

**THE NEBRASKA COMMISSION ON PROBLEM GAMBLING
GAMBLERS ASSISTANCE PROGRAM**

**ANNUAL REPORT TO THE GOVERNOR
AND THE LEGISLATURE
FISCAL YEAR ENDED JUNE 30, 2021**

Gamblers Assistance Program

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INTRODUCTION

Section 9-1004(7) of Nebraska Revised Statutes requires the director of the Gamblers Assistance Program to file an annual report with the Governor and the Clerk of the Legislature. This report provides details of the administration of the Program and the distribution of funds from the Gamblers Assistance Fund.

The Legislature has given the Nebraska Commission on Problem Gambling responsibility for a range of activities. Program funds are to be used "primarily for counseling and treatment services for problem gamblers and their families who are residents of Nebraska." The Commission is to develop a process for evaluation and approval of contracts with treatment providers and other services vendors; develop standards for training and certification of counselors; review and use evaluation data; use funds for education regarding problem gambling and prevention of problem gambling; and create and implement outreach and education programs.

During the fiscal year that ended June 30, 2020, the Commission engaged in activities in all of these areas. This report summarizes the finances of the Program and describes the various activities with which the Commission has been engaged.

THE NEBRASKA COMMISSION ON PROBLEM GAMBLING

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I. GAMBLERS ASSISTANCE PROGRAM FINANCES

The Gamblers Assistance Program receives funding from several state sources, none of which comes from income, sales or property taxes. The Program's expenditures are paid out of two cash funds, the Gamblers Assistance Fund and the Health Care Cash Fund.

The primary account from which the Program's expenditures are paid is the Gamblers Assistance Fund. The sources of revenue for the Gamblers Assistance Fund are:

- Profits generated by the Nebraska Lottery, based on requirements in the Constitution.
- A statutory share of the advertising budget in the Lottery operations cash fund.
- A statutory appropriation from the Charitable Gaming operations cash fund.

The Program also receives an annual appropriation from the Health Care Cash Fund.

The following summaries are derived from the contents of monthly financial reports prepared by the accounting staff of the Department of Administrative Services.

(A) Gamblers Assistance Program Financial Performance 07/01/20-06/30/21

Total Program revenue (Gambler Assistance Fund + Health Care Cash Fund):	1,898,660
Total Program expenditures:	1,544,245
Net Program revenue in excess of expenditures:	354,415

(B) Gamblers Assistance Fund Performance During the Period 07/01/20-06/30/21

Revenue Transferred Into the Fund

Article III, Section 24 Constitutional formula: 500,000 + 1% of remaining Lottery profit:

Transfer September 2019	599,369
Transfer December 2019	104,644
Transfer March 2020	152,015
Transfer June 2020	120,761

Total received from Lottery profits during the period:	976,789
Section 9-831 5% of Lottery advertising expenditures:	261,177
Section 9-1,101 Charitable Gaming Operations Fund:	400,000
Investment income:	10,622
Proceeds of sale of surplus outdated computers:	<u>72</u>
Total revenue to Gamblers Assistance Fund during the period:	1,648,660

Expenditures Paid Out of the Fund

Salaries and benefits	161,167
Other operations	382,431
Government aid (counseling)	<u>750,647</u>
Total	1,294,245

Recapitulation

Gamblers Assistance Fund revenue:	1,648,660
Gamblers Assistance Fund expenditures:	<u>-1,294,245</u>
Net Gamblers Assistance Fund revenue in excess of expenditures:	354,415

Gamblers Assistance Fund Balance

Gamblers Assistance Fund balance 07/01/20:	575,949
Gamblers Assistance Fund balance 06/30/21:	930,364
Gamblers Assistance Fund balance change 07/01/20-06/30/21:	+ 354,415

Health Care Cash Fund

Appropriations:	250,000
Expenditures: all for government aid (counseling services)	-250,000

II. PROGRAM ACTIVITIES DURING THE PERIOD

JULY 1, 2020-JUNE 30, 2021

1. Commission Meetings

The Commission met three times to consider issues in the operations of the Program. A fourth meeting tentatively scheduled for November was canceled due to the COVID pandemic. These meetings included reviews of the financial status of the Program, consideration of new and renewed contracts with therapists and other vendors, development of initiatives, and development of the budget for the fiscal year starting July 1, 2021. Meeting notices and minutes of the meetings were posted to the state events calendar and the website maintained by the Program. Therapists were invited to attend Commission meetings to exchange ideas and give input to staff and commissioners to aid in the development of Program activities.

2. Therapist Contracts

The Commission performs its obligation to provide treatment services to Nebraskans dealing with the effects of disordered gambling by entering into contracts with therapists. During this fiscal year, the Commission had 15 therapist contracts with agencies and individual therapists located in 9 communities. Payments to therapists are based on fee-for-services rendered.

The Commission made payments to these therapists totaling \$1 million during this fiscal year. Therapists are required to comply with a guideline manual that defines types of therapy and utilization standards. Services are provided to Nebraskans and members of their families experiencing adversity because of addiction to gambling. The Program's counselors provided over 9,000 hours of therapy services to Nebraskans during the fiscal year, by a combination of individual, family and group counseling.

Counselors offer two categories of service: extended outpatient therapy and short-term urgent care therapy. During the fiscal year, 233 individuals were admitted into the outpatient therapy programs. Another 150 individuals received short-term urgent care, offered without a

requirement for the program's long-form bio/psycho/social complete evaluation. Approximately 60% of individuals receiving urgent care do not enroll immediately in long-term care. During the year 574 individual Nebraskans received counseling help. Telehealth utilization expanded in the spring and is expected to continue as counselors and clients adapt.

The Program recognizes that addictions of all kinds are prone to relapse, and gambling addiction is no exception. The American Society of Addiction Medicine states that relapse is to be expected. Year-over-year, approximately 30% of the Program's clients state that they had previously been in counseling therapy for gambling problems, and are returning for more help.

The Commission continued to contract for a statewide telephone helpline, staffed around the clock by trained responders, who provide information about the Program and encourage callers to seek help from nearby Nebraska-based therapists, providing immediate direct referrals.

3. FYE 2021 Budget

The final appropriation for the second fiscal year of the biennium, ending June 30, 2021, was \$1,942,906. Of that, \$1.15 million was earmarked for therapy services and \$121,977 was allocated for staff salaries (2 FTE). Program expenditures were \$1,544,245, a decrease of \$350,000 from the previous year.

The reduced spending resulted from a combination of factors. At the May 2020 meeting the Commission adopted budget control measures in order to prepare for reduced state lottery profits distributions in the coming year and preserve the carryover balance in the cash fund. The primary reduction was elimination of allotments of funding to counselors for local and regional education and outreach activities. The second factor contributing to the reduced spending was the pandemic that resulted in a 10% decline in the number of counseling hours.

4. Legislation to change the method of transferring revenue from Charitable Gaming

Beginning in 2000 the program has received statutory appropriations from the charitable gaming tax. As counseling demand increased it was necessary to repeatedly amend the statute. A final amendment to the statute in 2020 will make allocation of the program's share of this tax a part of the regular appropriation process.

5. Website

The Program continues to improve the official State of Nebraska website for viewers to use as the primary path to find help for problem gambling in Nebraska. It is located on the state home page at problemgambling.nebraska.gov. Visitors can find therapy locations near them, public information about the Program elements, current understanding of gambling disorders,

and public and professional resources. The website also serves as a primary notification board for meetings and events for the Nebraska Commission on Problem Gambling.

The website also hosts landing pages for the multimedia prevention campaign that began in early 2018, nicknamed “BetCareful,” which is designed to draw a gambler’s attention to the downside of gambling, and “LifeAfterBet”, which informs the public that help for gambling problems is free for Nebraskans and their families.

The Commission believes that the harm caused by uncontrolled gambling is a public health concern. Addiction to gambling is not simply an individual’s personal problem. It affects families, neighborhoods and communities. The Commission’s multimedia campaigns attracted over 9,000 new users to our website each month during the year, which validates the decision to use this medium to disseminate our message.

6. Online Training

The Commission continued its contract with the Nebraska Council on Compulsive Gambling for presentation of training classes for counselors who deliver therapy services to Nebraskans with gambling problems. This is an online course presented by Bellevue University. It runs for 19 weeks and is repeated approximately three times per year. The Commission provided underwriting to develop the program and supports Nebraska candidates for certification by subsidizing part of their tuition cost. Enrollments are limited to 10 students for each session. Since inception in October, 2014, 39 Nebraskans have completed the training.

The Commission also arranged with Bellevue University to offer a shortened course that is available to mental and behavioral health professionals already practicing under other licenses. A shorter academic requirement and lower tuition cost will help to attract new counselors in locations that are now unserved.

7. Data

In response to guidance from the Legislature and the Executive Branch, program staff developed a series of data gathering instruments. These forms are designed to enable the Commission to develop outcome measures. The forms also provide information about the population the program serves, including current status and history. The history questions are based on a meta-analysis of studies of risk and protective factors that influence the development of addiction to gambling. Over time, the Commission will have data to use as a basis for prevention programming and improved counseling utilization standards.

The complete annual report of data is attached to this report. This data was reported by Nebraskans diagnosed with gambling disorder and is not based on surveys, adding to its reliability.

8. Problem Gambling Prevention, Education and Awareness Messages

By statute, five percent of the advertising budget of the Nebraska Lottery is to be dedicated to presentation of messages and information to the public about problem gambling. The Commission has entered into an agreement with the Lottery Division of the Department of Revenue that calls for preparation of an annual advertising plan. The plan accounts for previous year expenditures and projects coming year activities. For the fiscal year that ended June 30, 2021, this allocation was \$261,177.

This year the Commission's expenditures on these activities exceeded the minimum required by the statute, totaling \$309,064. Expenditures included the contract with Agent Brand of Lincoln for the multimedia digital prevention campaign (\$300,000), and website content changes.

9. National Problem Gambling Awareness Month

In March Governor Ricketts issued a proclamation declaring that March is Problem Gambling Awareness Month in Nebraska. The Legislature also adopted a resolution, and mayors and city councils from around the state issued similar proclamations.

III. PROGRAM DATA

Gambler Assistance Program counselors admit clients into therapy if they satisfy the diagnostic criteria for Disordered Gambler specified in the American Psychiatric Association's *Diagnostic and Statistical Manual 5th ed.* When a new client is admitted for therapy, information is gathered to help with diagnosis, treatment planning and program records. This information is analyzed under strict procedures that protect confidentiality. The resulting data gives the Commission insight into the characteristics of Nebraskans who seek help for gambling problems and the nature of gambling in Nebraska. The complete report is posted on the program's official state website.

Highlights from the data report include:

- 34% of Nebraskans seeking counseling for addiction to gambling considered suicide; another 6% attempted suicide before seeking counseling from our program. These rates of suicide thinking and attempts are significantly higher than in the general population.
- 30% of gamblers who first gambled before age 21 were influenced to do so by a parent.
- At the time of admission into therapy, 16% of clients gambled at slot machines.
- Touch-screen "skill" games frequently found in convenience stores are surging in popularity, with 33% of new clients becoming addicted to gambling on these devices.
- 117 new clients reported debt from gambling totaling \$3.687 million, equal to 41% of household debt.
- By the time of discharge from counseling, 93% report reducing their gambling and 75% reduced their gambling debt, which had averaged \$34,000 each at the start of their counseling.

IV. CONCLUSION

The Nebraska Commission on Problem Gambling is carrying out its mission by expanding and improving existing programs for training therapists, expanding geographical coverage of therapy services and adding new therapists to the field. Subsidizing the cost of problem gambling therapy for Nebraskans and their families is the primary goal of the Program. The Commission is also committed to prevention, education and outreach activities. These activities emphasize evidence-based programs that have been proven to produce expected results.

For the Commission

David Geier, Director

Nebraska Gamblers Assistance Program