

Montana's Problem Gamblers

Identifying Problem Gamblers

Montana problem gamblers were identified using the South Oaks Gambling Screen (SOGS) and the Diagnostic and Statistical Manual Fourth Edition (DSM-IV) screen (Fisher 1996, Lesieur 1987). Each screen assigns points based on answers to gambling-related questions, and individuals with scores exceeding predetermined levels are assigned to various problem gambling categories. For example, individuals who score 3 or 4 points on the SOGS lifetime or past year screens are classified as "problem gamblers." Those who score 5 or more points on either screen are classified as "probable pathological gamblers." The DSM-IV has a similar scale, but measures only past year problems.

The SOGS was originally developed in the 1980s, while the DSM-IV dates from 1994. While the screens use slightly different criteria, recent research indicates they are both consistent and reliable. Most of the following Montana analysis uses the SOGS scores to allow comparison with the 1992 study, which predated DSM-IV (Volberg 1992). But, DSM-IV scores will be used in several instances to allow comparisons with other studies.

The Number of Montana Problem Gamblers

About 23,400 Montanans are problem gamblers. Of those, about 10,400 (+/- 4,500) are past year probable pathological gamblers. Roughly 13,000 (+/- 5,200) are in the less severe classification of past year problem gambler.

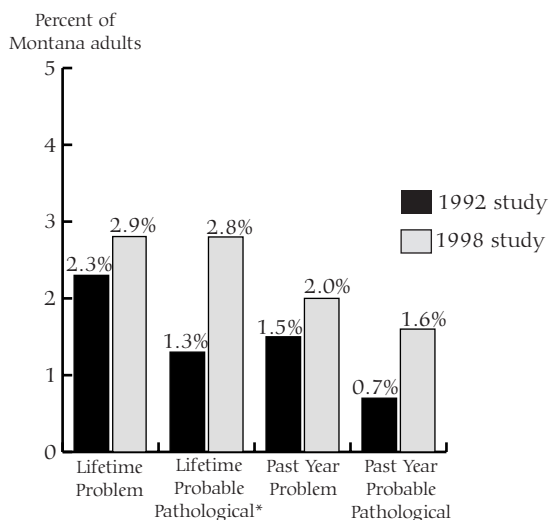
A longer-time perspective yields higher estimates. Using lifetime instead of past year responses, lifetime probable pathological gamblers number about 18,200 (+/- 6,500). The corresponding estimate for lifetime problem gambler is 18,800 (+/- 6,500).

Montana Problem Gambler Rates

Montana problem gambler rates rose between the 1992 and 1998 studies. Yet, Montana's overall problem gambling rate is similar to other states, as is the increase. Montana American Indians have higher problem gambler rates than the overall population.

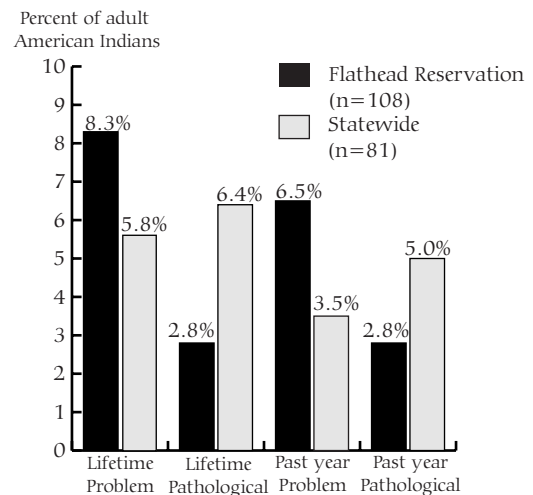
As shown in Figure 1, past year probable pathological gamblers accounted for about 1.6 percent of Montana's 1997 adult population, up from 0.7 percent reported in the 1992 study. Past year problem gamblers were about

Figure 1
Probable Pathological and Problem Gamblers, Montana, 1992 and 1998



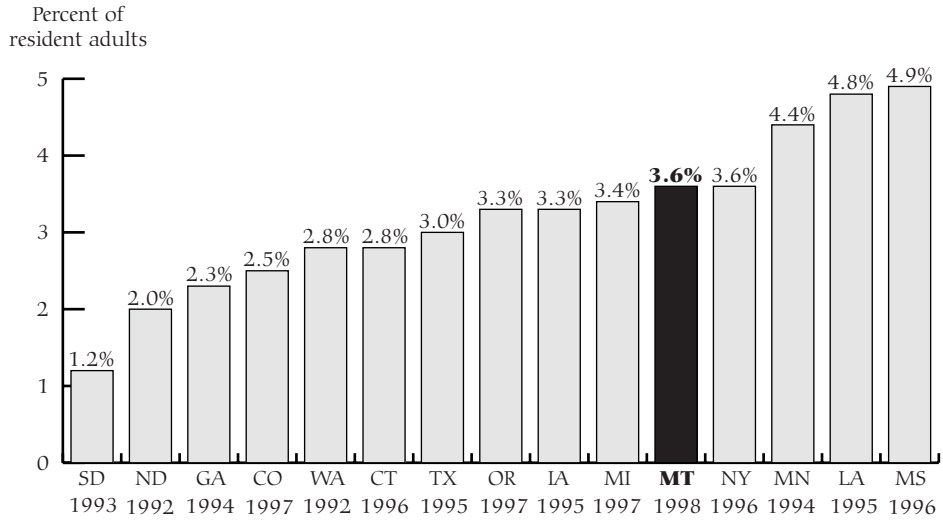
*Difference significant at the 0.1 level.
Note: Probable pathological and problem gamblers based on their SOGS scores.
Source: Gemini Research Ltd.

Figure 2
American Indian Problem and Pathological Gambling



Note: Probable pathological and problem gamblers based on their SOGS scores.
Source: The Bureau of Business and Economic Research; The University of Montana-Missoula.

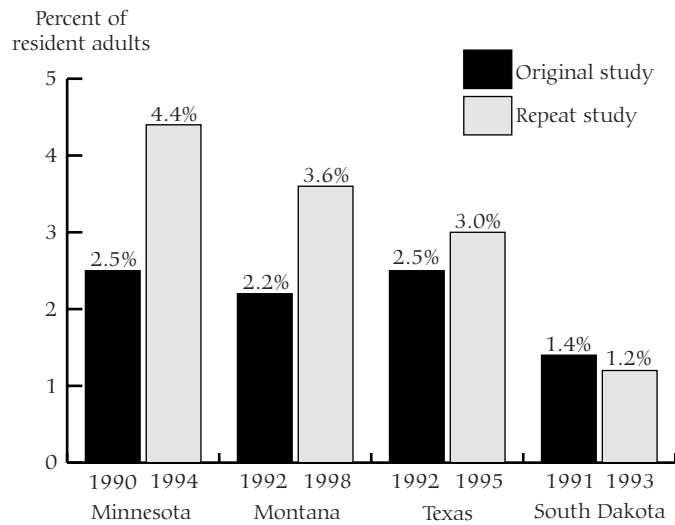
Figure 3
Probable Pathological and Problem Gamblers
Selected States and Years



Note: Probable pathological and problem gamblers based on their SOGS scores.
 Source: Gemini Research Ltd.



Figure 4
Probable Pathological and Problem Gamblers,
Various States and Years



Note: Probable pathological and problem gamblers based on their SOGS scores.
 Source: Gemini Research Ltd.

2.0 percent of Montana adults in 1997, an increase from 1.5 percent reported in the 1992 study. Similarly, the lifetime probable pathological rate rose from 1.3 percent to 2.8 percent between the two studies, and the corresponding figures for lifetime problem gamblers were 2.3 percent and 2.9 percent, respectively.

Interstate comparisons of problem gambling are facilitated by summing the past year problem and the past year probable pathological gambling rates (2.0+1.6=3.6). As shown in Figure 3, Montana's 3.6 percent is in the mid-range of similar rates for other states. The highs are 4.5-5.0 percent (Mississippi and Louisiana), while the lows are 1.0-2.0 percent (North and South Dakota) (Volberg 1995, Volberg 1997, Volberg 1993, Volberg 1994). The rankings must be interpreted with care because of the error margins associated with all the state estimates.

Montana's overall problem gambling rate of 3.6 percent is up from 2.2 percent reported in the 1992 study. As pictured in Figure 4, two of three other states with comparable prevalence data also posted increases (Wallisch 1996, Emerson 1996). The lone exception was South Dakota, where changing rates may not be detected in studies only two years apart (Volberg 1994).

In Montana, American Indians have higher problem gambler rates than the rest of the state. In order to increase the number of American Indians in the 1998 gambling study, interviewers questioned Indians living on the Flathead Reservation. The data show that the probable pathological rate for the reservation was 2.8 percent, compared to 1.6 percent for all Montana adults. Though the Flathead Reservation rate was quite a bit higher than the rest of the state, it was significantly lower than the

rate of 5.0 percent for Indians statewide.

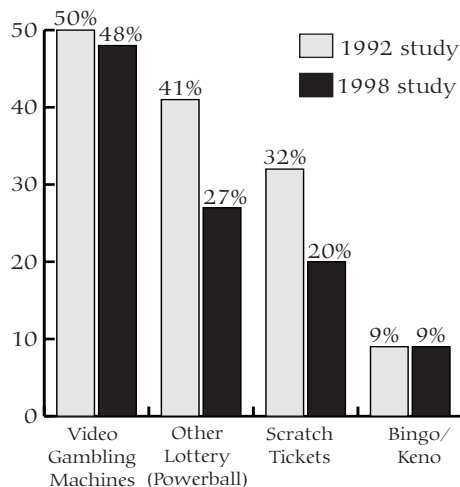
Especially worrisome is that among American Indians statewide, more people fall into the probable pathological category, rather than the problem category. By comparison, throughout Montana and even on the Flathead Reservation, more people fall into the problem category. In other words, gambling is a serious problem among Montana American Indians.

Comparisons could not be made between the 1992 study and the 1998 study because American Indian rates could not be calculated. The error margins for all American Indian rates are large because of the small number of respondents.

Problem Gamblers' Weekly Participation

Montana problem gamblers play VGMs and lottery games, including Powerball and scratch tickets, most often. VGMs and scratch tickets are activities with rapid play cycles and immediate replay opportunities. The preference for rapid cycle games has been reported in studies of problem gamblers elsewhere (Dickerson 1993, Volbert 1995a, Volberg 1997a). About 48 percent of Montana past year problem and probable pathological gamblers reported that they played VGMs on a weekly basis, while only 8 percent of the non-problem gamblers gave a similar response. About 20 percent of the problem and probable pathological gamblers purchased scratch tickets once a week or more, compared to 2 percent of the non-problem gamblers. Other games that problem gamblers are most likely to play weekly are lottery games (e.g. Powerball) and bingo/keno.

Figure 5
Weekly Participation of Past Year Problem and Probable Pathological Gamblers By Game



Source: Gemini Research Ltd.

**Table 1
Profile of Montana Lifetime Problem and Probable Pathological Gamblers 1992 and 1998**

	1992 (N=36)	1998 (N=70)
<u>Gender</u>		
Male	52.8	47.1
Female	47.2	52.9
<u>Age</u>		
18-29	34.3	25.7
30-39	34.3	22.9
40-49	14.3	20.0
50-64	17.1	22.9
65+	-	8.6
<u>Ethnicity</u>		
White	97.1	85.7
American Indian	-	14.3
Other	2.9	-
<u>Marital Status</u>		
Married	68.6	42.9
Widowed	-	2.9
Divorced/Separated	8.6	31.4
Never Married	22.9	22.9
<u>Education</u>		
Less than HS	5.6	16.9
HS + some Post	72.2	71.8
BA +	22.2	11.3
<u>Work Status</u>		
Employed	66.7	65.7
Unemployed	8.3	4.3
Other	25.0	30.0
<u>Income Status</u>		
<15K	20.6	38.6
15-35K	47.0	34.3
35-50K	20.6	10.0
50K+	11.8	17.1

Note: Problem and probable pathological gamblers score 3 or higher on lifetime South Oaks Gambling Screen. Percentages may not add to 100 due to rounding. Source: Gemini Research Ltd.

**Table 2
Problem Gambling Services Selected States**

State	Information	Prevention	Treatment
Washington	*		
Oregon	*		*
Iowa	*		*
South Dakota	*		*
Minnesota	*	*	*
Texas	*	*	*

Source: Gemini Research Ltd.

Not surprisingly, a disproportionate share of the players of these games are problem and probable pathological. For example, about 9 percent of Montana gamblers play VGMs on a weekly basis; approximately 20 percent of these gamblers score as past year problem and pathological gamblers. About 2 percent purchase instant lottery tickets once a week or more; 30 percent of them score as past year problem or pathological gamblers. Eight percent purchase other lottery products (such as Powerball); 13 percent of them are past year problem or probable pathological gamblers.

Comparing 1998 to 1992, fewer problem gamblers play lottery products (e.g. Powerball) and scratch tickets weekly that they did in 1992. However, they play VGMs and bingo/keno at about the same rate as they did in 1992. As shown in Figure 5, about 27 percent of problem and probable pathological gamblers said they regularly played other lottery products (e.g. Powerball), down from 41 percent in 1992. Similarly, the percentage playing scratch tickets weekly decreased from 32 to 20 percent between the 1992 and 1998 studies. The percentages regularly playing VGMs remained stable from 1992 at about 50 percent, and the 9 percent figure for bingo/keno also did not change.

Problem Gambler Profiles, Impacts on Families, and Implications for Gambler Services

Only a few distinguishing characteristics emerge from an examination of Montana problem gamblers' profiles, as shown in Table 1. They are:

- Montana problem or probable pathological gamblers are equally likely to be male or female (in other states, more are male).
- Educational attainment of problem gamblers is lower.
- Average age of Montana problem gamblers is now higher than reported in the 1992 study: 31 percent are now over 50 years of age versus 17 percent reported in the 1992 study.
- Problem gambler incomes are more evenly distributed now than in the 1992 study. The increase in the highest income category is noteworthy.
- Problem gamblers are more likely to be divorced or separated than was reported in the 1992 study.

What does the relative lack of distinguishing characteristics mean? It suggests that with the exception of American Indians and seniors, services for problem gamblers should be targeted broadly rather than at specific risk groups in the population. It also might be appropriate to target court staff, as well as marital and family counselors, because of the negative impacts gambling has on families and the ever-growing divorce rate among problem gamblers. In 1998, 31 percent of the problem and pathological gamblers are divorced (vs. 12.9 percent in the total population and 8.6 percent in the 1992 study).

Problem Gambling Programs

Twenty-one states currently have problem gambling programs, which provide information, public education, help-lines and referrals, training, and research (Volberg 1996). Some states also finance treatment services for problem gamblers. Programs are usually funded with a dedicated portion of lottery, pari-mutuel, or casino tax revenue. A small number of states fund programs as a line item in their general appropriation or divert funding by executive order or statute from existing gambling-related agencies (e.g. the advertising budget of the state lottery). Table 2 presents selected problem gambler programs in other states. Montana does not have a problem gambling program as yet.

Reimbursement contracts are the typical purchasing method for problem gambling programs in other states. State agencies commonly make grants or manage contracts with one of the 34 affiliates of the National Council on Problem Gambling. States also contract with other entities including academic institutions, other state agencies, and independent organizations. Some designate a problem gambling program manager to manage both prevention and treatment services.

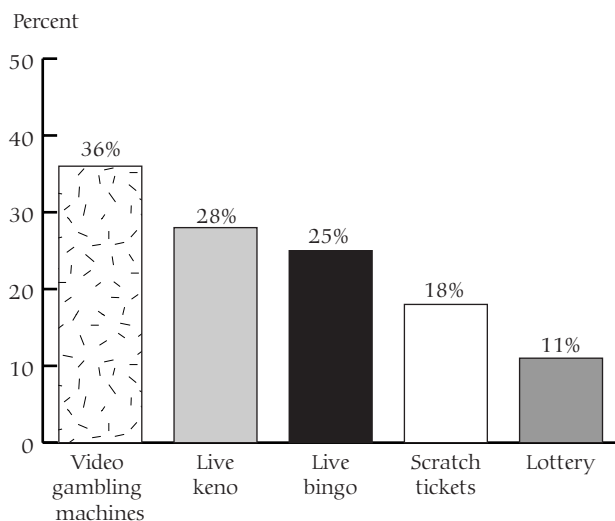
There is limited research concerning the effectiveness of problem gambling programs (Lesieur 1991). Most problem gambling programs are less than 10 years old and assessment procedures for them are not well-developed.

Problem Gamblers' Share of Gambling Activity

Problem and probable pathological gamblers account

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**Figure 6
Gambling Expenditures by Game
Problem and Probable Pathological Gamblers
(Percent of Total Expenditures)**



Source: Gemini Research Ltd.

for a disproportionate share of gambling activity and taxes, based on their survey responses. As shown in Figure 6, problem gamblers account for about 36 percent of monthly VGM expenditures and thus about 36 percent of monthly VGM tax revenues. The corresponding figure for live keno is 28 percent; lottery 11 percent; scratch tickets 18 percent; and live bingo 25 percent (excluding one respondent who may have incorrectly answered the question). These estimates are based on gamblers' reports of their typical months' spending. Little research has been conducted which examines the accuracy of gamblers' reported spending (Volberg 1998). In particular, it is not known whether pathological gamblers make greater errors in their reported gambling expenditures than non-pathological gamblers.

Problem Gamblers and Personal Bankruptcy

Problem gamblers are more likely to file for bankruptcy. Among lifetime Montana problem or probable gamblers, about 10 percent have filed for bankruptcy. Approximately 4 percent of Montanans with no lifetime gambling problems have filed for bankruptcy. In comparison, about 22 percent of Montana Gamblers Anonymous members have ever filed for bankruptcy. (More about GA members in the next section.)

Problem Gambler Treatment Costs

The majority of problem gamblers in treatment are outpatients. Outpatient treatment refers to one-on-one and group counseling sessions. Only a small proportion of problem gamblers require inpatient treatment, primarily those suffering from clinical depression and other serious problems (Cox 1997). Inpatient treatment occurs while a patient resides in a treatment facility—typically for a 28-day period—and costs six times more than outpatient treatment. In Montana, inpatient treatment costs about \$9,945 per patient, while outpatient treatment costs about \$1,600 (Rimrock Foundation 1998, and Montana Department of Public Health and Human Services 1998).

Given the per patient costs, the total cost of treatment depends on the proportion of problem and probable pathological gamblers seeking treatment. Table 5 presents cost estimates for both inpatient and outpatient treatment corresponding to a range of percentages of problem gamblers seeking treatment. For example, the cost for outpatient services would be \$560,000 per year if 6 percent of past year probable pathological gamblers sought treatment. The 6 percent figure is a rough estimate based on the number of persons in Montana seeking treatment as a proportion of the total number of problem and pathological gamblers based on the household survey.

The proportion of problem gamblers seeking treatment may rise after programs are established. In other states, several years elapsed before a sizable proportion of problem gamblers learned of the services and enrolled in treatment programs.

Successful problem gambler treatment requires planning and continuity of funding. Education and informa-

**Table 4
Inpatient and Outpatient Treatment Costs
Montana**

Percent Seeking Treatment*	Inpatient Cost (\$Million)	Outpatient Cost (\$Million)
1	0.62	0.10
2	1.23	0.19
3	1.85	0.28
4	2.47	0.37
5	3.08	0.47
6	3.70	0.56
7	4.32	0.66
8	4.93	0.75
9	5.55	0.85
10	6.16	0.96

*Note: Of those scoring 5+ on DSM-IV (standard diagnostic cutoff).

Sources: Gemini Research Ltd; Rimrock Foundation, Rocky Mountain Treatment Center, Montana, Montana Department of Public Health and Human Services.

tion may be emphasized initially. Prevention and treatment may become priorities later.

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