CHAIR JAMES: I think this would be a good point to stop and entertain some discussion on that. I would say that for logistical reasons we need to be out of this room at 12:15, so I want to make sure we, but we will come back and continue this afternoon.

I'm going to go ahead and recognize Commissioner Leone and then go to Commissioner Bible.

COMMISSIONER LEONE: Well, first I have a question about these calculations. Are these the costs attributable apart from what would be expected if this were -- if type D and Es were a random sample instead of being type D and Es?

DR. GERSTEIN: Yes, exactly right.

COMMISSIONER LEONE: So these are the additional costs?

DR. GERSTEIN: The attributable fraction.

COMMISSIONER LEONE: Okay.

CHAIR JAMES: Commissioner Bible and then Commissioner Dobson.

COMMISSIONER BIBLE: Can you go back to your chart on drug usage? And I'm also speaking from page 29 of the report, I just want to make sure I understand the data.

As I read the data approximately one-third of the type E past years would admit to using illegal substances?

DR. GERSTEIN: That's correct.

COMMISSIONER BIBLE: And almost two thirds would admit to, I guess, overusage of alcohol?

DR. GERSTEIN: Well, I'm not sure the word overusage necessarily applies. The specific item is do you drink at the rate of one or two days a month over the past year.

COMMISSIONER BIBLE: What are we supposed to draw, then, from the question in terms of classifying the individual. We asked them if they consider themselves to be an alcohol, or do they have alcohol problems, or --

DR. GERSTEIN: Subsequent to, and you are looking here at what we call survey stage business. Virtually all of the people who in surveys report alcohol dependence, and I should say that the DSM-IV criteria for alcohol dependence, just as there are for pathological gambling.

COMMISSIONER BIBLE: Probably some of the same criteria.

DR. GERSTEIN: Virtually all of those people would have said yes to this question. Everyone who said yes to this question we then asked a series of items that will generate an alcohol dependence diagnosis, or criteria, and a screen response.

COMMISSIONER BIBLE: So we will be able to tell that when we get the final data, we will have that?

DR. GERSTEIN: Yes, you will.

COMMISSIONER BIBLE: Now, we are going to have the final data by next week, according to our report?

DR. GERSTEIN: End of the month.

COMMISSIONER BIBLE: Because our schedule shows it coming in on the 15th.

CHAIR JAMES: The schedule calls for the 15th, that is when we will be looking for it.

DR. GERSTEIN: Well, we will give you as much of the data as possible, but in terms of getting a report completed we are looking at the end of the month.

COMMISSIONER BIBLE: Well, I guess that is another issue, but as you --

CHAIR JAMES: It is another issue, but I would take this time to -- it is a very important issue for the deliberations of this Commission and for us to complete our work in a timely manner. And this is true for all our contractors, and that is that I realize the incredible amount of work that you are doing, and the task that is before you.

But one of the things that I ask our executive director on a regular basis is, are we on track with our contractors, and any renegotiation of deliverables must come back before the Commission, because we have to have our --

COMMISSIONER BIBLE: Commissioner James, our contract calls for delivery at the end of the month. That hasn't been renegotiated, we are trying to accelerate some of these data, but I think that is what our contract calls for.

CHAIR JAMES: Explain to me the 15th date, then, Dr. Kelly.

DR. KELLY: I think the end of the month was the last day of the contract relationship, that allows us two weeks to wrap up this end.

CHAIR JAMES: I will leave that for you all to figure out. And believe me, again, we are just incredibly grateful to you for the amount of work you have put in, and it is very difficult and we recognize that.

And if there is any data, and I would ask you all to research that in the next few minutes, or by the end of the day and let us know, is it the middle of the month, or is it the 15th.

So we would have to read just some things in order to accommodate that.

COMMISSIONER BIBLE: Now we've solved at least the organizational issue.

How, then, do you relate the cost of the type E gamblers when you start doing your cost analysis with those that, for instance, have admitted that they have problems using illegal substances, how do you count and adjust for that?

Because it would seem to me somebody using cocaine may have problems that would get apportioned to that side of the ledger, versus the gambling side of the ledger.

DR. GERSTEIN: First I should just stipulate most of the drug use that people are reporting here is marijuana use. And the adjustment is based on looking at other surveys, which we use the same drug use items.

And looking at the comparisons there, which have been costed out, again, on other surveys that focus extensively on costing out the differences between people who use drugs at different levels, and people who don't.

COMMISSIONER BIBLE: I don't understand. How do you -- say divorce, how do you attribute the cost of divorce and some portion to alcohol, some portion to gambling, some portion to drugs. I don't understand your methodology.

DR. GERSTEIN: You take two groups of people and you want to say, you know, how do you compare the -- I mean, let's just start and say, for the sake of argument that the cost of an individual divorce is something that has been determined, the court costs have been measured.

COMMISSIONER BIBLE: So say 10,000 dollars.

DR. GERSTEIN: Okay. Then your question is, you take two groups and say, in group A versus group B there are a lot more divorces, so could we just say that the excess cost in group B is the difference between the amount in these two groups.

If you know that the groups differ in the extent to which something else correlated with divorce, like alcoholism takes place, so in one group you have a lot more alcoholics than in the other group, you can control for that by saying, if the two groups in fact had the same rate of alcoholism, if you took the group that had the much higher rate, and you just adjust it and said, what if it had a lower rate, what would we expect the amount of divorce to be relative to the other.

And there is still a difference after you make that adjustment. Then you have eliminated the difference between the two groups and their alcoholism as the source of the difference between the two groups, net of their alcoholism.

COMMISSIONER BIBLE: But the data you would be using for the alcoholism may be somewhat dated, a different survey, a different instrument, you are reaching in some other study to develop that methodology?

DR. GERSTEIN: Another study, but it uses the same item, it is a 19 -- I mean, it is literally done every year.

COMMISSIONER BIBLE: It is not something this Commission has done, I assume?

DR. GERSTEIN: No, it isn't. It is research that is done by the Federal Government. I think these data directly come out of the national household survey on drug abuse, which is in literally a continuing survey that is in the field all the time.

COMMISSIONER BIBLE: And they would have all the same categories that you have reported in here in terms of the cost?

DR. GERSTEIN: We took the items we used from the national household survey on drug abuse, they are the same items.

COMMISSIONER BIBLE: And then you just compare the differences and apportion the differences to gambling?

DR. GERSTEIN: Right.

COMMISSIONER BIBLE: Okay.

CHAIR JAMES: Commissioner Dobson?

COMMISSIONER DOBSON: I would like to ask either of you to comment on the rather dramatic differences in estimates of prevalence in some of your findings compared with some of the other studies that have been done, particularly with regard to youth and pathological gambling.

Dr. Stinchfield and Associates, in August gave a paper in San Francisco that estimated those rates at somewhere between five to eight percent. Of course the meta analysis that Schaffer did came out around six percent.

Your numbers for that particular chart were approximately 50 percent of that, or half of that. Do you have any impressions as to why the variation between what you found, and what has been found repeatedly in the past?

DR. GERSTEIN: It is really Rachel’s question.

DR. VOLBERG: Yes. All of the research as far as -- I don’t know exactly what Dr. Stinchfield presented to you, but my understanding is that the Minnesota team of Stinchfield, Winters, and their colleagues have been using as their tool to identify gambling problems amongst you, a screen called the SOGS RA. The South Oaks Gambling Screen revised for adolescents.

And the SOGS RA is actually what we have used, or what I have used in the telephone surveys of adolescents that I have done in a variety of states over a number of years since 1993.

The SOGS RA is a very different screen than the NODs. It is based on the DSM-III criteria, rather than the DSM-IV criteria. It's got 20 weighted items instead of the ten weighted items that we used for the NODs.

And the questions in the SOGS RA about 50 percent of those questions have to do with different kinds of borrowing that respondents have done in order to get money to gamble, or to pay gambling related debts.

So the -- while the screens are related, because they are both based on American Psychiatric Association Criteria for pathological gambling, they are based on two different sets of criteria that the APA has published, one in 1980, and one in 1994. So there is that 14 year difference.

They are measuring something that we didn't understand as well in 1980, as we do now. And so the bar that we have used, I think with the NODs, is a somewhat more stringent bar than the bar that is used with the South Oaks Gambling Screen, and specially with the South Oaks Gambling Screen when you use it with kids.

COMMISSIONER DOBSON: So those criteria are somewhat subjective?

DR. GERSTEIN: I mean, in some sense all of these criteria have an evaluative component. I mean, they are all subjective from two points of view, namely they reflect a distillation of essentially clinical judgments that have been made over time into a fixed measuring rod.

And, of course, then the individuals are also being asked to evaluate their behavior according to a particular item. But by and large what we are looking at, and it is not an unusual phenomenon.

People in the past basically for the most part have been measuring adolescent gambling behavior with a different yardstick than they were using to measure adults. That may well be appropriate.

It is, indeed, one of the most difficult issues in trying to measure behavior to compare adolescents with adults, because adolescents live in a different situation. If an adolescent blows all their money on a card game, that money doesn't include the rent. It doesn't include all the things that they are essentially subsidized for.

All their money, just to generalize here, is about a tenth of the discretionary income that other people have, that is that adults as a whole have.

So in trying to say, adolescents is a sort of a peculiar period, it is a protected period in that by and large most adolescent's basic needs are met, not by dint of their own resources, but through other means.

And yet they are not a poor group, they do have spending money, they do have market power, and they do have the capability of spending discretionary income. So it is difficult to evaluate when you look at their pattern of behavior, whether you want to use exactly the same measuring rod.

All we can really tell you here is that when we use the same, exact same instrument for the adolescents as we use for the adults, with the one exception, and that is with adults we

insisted that we had a certain dollar amount below which if they weren't using that amount of money, we weren't going to consider that they could be eligible to be a type above type B.

Now, if we do that for adolescents, too, fewer of them get above that. When we don't use that for adolescents, more of them get above that. But in both cases we are still using the same instrument for adults and adolescents, the same DSM-IV criteria.

And as Rachel said, in virtually all of the literature, including that summarized in Dr. Schaeffers META analysis, the adolescent instrument was a different one from the instrument the adults were --

COMMISSIONER DOBSON: So the comparison over time is really not valid because the criterion has changed?

DR. GERSTEIN: Well, same problem as comparing the '75 and '98 adult surveys. There was no -- there wasn't even a SOGS, there was certainly nothing in the DSM criterion that --

COMMISSIONER DOBSON: So in conclusion, there is less of a problem with adolescent problem gamblers, or pathological gamblers now than then could not be made from those studies, because the instruments changed?

DR. GERSTEIN: It could not -- it would not be an inference that makes sense to me.

COMMISSIONER DOBSON: Because of that particular example, and some others, which seemed lower than I anticipated, personally, I wonder if you would comment on whether or not these studies on an adult level, particularly, represent what might be called a lower bound estimate of reality for several reasons.

One is that doing the study by telephone excludes all of those who have had their utilities cut off because of perhaps a problem with gambling.

Secondly you did not interview prisoners, some of whom are there because of gambling related crimes. And, third, because of the tendency to lie about these things, which would only go in one direction. Obviously you don't lie on the positive end of that, but on the negative end of it.

So that the numbers that we have here probably represent what, in statistical terms, you call a lower bound estimate.

DR. GERSTEIN: I think that is a reasonable assessment, particularly on the coverage end of it. The incarcerated population is not part of the household population, and that is whom we surveyed. I mean this is based on the household population.

Obviously the patron survey is not part of the house -- is part of the household population in surveying patrons in institutions of corrections. And it is the case, for example, in the national household survey on drug abuse, when you try and look at a relatively rare phenomenon, one which was rarer, certainly, and certainly arguably, and I would argue on the side of it, you try and establish the proportion of heroin addicts in the U.S. based on the household survey population.

For the reasons you've just cited we find that estimate is too low, and you just base it on a household survey. You miss people who are in prison, you miss people who are extremely difficult to find in households because they are transient, or they are evasive.

In terms of people lying, there are more complex problems with the assessment of behavior than just lying, which is one of several. Some of them lead toward exaggeration, and others lead toward minimization.

Some of these are cognitive processes, that is people tend to be more impressed by big things that happen, and are salient, than by an accumulation of little things, even though if you measure carefully enough, you find little things add up to a lot more than the big things, people just don't pay enough attention to them.

But I think the characterization, for two reasons, as a lower bound is not an unreasonable one, one of which is that I think we have developed a more stringent measure in some respects, a more strict accounting, and the other being that there is some loss of coverage in areas where our data tells us we are going to find more people like in prison.

COMMISSIONER DOBSON: One final quick question, because I don't want to dominate this. In the cases where you were not able to reach households did you not send out a questionnaire in an effort to reach those that don't have telephones, for example, was there any effort to do that, and if so, what kind of return did you get?

DR. GERSTEIN: We did do that. We had originally hoped that we could put this survey in the field at a time when another survey that we do on an annual basis, which is a household survey, and it generates a sample of people who are -- who don't have telephones, about whom we know quite a bit, because they have been surveyed in the household, we did acquire that sample, it is about 100 individuals in the country, all over the country.

We had addresses, we did mail them that questionnaire a couple of times. We only got seven back, although I should say of that 100 we got addressee unknown or moved back from about 20 percent.

Unfortunately because of the delay in getting this survey begun, we had finished fielding that other survey and no longer had staff on the field who could readily have obtained in person interviews.

I would just make the point that the proportion of the households in the country who did not have a telephone is roughly five percent. The differential in terms of gambling problem types in those households, versus households which do have telephones, is hard to say.

It may be there is not much difference in which case we haven't missed much. By and large people without phones are people who can't afford phones. We did not see a lot of difference between income level in the extent -- in the distribution of types D, type E, type C and so forth.

Nonetheless we did pursue that group, we were not very successful. As always, with male surveys, the response rate wasn't particularly high. A typical male survey gets in the single digits as a response rate, and that is about what we saw.

CHAIR JAMES: One of the things that makes the household survey, the national household survey that comes out of HHS is that it is an annual survey and while you can spot trends that are there, and I wondered if you had any comments about the efficacy of doing a study like this on an annual basis in order to determine those kinds of trends.

DR. GERSTEIN: Well, I think it would be a good idea to do that.

CHAIR JAMES: That was a softball.

DR. GERSTEIN: Sure. I think the hard part of that is to ask whether one needs a survey, you know, an annual survey of gambling behavior per se, as there is a national household survey on drug abuse which spends more money this week than we have spent on this entire survey, and it will spend that much next week, and spent that much last week.

I think it would behove the sponsors of surveys of other kinds of problem behaviors to pay attention to gambling. I mean, we have modules of questions that aren't very lengthy that could be added to other surveys.

The National Household Survey on Drug Abuse has what they call the non-core section. I know you are quite familiar with this survey. They are really -- there ought to be a module that looks at behavior, at gambling behaviors, at gambling problems, just as there are modules that have looked in the past at drinking and driving, that have looked at mental health problems, and that look at criminal and many other things.

And I think this is a general issue that the Government when it has sponsored surveys of, say, adolescent health or homelessness, or joblessness, often includes cross reference to other problems that are known to be correlated.

Gambling has systematically not been one of them, and we would know a great deal more, and know where our upper and lower bounds were, and be able to sort out what is the component that is most important. I appreciate that softball.

CHAIR JAMES: I for one would certainly would not be opposed to seeing that as a part of a non-core category of questions in the National Household Survey.

Commissioner Wilhelm?

COMMISSIONER WILHELM: I have two questions. One is with respect to the adolescent portion of your work. At least in the written report that you sent us you didn't provide us with some of the same level of analysis or information that you provided, or were able to provide for the adults, health, alcohol, drugs, gender, race, or stuff like that.

In addition to that, of course, there are other things that at least to me, and probably to others, would be of interest about adolescent gamblers, you know, do they come from single parent families disproportionately, do their parents tend to gamble or drink, what are their arrest records, you know, things like that.

Is that sort of more detailed information as compared to the adult survey, not in the written report because you haven't finished it, or because it is not there?

DR. GERSTEIN: Some of each. We haven't completed that analysis as a simple fact. We completed the youth survey at a later point in time. It is also the case that because the adult survey is so much larger, the level of detail that is possible to generate is higher.

But we have developed more data than we included in this, and will include more of it in our final report. But there is a limitation that the adult survey is so much larger, that the ability to look at subgroups is simply greater.

And unless you did a youth survey of five times the current size, comparable to the size of the adult survey, you couldn't get the same level of detail.

One of the things that we would like to do, and time permitting would, is compare the 16 and 17 year olds with the group in the adult survey who were not much older, that is the young adults, as opposed to the entire adult population.

COMMISSIONER WILHELM: Certainly not NORC's fault. I want to re-register my disappointment at the way that we have dealt with the research with respect to the adolescents.

The other question I have, just for clarification in my own mind is, you described the fact that you used the patron survey to -- this may not be the right word, but in my layperson's terminology to enhance the analysis that you did with respect to the costs of gambling.

To what extent, if any, was the patron's survey used in relation to anything else that was included in your written report?

DR. GERSTEIN: In the current written report that is where we used it. We, again, the last patron survey data were collected January 14th, so we were able to use it quickly, and as we've done more work with those data, and I will talk about it a little more in our segment tomorrow, and for the Commission included more information that I believe has been distributed, just to give a general notion.

But the real purpose of the patron survey is, was, and in my mind should have been, as a supplement to the RDD survey. Only in the event that a survey of patrons that really was sizable enough, and had sufficient time to do it, that you could

make national estimates, could it stand alone as something that you draw conclusions from.

And that is another thing that had the Commissioner ask me what else we might recommend. I think that is something that I think would be very important to try and undertake.

COMMISSIONER WILHELM: As you are aware, from the research subcommittee I was always a skeptic about the patron survey as compared to other priorities. I would assume that given the statement you just made, which is self-evident, that a lot of these results can't stand alone because of its size.

I would assume that when you report about that tomorrow, you will report it in that vein. That is to say, I assume you are only going to report results that are valid.

COMMISSIONER MCCARTHY: Don't report the invalid.

CHAIR JAMES: I'm going to go down to Commissioner McCarthy, and then come back.

DR. GERSTEIN: I just want to make the point, given that at 12:15 there is at least some review on the --

CHAIR JAMES: On community analysis. And I'm looking at the schedule right now, and trying to figure out how we can make sure we give that the appropriate time. And there may be some rearranging to make that happen.

DR. GERSTEIN: I will be here for the day and tomorrow as well, if that would suit the Commission.

CHAIR JAMES: Fine, thank you. I will look at some adjustment of the schedule so that we can make that happen.

COMMISSIONER MCCARTHY: Following along on the questions Dr. Dobson was asking earlier, and I know you were not

asked to do this by the Commission, he cited two populations that might impact the overall numbers on type D and E particularly.

The low income population that didn't have phones I would be less concerned about, except as they might affect the lottery numbers. But the prison population would be much more salient, I think, for 18 and over population.

And I know that is -- we didn't include that, and I regret we didn't have the money to stretch to that. But I noticed that you used in one of the graphs you showed us earlier the percentage of those who were incarcerated. I think it was in the graph comparing type A with type E, as I remember.

Do you have a way of having your people look at the prison population 18 and older, and trying to extrapolate how that might affect the general population numbers as to what type D and E might be if the Commission had included that?

DR. GERSTEIN: That certainly shouldn't be hard to estimate. And the significant point to be made is that, well, two points. Firstly, the prison population is roughly a million people, give or take a few hundred thousand, and I'm sure people have views about whether they should be given or taken.

The adult population in households is about 200 million, so we are talking about one part per 200 so its influence on the overall results has to take into account that.

The second thing, of course, is that although we don't -- and the point that you just made is what permits us to make this estimate. People don't go into prison and stay there forever, they go in and out, and the fact that we've got a population of whom in the subgroup type E nearly a fourth of them have, at some point, been incarcerated, means that simply by

looking at the proportion, so to speak, of people time that would be in prison, we can make an estimate as to what extent that would change.

In other words, if we were to look at the 201 million, instead of the 200 million, we could see what adjustment, we can do that.

CHAIR JAMES: Commissioner Bible?

COMMISSIONER BIBLE: And along little bit different lines, just a follow-up to Commissioner Dobson's question on the change in methodology, Mrs. Volberg, I followed your work over the years, and it seems that we are always moving the standard, I think, as the criteria have been developed and refined, and hopefully that is progress.

In your professional opinion is NODs now the state of art?

DR. GERSTEIN: I'm very impressed with the NODs. I think it is a high bar for people to get over. On the other hand it clearly is very closely related to the psychiatric criteria in a much closer way than I think the SOGS was, or even really any of the other DSM-IV screens that we looked at.

And I really want to compliment Dean Gerstein who, he and I pretty much worked the NODs out in a number of very intensive telephone conversations. And then, of course, being able to clinically validate it.

I think that step, getting a clinical validation probably put us a real leap into the future. And it has always been a struggle to try and work with a screen. I mean, there are a number of screens, but the only two that have been clinically

validated at this point, in terms of identifying gambling problems were the SOGs, back in 1984, ’85, and now the NODs.

None of the other DSM-IV screens except -- well, except the one that we based the NODs on have had, we haven’t had the opportunity to do that.

And I think there was a piece that I was asked to prepare for the National Research Council reviewing all of the different screens that have been developed to measure gambling problems.

And the conclusion that I came to there was that there are a burgeoning number of screens out there. Most of them still need to be tested for how well they perform, but they all seem to be, you know, taking a slightly different cut at the same phenomenon.

So we know that gambling problems are a robust phenomenon. We know that you probably don’t want to use the same tool to measure it in a clinical population, necessarily, as in a prison population. You might want to adjust your methods depending on what the use is that you are planning, you know, to put it into.

But I’m very proud of the NODS. I think it probably will become one of the standard tools in our repertoire, as we move forward.

CHAIR JAMES: Further questions?

(No response.)

CHAIR JAMES: I want to thank you. In looking at the schedule, I may suggest that we begin our day tomorrow with the community analysis. And we will talk a little bit at lunchtime and see if that would fit for you, and how that would work.

DR. GERSTEIN: At your service.

CHAIR JAMES: Thank you, we do appreciate that. Let me suggest this. We are going to stand in adjournment for about 45 minutes. Lunch will be provided for the Commissioners upstairs in the faculty lounge. Press, there is sandwiches I understand for you over in the press room.

For visitors and guests there is a fourth floor sandwich shop that has sandwiches and drinks and things like that available up there.

And we will reconvene at 12:45. Thank you.