On the revenue side, current revenue was at \$1,256,943 as of the date of the report. Projected Revenue is based on the previous year at the same point in time. The bottom-line balance of \$548,838 is what is in reserves and where the confusion seems to be. There is an overarching legislatively guided policy to have three month's expenses on reserve, based on previous expenses, but there is nothing to prevent the Department from submitting a work program to tap into that reserve for prevention or an awareness campaign.

Ms. Smith explained that the \$548,838 in reserve (Category 86) includes an accumulation of unspent funds from reserves and grant awards. Those go back in the pot to be reallocated the next year. The Legislature saw that money was not spent from the grants category, around \$60,000, so if the ACPG has a plan, that funding can be tapped into. Mr. Cabot reckoned that three-month's reserves would total about \$350,000, and their failure was the inability to explain to the Legislature that the surplus is due to their policy of holding three month's expenses in reserves as a contingency fund for the unexpected. Pat Petrie added that reserves are also needed for cash flow, particularly at the end of the fiscal year if revenues have not yet been deposited into the account. Mr. Feldman thought it may help to list the required reserve separately on the budget as an expense, instead of showing it as an ending balance.

Mr. Cabot reviewed the action items from today's meeting.

- With help from a few others, Dr. Marotta and Mr. Hartwell will amend the talking points.
- The ACPG needs to address the surplus funds and what to do with that.
- Formulate the legislative action plan, and decide who to meet with and when to meet with them. Mr. Cabot volunteered to take the lead on putting that together for discussion at the next meeting.

V. Develop and Adopt Action Plan for Legislative Workgroup

Mr. Cabot called for this agenda item to be carried over to the next meeting.

Ms. O'Hare motioned for approval to table this agenda item until the next meeting. The motion was seconded by Ms. Quirk.

VI. Set Meeting Schedule

The next meeting was scheduled for 2:00 PM Friday, March 16, 2018.

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Ms. O'Hare moved to approve the meeting date. The motion was seconded by Mr. Feldman and carried unopposed.

VII. Public Comment

None

VIII. Additional Announcements and Adjournment

There being no additional announcements, Mr. Feldman moved to adjourn. Ms. O'Hare seconded, and the meeting adjourned at 3:28 PM.