



**Colorado Department of Human Services  
Division of Behavioral Health**

**House Bill 08-1314  
Problem Gambling/Gambling Addiction  
Grant Report**

**January 2011**



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## **Introduction**

House Bill 08-1314 was created by the General Assembly concerning the use of moneys in the Local Government Limited Gaming Impact Fund to provide gambling addiction counseling to Colorado residents. House Bill 08-1314 requires the Department of Human Services (Department) to submit a report to the Health and Human Services Committees of the Senate and House of Representatives, or their successor committees, regarding the Gambling Addiction Grant Program. The Division of Behavioral Health (Division) is responsible for administering this program for the Department.

The Department believes that the Problem Gambling/Gambling Addiction issue fits within the mission and goals of the Department as the federally designated single state authority for Substance Abuse Prevention and Treatment. Many other states have also structurally located Problem Gambling/Gambling Addiction within the state behavioral health authority.

## **Implementation**

The intent of House Bill 08-1314 is to address the issue of problem gambling and gambling addiction in our state. House Bill 08-1314 creates a program to train counselors and make available prevention/education and treatment services to problem gamblers. House Bill 08-1314 outlined a grants administration program similar to that housed in the Department of Local Affairs; however, during the 2008 legislative session the program was moved from the Department of Local Affairs to the Department of Human Services.

The Department determined that the most efficient and effective method to achieve the legislative intent was to subcontract the administration of the program. The Department issued a Request For Proposals to create a community-based Center of Excellence, through which counselors receive free training and supervision in problem gambling counseling. Once trained, counselors could apply for grant dollars to be reimbursed for delivered treatment services.

## **Reporting requirements of House Bill 08-1314 (Section 12-47.1-1601 (II) C.R.S.)**

(A) The amount of moneys allocated to the gambling addictions account.

FY 2009-10 the amount of moneys allocated to the gambling addiction account was \$110,865.

FY 2010 –11 the estimated amount available is \$71,130.

(B) The number of grant applications received and the total amount of grant moneys requested by grant applicants.

FY 2009-10 one grant in the amount of \$99,033 was awarded to the Center of Excellence at the University of Denver after a competitive bid process. The Department's contract with the Center of Excellence requires the Center to provide: 1) 30 hours of training to meet the content required for trainees to become approved gambling counselors at no cost; 2) a statewide annual conference that focuses on topics relevant to problem gambling in Colorado to meet the continuing education requirement for counselors, also at no cost; 3) supervision of counselors in training by providing twice monthly supervision; 4)

gambling counseling services through reimbursement to problem gambling service providers; and 5) a database that tracks all program requirements. In 2009-10 training was provided to 45 counselors, and direct counseling services were provided to 46 clients.

FY 2010-11 the amount to be contracted \$71,130 awarded to the Center of Excellence and the University of Denver after a competitive bid process.

(C) The total amount of moneys in the gambling addiction account that was awarded as grants to applicants.

FY 2009-10 the total amount awarded to the Center of Excellence at the University of Denver was \$99,033.

FY 2010-11 the total amount awarded to the Center of Excellence at the University of Denver was \$71,130.

(D) The entities or programs that received grants and the amount of moneys each grant recipient received.

FY 2009-10 one grant in the amount of \$99,033 was contracted to the Center of Excellence at the University of Denver. The Center of Excellence provides services such as education and treatment of problem gamblers, training of problem gambling counselors, supervision of counselors in training, as well as gathering, analyzing, and publishing research regarding the effectiveness of the programs.

FY 2010-11 one grant in the amount of \$71,130 was contracted to the Center of Excellence at the University of Denver.

**Prevention** – House Bill 08-1314 included the provision of prevention efforts concerning problem gambling/gambling addiction. The Department currently has a network of prevention providers equipped to facilitate problem gambling prevention efforts. The Department employs ‘Best Practice’ Prevention Strategies such as Information Dissemination and Education. The Department achieved the following:

- Participation in monthly statewide problem gambling stakeholder meetings;
- Researched and documented national trends in problem gambling prevention;
- Worked with the Colorado Lottery to provide resources and information statewide to the public on problem gambling.

**Challenges** - House Bill 08-1314 only allows for 5% of the available funds to be used for the administration of the program. In FY 2009-10 \$5,500 dollars was the total allowed allocation for administration of the program. In FY 10-11 the amount allowed for allocation to administration of the program is calculated at \$3,556 dollars. These amounts have proven inadequate to administer the program, write rules, and monitor program accountability. The amount of staff time and resources expended surpassed the administrative cost each year. The Department used and must continue to use other federal and state resources that are designated for other purposes to supplement the administrative costs; however this is not a long-term solution. The Department has had to extend Federal Substance Abuse Treatment Block grant dollars to subsidize and administer this program. The Federal Substance Abuse Mental Health Services Administration may see this as an unsuitable use of these federal block grant dollars. The

Department would characteristically request a budget supplemental for additional resources when they are not sufficient; however due to the economic condition of the Colorado State budget, the Department will not make a request this year.

**Next Steps/Recommendation** - The Department believes that gambling addiction issues are congruent with all addiction services within the Department's authority and oversight.

Faced with the difficult realities in administering this program, the Department recognizes the insufficient and continually decreasing funding to this program. The Department has determined it is no longer cost-effective to contract beyond June 30, 2011. The Department would recommend suspending this program until sufficient funding is identified, otherwise the program should be allowed to sunset in 2013.

Despite the constraints of inadequate resources, the Department has made a concerted effort to bring together multiple stakeholders and their respective perspectives on problem gambling to construct a statewide strategic plan for problem gambling. The Department is committed to working with stakeholders to further develop a strategic plan; to determine the next steps for addressing the service needs of consumers with problem gambling/gambling addiction in order to ensure the best outcomes.