

LOOT BOXES: WHAT ARE THEY AND WHAT SAFEGUARDS ARE NEEDED?

A feature that has become part of the majority of popular video games threatens to become a gateway to problem gambling according to many experts in the field.

Loot boxes are consumable virtual items in video games that can be redeemed to receive a randomized selection of further virtual items, or loot, ranging from simple customization options for a player's avatar or character, to game-changing equipment such as weapons and armor ("skins").

Loot boxes are extremely profitable for video game companies. Payments are made through micro-transactions that may involve box purchases of 99 cents. However, repeated purchases of loot boxes can quickly escalate into thousands of dollars of purchases over time.

Similarity to Gambling

The issue is whether the features of loot

boxes are similar to those of slot machines or other forms of gambling. Recently, Keith White, executive director of the National Council on Problem Gambling, issued a statement to the U.S. Federal Trade Commission summarizing NCPG's perspective.

"Players who pay to play a slot machine or unlock a loot box are risking that money for the chance of winning a prize or reward that is of value to them," Keith says in the statement. "Factors common to many loot boxes and slot machines include random distribution of prizes, variable value of the prizes, near-miss features, and visual and sound cues associated with participation and reward. These features are well known to trigger urges to play along with increased excitement and faster play."

Research Shows Cause for Concern

While research on loot boxes and gambling

problems is in its infancy, early reports show reason for concern, concluding that paying for loot boxes is linked to problem gambling. This includes behavioral patterns that damage personal, family or vocational pursuits, and can result in increasing preoccupation with gambling, a need to bet more money more frequently, and restlessness or irritability when attempting to stop. The behavior also included "chasing" losses and the inability to stop despite negative consequences.

An early, large study of more than 7,000 gamers found evidence of a link between the amount that gamers spent on loot boxes and the severity of their gambling problems. Further, Mark Griffiths, Ph.D., prominent gambling researcher, has stated that loot boxes meet "almost any definition of gambling currently used in the field of social sciences."

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THE STORY OF ONE MAN'S VIDEO GAMING ADDICTION

Cam Adair, a recovering video game addict, recounts his 10-year-long video addiction in a Tedx talk. He shares the impact the addiction had on his life, explains how he once gambled 16 hours a day for five straight months, and details the challenges he encountered in trying to quit playing video games. He also provides

some interesting statistics about the number of youth who play video games and who may ultimately be at risk for gambling addiction. His video can be viewed on the NPGA website at <http://northstarproblemgambling.org/find-help/success-stories>.





Susan Sheridan Tucker
Executive Director
NPGA

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FROM THE EXECUTIVE DIRECTOR

Reflections After One Year

As I mark my first anniversary with NPGA — and fresh from attending the 33rd annual conference of the National Council on Problem Gambling (NCPG) — I want to reflect on what I see as the larger issues currently facing our field.

The conference delved into the four major buckets that encapsulate our work: treatment, research, prevention and gambling regulation. This work is taking place at both the national level by the NCPG and in the various states by NCPG’s state affiliates.

We stand at the precipice of a new era of sports betting. While this has always been part of the American culture and existed in one form or another for a long time, the push to legalize sports betting in many states may amount to the largest expansion of gambling this country has seen in years. Along with this expansion is the ever-increasing rise of online gambling and the seemingly inarguable elements of gambling that are prominent in video gaming.

As the avenues for placing a bet or obtaining a coveted “skin” expand at a rapid pace, it necessitates that those committed to preventing and treating gambling disorders be creative, nimble and resourceful with the limited funds afforded them. We’re also challenged to continue identifying the “whys” behind disordered gambling, determining best practices for treatment, and convincing the public that this addiction is as “worthy” as other addictions.

Yet, there are positive developments in the field as well. Consider that: 1) opportunities to garner greater national attention are beginning to get some traction; 2) the introduction of the federal GAP Act can potentially help create prevention efforts in the military; 3) some states are dedicating funds for problem gambling as they legalize sports betting; and 4) we’re hopeful that the FTC will adopt regulations and consumer protections to protect video gamers from the dangers of “loot boxes” and the predatory practices of social casinos.

It’s clear that Americans, including Minnesotans, like to gamble. The challenge is how to create a safe and entertaining environment for those who choose to do so. Some of the ways we can do this are to increase education at earlier ages, build consumer protections against predatory gaming operators, work with brick-and-mortar operators to provide responsible gambling tools, and to ensure there’s adequate funding for research and accessibility to quality treatment. Most importantly, we need to acknowledge that this addiction affects millions of people in our country, and that to stigmatize it is a disservice to the individual gambler, their family and their community.

Northstar Problem Gambling Alliance is a nonprofit agency whose mission is to help those affected by problem gambling in Minnesota. We do this by promoting awareness and understanding of the issue via our website, newsletter, community education programs, sponsorship of the Minnesota State Conference on Problem Gambling, and training of professionals in preventing and treating problem gambling.

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THE NCPG SPORTS BETTING SUMMIT



The 2019 NCPG annual conference took place in Denver on July 19-20. The conference included more than 100 speakers and panelists with a focus on treatment, prevention, recovery, and responsible gambling and regulation.

A Safer Sports Betting Summit took place in the two days prior to the official start of the conference. The summit included a look at sports betting expansion, a potentially damaging tsunami if public policies don't include funding for increased prevention, treatment and regulatory protections. Some of the interesting facts revealed at the conference include:

- Adults who currently bet on sports are three times more likely to have problematic behavior
- Mobile sports betting presents another risk factor
- 18-24-year-old men are most vulnerable to problem gambling with sports

There was also discussion about what has happened historically when new gambling opportunities presented themselves. In the past, there was an immediate rise in activity along with accompanying problems. However, within a few years the pattern of addiction returned to a stasis level of four

percent of the general population, of which two percent were clinically addicted.

One significant unknown is the impact that technology will have on the current expansion. With the creation of prop bets (wagers made regarding the occurrence or non-occurrence during a game of an event not directly affecting the game's final outcome) that can be easily executed over one's phone, will we see the usual trajectory return to the stasis level or will it potentially harm more gamblers over a longer period of time? It's too soon to tell, but those concerned about problem gambling need to be as proactive as possible, including talking with legislators, regulators, game creators, sports teams and leagues, and the NCAA about a betting expansion that may produce negative consequences.

The need to pay close attention to male student athletes, who are at even greater risk for problematic gambling and gambling disorder, was also discussed. This group is at increased risk because of their age, gender, under-developed financial literacy, limited understanding of risks and boundaries, and greater levels of impulsivity. These risks become heightened if an athlete sustains a prolonged injury or when a long-time player retires from play. There may be challenges

because of more unstructured time and difficulty with role transitions, which can cause depression and other mental health issues that make them more vulnerable to problem gambling.

We know that sports gambling is here to stay. Therefore, the challenge is to ensure that state legislatures, including Minnesota's, implement safeguards to protect vulnerable gamblers before sports betting is legalized.

NPGA believes that creating a wide menu of responsible gambling tools is essential. We will work towards creating opportunities to incorporate principles of safe play throughout a gambler's interaction with a game. The goal is to acknowledge that sports betting may have negative consequences — whether to those who already have a substance abuse or mental health issue or those who have no previous history of addiction.

While we feel there is a real need for the gaming industry and sports owners to partner with organizations such as NPGA and NCPG, it can also be to their benefit. By acknowledging and providing appropriate safeguards, they'll send a message to the consumer that the risks are real and that they have everyone's best interest at heart.

Legislative Update: Gambling Addiction Prevention (GAP) Act Seeks to Build Momentum at National Level

The Gambling Addiction Prevention (GAP) Act is a bipartisan and bicameral initiative led by Senator Warren (D-MA), Senator Daines (R-MT) and Representative Lee (D-NV-3). It seeks to gather support for national legislation that protects our troops by preventing problem gambling.

The NCPG seeks to build interest and support for this bill. We encourage those with an interest in problem gambling to support the act by signing a letter of support. This can be done directly on the NCPG website at ncpgambling.org/gap-act. We will keep you informed of its progress and any other actionable items.

SCHOLARSHIP RECIPIENTS REFLECT ON THE NCPG CONFERENCE



Each year, as part of its mission to support clinicians seeking to stay up-to-date in their understanding of problem gambling, NPGA provides financial scholarships to qualifying providers. These scholarships help to defray the cost of attending NCPG's annual conference. This year's recipients had the opportunity to earn up to 31 CEUs for attending the sports betting summit and the main conference.

We asked Minnesota treatment providers receiving these scholarships to share their thoughts on the conference. These were their reflections:



I attended 12 sessions and found the following to be most helpful to my everyday practice: It Looks Like an Addiction: Gambling Disorder is Similar to

the Substance Use Disorders, But Not in the Way We Think; Gambling Behavior: It's Functional; Trauma-Informed Gambling Treatment: Integrating Research into Practice. These sessions, in particular, provided me with different insights into my approach to clients as well as how to access resources I did not know were available (e.g., the UCLA Gambling Studies Program).

In addition to the presentations, I gained much from just being able to meet and talk with those in the field of addiction treatment, learn from their day-to-day challenges and find out what approaches are most successful for them. I also learned about training opportunities offered by the NCPG and how engaging in that training can improve the treatment community here in Minnesota. Lastly, the idea that providers don't think of gambling disorder in the same way they do other addictions was a message I heard very clearly, as evidenced

by data showing how little federal money is earmarked for gambling disorder treatment.

— Craig Johnson, LADC, Club Recovery



I found the lecture about video gaming and online gaming in general, Social Casino Games: The Rise of Online Social Gaming, led by Alison Drain, to be particularly

interesting. She noted how Facebook provides an intermittent reinforcement schedule and this blew my mind. Clearly true, but I hadn't noticed it. This helps to explain the addictive nature of constantly scrolling past info that "we don't care about." This led to a discussion about the concerns with this generation's potential for gambling due to some of this programming that has been instilled already. This was fresh news of interest to me and others.

— Jason Walter, LPCC, LADC, Venthouse Counseling



I appreciated Richard Rosenthal's keynote regarding the similarities and differences between gambling and substance use disorder. I frequently experience an attitude of

skepticism from alcohol and drug counselors regarding gambling and the fact that there are differences that need to be respected when providing treatment services. I believe this is an issue that will need further exploration and validation.

I had another great takeaway in the last session I attended, Interview of a Gambler. He offered an important reminder as a clinician that therapists often focus on the

drama that our client's present in a session rather than focusing on underlying issues or needs.

— Lisa Vig, LAC, NCGC, Gamblers Choice LSSND



Two presentations stood out to me. One was Tim Fong's Cannabis and Gambling, which was an unexpected surprise. I found it to be very current and

forward thinking. The second presentation was Trauma-Informed Gambling Treatment: Integrating Research to Practice. This provided an intro into a potentially meaty topic. I think it's another area to explore more deeply, including developing effective strategies for clinicians to employ the principles of this approach.

— Martin Phillips, LADC, Vinland National Center



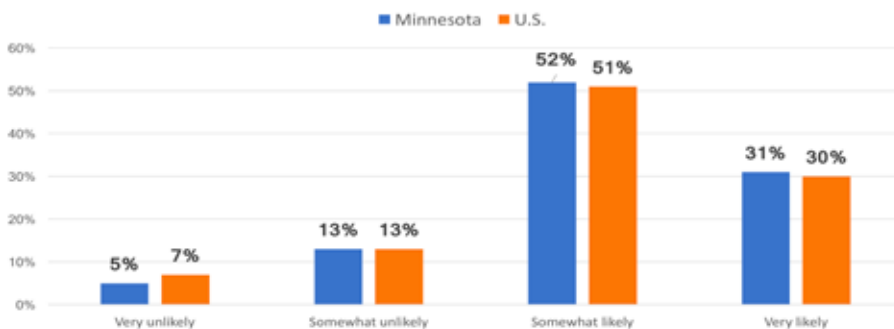
I enjoyed the keynote presentation regarding the difference between gambling disorder and substance use disorders. I was happy to hear this emphasis

because too many times people talk about lumping all addictions together, but there are important differences to be aware of. Program evaluation was another area of interest for me. In particular, I would like to see the Oregon adaptation of SAMSHA's model be used in Minnesota.

— Sheryl Anderson, MS, BCC, LADC, NCGCII, ADCR-MN, Vanguard Center for Gambling Recovery

FINDINGS FROM NGAGE SURVEY SUGGEST PROBLEM GAMBLING MYTHS PERSIST

How likely is this to cause a gambling problem?
Being around people who gamble a lot



The latest findings from the NCPG’s NGAGE survey, the first comprehensive national survey of gambling attitudes and behaviors, suggests that myths about problem gambling endure – both in the U.S. as a whole and in Minnesota individually. The findings suggest that efforts to educate and create awareness about problem gambling are not producing desired outcomes.

This position is reflected in answers to three

critical surveyed questions. More than 52% of respondents around the country (50% in Minnesota) feel that a moral weakness is the likely cause of problem gambling. Nearly eight in ten people think that a lack of willpower is the cause of problem gambling. And in response to the question of whether being around people who gamble a lot can cause problem gambling in individuals (i.e., a “contagious” effect), 83% of Americans surveyed thought that was likely (81% of Minnesotans).

The truth, of course, is that these beliefs are myths that are not backed by evidence. The perception that problem gamblers are simply irresponsible and can stop at any time is patently false. In fact, many problem or compulsive gamblers are responsible community members.

The findings beg the question as to how we can best educate the public about problem gambling and to destigmatize the disorder. Until there is a better understanding of this addiction, we will be challenged to make the kind of progress we need to make.

What do you think about these findings? Why do you think it’s so hard for people to understand the reality of gambling addiction? We have set up a question on our Facebook page (www.facebook.com/mnprobgambling) and invite you to weigh in with your thoughts.

Survey results for both Minnesota and the U.S. can be found at NCPGSurvey.org.

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Loot Boxes: What Are They and What Safeguards are Needed?

NCPG’s Recommendations

The NCPG believes a precautionary approach is appropriate for loot boxes given the potential negative impacts on youth. It recommends a multi-layered approach to users, parents and communities to ensure an appropriate range of protections is put into place for youth and other vulnerable populations. The goal is for measures to:

- Better inform consumers.** Some of the possible tactics include facilitating informed choice (i.e., disclosing the number and value of items in loot boxes and the frequency of distribution), developing youth-specific addiction messaging, providing addiction rates among users paying for loot boxes, and prohibiting ads targeting youth.
- Prevent gambling-related problems.** Some of the strategies NCPG calls for in this area include encouraging parents

to enable parental controls, allowing players to set limits on time and money spent, developing third party consumer protection to verify compliance by designers and game companies, and funding media literacy campaigns dedicated to vulnerable populations on loot boxes and other in-game gambling-like mechanisms and advertising.

- Facilitate treatment seeking and support recovery.** This includes providing links to NCPG’s upcoming ResponsiblePlay.org website (a resource for children and adults concerned with the negative consequences of online gaming behavior) and allowing for self exclusion through payment providers and global lists.
- Increase the evidence base.** This involves requiring companies that include loot boxes in their games to provide access to anonymous player

data (which can be used to develop gaming behavior profiles) and calling for NIH Institutes, particularly NICHD (National Institute of Child Health and Human Development), NIMH (National Institute of Mental Health) and NIDA (National Institute on Drug Abuse), and CDC (Centers for Disease Control and Prevention) to commission intra- and extra-mural research into loot boxes.

The NCPG emphasizes that while regulation is important, maximum effectiveness will be reached when accompanied by prevention, education, treatment, and recovery and research services. To view the complete NCPG statement on loot boxes, visit http://www.ncpgambling.org/wp-content/uploads/2019/08/NCPG-statement-on-loot-boxes-to-FTC_August-2019-.pdf.



IN THEIR OWN *Words*

Cecilia's Story



What I know now but didn't know then was that people with alcohol or drug addictions can "flip flop" addictions and simply replace one with another, such as gambling addiction.

I was the spouse of a recovering addict. For that reason, you might think I'd be the last person to develop an addiction of my own. But I did. I guess it shows that addiction is hard to understand and can be such a gradually progressive deterioration that you don't even realize what's happening.

Sometimes people say they can't understand being married to an addict. But some can relate to being a co-dependent or an enabler. As the spouse of a recovering addict, I think that my addiction was caretaking. And when I got sick of it and wasn't going to Gam-Anon or Al-Anon, I probably needed an escape.

I first gambled about 15 years ago. It was mainly a yearly casino thing with girlfriends. Eventually I started playing poker and pull tabs every month or so. I did this for five to six years and drank heavily at the same time.

Gambling was an escape for me. I didn't want to have to think or process anything, so I played non-thinking/instant games like scratch off tickets at the gas station. I just wanted to enjoy that high.

I realized pretty early on that I had a gambling problem. I searched online for gambling treatment and found Vanguard [Vanguard Center for Gambling Recovery in Granite Falls, Minn.] in 2010.

Vanguard was amazing and it saved my life. However, a small part of me wasn't willing to quit everything. Although Vanguard advised I stop drinking, I felt I wasn't an alcoholic so I focused on the compulsive gambling part. I still had the escape of alcohol.

What I know now but didn't know then was that people with alcohol or drug addictions can "flip flop" addictions and simply

replace one with another, such as gambling addiction. I can see how my own alcohol and gambling addiction went hand-in-hand. And based on what I've observed in my GA and AA groups, I think a large percentage have dual addictions.

After I finished treatment at Vanguard I had a year of clean time from gambling. I went to Gamblers Anonymous regularly and got a sponsor. But after about a year I went back out and gambled again. My home life was insane and I was out of control for a few years. I cheated, lied and left my kids alone when they were young for hours when normal parents would be home watching their kids. I got divorced and moved back into my father's house.

As the spouse of a recovering addict, I think that my addiction was caretaking. And when I got sick of it and wasn't going to Gam-Anon or Al-Anon, I probably needed an escape.

After I was totally broke, I went back to GA in early 2016. I also started going to AA at that time, too. I have been clean from both gambling and alcohol since the end of January 2016.

Things continued to get better for me and just last year I actually remarried my first husband. And since he's been in the program himself (19 years of sobriety), he understands addiction. Life is good again.



ODDS & ENDS

Self-Exclusion Apps Can Help Set Limitations

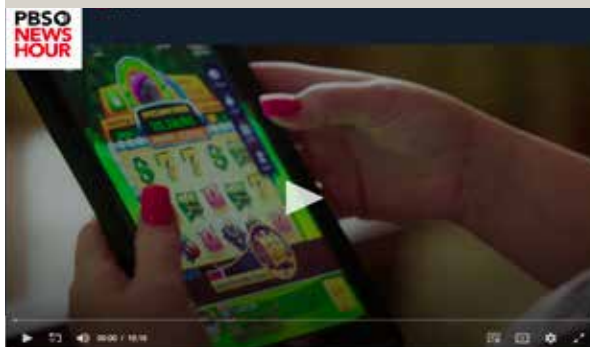
There are a number of self-exclusion apps for those who wish to set limitations (or prevent use entirely) on gambling or gaming sites for themselves or their children. Some of these apps are listed below:

- Entertainment Software Rating Board ([esrb.org/tools-for-parents/parental-controls/](https://www.esrb.org/tools-for-parents/parental-controls/)). This tool rates all video games and enables parents to set up a variety of limitations.
- Gamban ([Gamban.com](https://www.gamban.com)). Gamban blocks access to online gambling. It offers users a secure, reliable and affordable option to stay away from gambling sites and apps.
- BetBlocker ([betblocker.org](https://www.betblocker.org)). BetBlocker is a free online tool that users can install to stop themselves from accessing gambling sites. The tool is available for both desktop and mobile devices, although it's still officially in beta.

What is Prevention?

As defined by the Substance Abuse and Mental Health Services Administration, prevention is a proactive process that promotes the well-being of people and empowers an individual, group or community to create and reinforce healthy lifestyles and behaviors to meet the challenges, events and transitions of life.

PBS Video Highlights How Social Casinos Target Vulnerable Gamblers



A recent *PBS NewsHour* report brought into question the way game developers are targeting vulnerable users by using Facebook and its wealth of personal data. The video also offers a fascinating glimpse into the rapidly growing industry known as "social casinos" that launched on Facebook about 10 years ago. These

apps bundle together games like poker, roulette and slot machines. The video may be viewed by visiting [NorthstarProblemGambling.org](https://www.northstarproblemgambling.org).



1935 West County Road B-2
Suite 420
Roseville, MN 55113-2795

No-Cost Treatment Available in Minnesota

Minnesota provides treatment to problem gamblers and their families at no cost. For more information, call 800-333-4673 (HOPE) or visit NorthstarProblemGambling.org/Find-Help.

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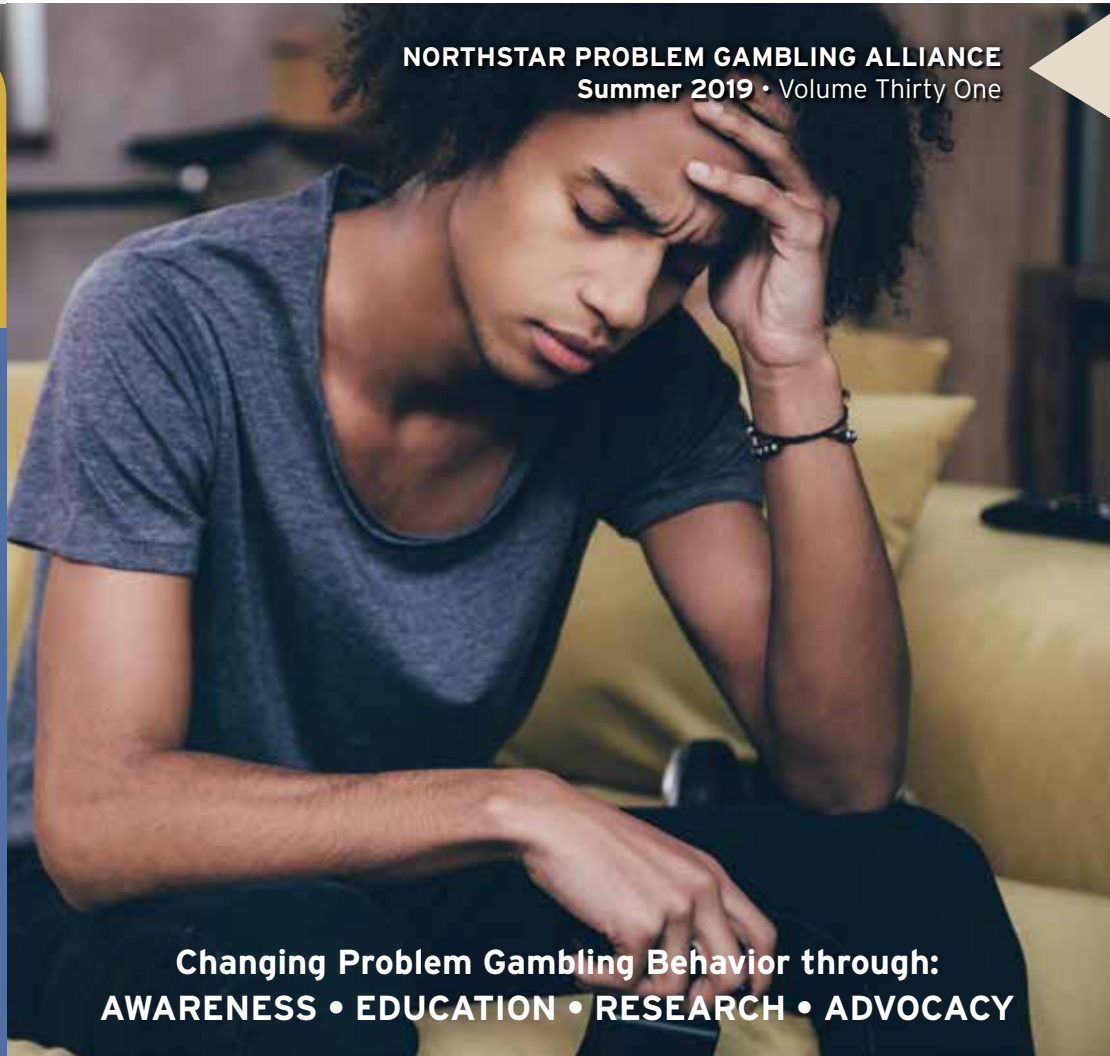


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Changing Problem Gambling Behavior through:
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