

# **2004 NS VL Self Exclusion Program Process Test**

# Summary Report

***Prepared for Nova Scotia Gaming Corporation***

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**Turning Information Into Insight**

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## SUMMARY REPORT

### **PURPOSE OF THE VLSE PROCESS TEST**

- 1) *To evaluate the extent to which video lottery (VL) retail staff accurately detect participating, non-problem gamblers and report on play visits to the retail site;*
- 2) *To identify the factors that influence detection rates and reporting accuracy,*
- 3) *To determine what, if anything, can be done to enhance retail participation and program compliance.*

*The results of the Video Lottery Self-Exclusion (VLSE) Process Test with non-problem gamblers will determine the feasibility of proceeding with a VLSE Pilot Program that could include participation by problem gamblers seeking access to the program.*

Before proceeding with a pilot program for video lottery self-exclusion in Nova Scotia, the Nova Scotia Video Lottery Self-Exclusion Pilot Working Committee, a cooperative body comprised of representatives from the Nova Scotia Gaming Corporation, Nova Scotia Office of Health Promotion and the Addiction Services Program of the Annapolis Valley, South Shore and Southwest District Health Authorities, commissioned a “Process Test” to evaluate the effectiveness of the proposed program design in terms of retailer identification rates and program compliance.

Self-exclusion programs for any gambling activity, including video lottery, are currently dependent upon the ability of gaming operators (retailers) to accurately identify program participants in order to detect and report violations of the self-exclusion agreement. Despite the wide implementation of such programs this is a critical aspect of the delivery platform that has not yet been objectively assessed in any jurisdiction. Therefore, there is no information available on program outcomes, including detection rates, compliance/non-compliance and retail performance. Before exposing vulnerable populations to a video lottery self-exclusion program, the Committee wished to obtain objective empirical information regarding the performance of the monitoring component of the program in order to inform on-going design and policy for self-exclusion within the multi-site video lottery channel in Nova Scotia.

This complex study required the sustained expertise and cooperation of many diverse individuals and stakeholders in the province of Nova Scotia including the Atlantic Lottery Corporation, independent VL site-holders and related customer service staff, Addictions Services personnel, and participating VL Players and their families. The study was funded by a grant from the Nova Scotia Gaming Foundation.

Throughout the Process Test participants were extremely cooperative in accommodating the substantial demands of the project. Participating retailers and players are to be commended for the important role they played in the study, their sustained commitment over the course of the Process Test and willingness to systematically share their experience. The participation of these individuals and organizations has made a significant contribution to the identification of key factors impacting the successful design and implementation of a self-exclusion program for Video lottery in Nova Scotia as well as providing valuable insight for related initiatives.

## Research Objectives

The primary research objectives of the Process Test were to determine:

- the rate at which retailers can identify program participants (“excluded players”);
- the difference in identification rates of local (familiar) versus non local (unfamiliar) program participants (“excluders”);

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- the difference in identification rates of local program participants (“regular VL patrons - familiar excluders”) with photo identification provided on file versus regular patrons (familiar excluders) listed without photo identification;
- factors influencing retailer identification and compliance rates (e.g. day of week, time of day, number of patrons in the retail location, contact with retail service staff, etc.);
- levels of retailer compliance/non-compliance with program protocols, procedures;
- retailer satisfaction with program protocols and the reporting process;
- participant evaluation of confidentiality and security of “excluder” information;
- satisfaction levels with central registry service and support during the test period.

## Methodology

The “in vivo” trial period for the Process Test was conducted over a three month period from March 1 to May 31, 2004, in the Annapolis Valley/ Digby region of Nova Scotia. Study participants consisted of 45 VL Retail sites located in the test area (including Annapolis Valley First Nation gaming site operators) with ≈150 designated and trained Program retail support staff, an acting Central Registry (Focal Research), 28 local regular monthly VLT players (Cohorts) and 8 non-local, trained confederate players (Focal Research employees and associates). The Cohort players were recruited to maximize representation across the test sites and were pre-screened for eligibility including the Canadian Problem Gambling Index (CPGI) and Problem Gambling Severity Index (PGSI). Only those regular players scoring for non-problem gambling and meeting the criteria for participation were invited to take part in the study. All Confederate players were also pre-screened using the CPGI and other standardized instruments for gambling, alcohol, substance use and general mental health.

During the test period participating players recorded a total of 738 visits to eligible VLT retail locations, of which 481 visits involved a VL play session. Two-thirds (n=30) of participating retailers filed at least one “breach” report with the Central Registry during the test period with of total of 261 eligible reports filed overall.

## Analysis and Report

The key findings and evaluative outcome measures for the study are organized and presented in two main sections in the report:

**Section 1: Evaluation of VLSE Program Retailer Identification Rates and Reporting Accuracy.** The primary objective of the Video Lottery Self-Exclusion Process Test is to assess the level of identification (**Identification Rate**) and degree of accuracy (**Accuracy Rate**) of the retail-reporting component of a Self-Exclusion Program proposed for multi-site video lottery gaming in Nova Scotia. The Identification Rate refers to the percentage of play sessions by program participants that are detected and reported upon by retail site staff (i.e. % of “True Positives” detected).

Test Area for the NS  
VLSE Process Test



**Section 1 presents identification rates and rates of reporting accuracy among various sub-segments of interest. Factors influencing identification and reporting accuracy are examined.**

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Report Accuracy Rate refers to the percentage of Breach Reports filed by participating retailers that accurately identify play sessions by program participants (*i.e. % of Breach Reports that are representative of "True Positives"*). **Collectively, these two rates indicate the relative success of gaming operators in accurately identifying and reporting upon violations of self-exclusion and thus the degree to which retailers are able to comply with program performance standards.** Additional analysis was undertaken to determine factors influencing identification rates and report accuracy in order to identify opportunities for enhancing retail monitoring performance.

**Section 2 assesses the administrative requirements of the study and rates of compliance with program protocols among retailers. Evaluation of the process by participating VL players and the performance of the Central Registry in the Process Test are also examined.**

***Section 2: Evaluation of VLSE Program Administration and Compliance.*** Although the ability of VL retailers to correctly identify players participating in the self exclusion program is fundamental to any such program's success, compliance with the administrative guidelines of a program is the second crucial component to the ultimate success and sustainability of the program. If the "paperwork" is too cumbersome or unaccommodating for the realities of operating a licensed establishment, it will preclude breach reporting and, regardless of whether or not staff at a VL location is able to identify self excluded players, the program will be rendered ineffective. Designing the administrative requirements to facilitate active retailer participation is a key consideration for implementing a VL Self Exclusion Program in the province. Therefore, **Section 2 presents the results of the retailer's evaluation of the administrative requirements of the program, retailer compliance with specified program protocols and the performance of the Central Registry service for the Process Test.**

## Study Limitations

As with all research, there are certain limitations that arise from study design that must be acknowledged. In the current study, the evaluation is restricted to the retailers' ability to identify and report upon video lottery play by specific individuals taking part in the study. In this regard considerable care was invested in ensuring the authenticity of program materials and support for the retail component of the program in order to accurately simulate the retail identification requirements of a video lottery self-exclusion program. However, for ethical reasons, it was not appropriate to solicit the participation of those experiencing difficulties with their video lottery gambling to act as self-excluded players in the study. Participating players were instructed to play normally over the course of the study (Cohorts) or to follow a randomized schedule (Confederates). Therefore, the behaviour of the non-problem regular and confederate players taking part in the study may or may not reflect the playing patterns of VL gamblers likely to seek out self-exclusion for video lottery. The study also provides no information regarding the propensity for breaches by those who may access such a program for assistance.

The research was restricted to a limited test area comprised of both rural and small urban (<30,000 people) communities. While this afforded greater control in isolating the playing environment from other extraneous and confounding influences, it also limits the scope of the findings in projecting results to larger urban centres in the province. The current study was also limited to a three-month trial and included only 45 retail sites and 36 "self-excluded" player participants. In a program available throughout Nova Scotia the number of retailers (n≈500) and potential players accessing the program (n≈500+) are anticipated to be higher. Therefore, the "in vivo" Process Test can be seen to place relatively low demands on retailers taking part in the trial. It was hypothesized that the results for this controlled test represent a "best case scenario" intended to maximize the potential for player identification and does not include play behaviour intended to avoid detection as may be the case when such a program is offered to those having difficulty in abstaining from play.

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### Primary study limitations include:

- **Focused solely on retailer identification, reporting and program compliance;**
  - **Does not necessarily represent behaviours of gamblers likely to seek out self-exclusion;**
  - **Is limited to a performance over a 3 month period;**
  - **Is not representative of other VL markets in NS;**
  - **Includes a limited and controlled number of retail and player participants.**
-

## SUMMARY OF KEY FINDINGS

### Section 1: Report Accuracy and Identification Rates

Comparative analysis of the retail and player reports was used to determine identification rates and reporting accuracy. Retailer “Breach Reports” were compared to player calendar and diary reports and assigned to one of four conditions:

1. **True Positive** – player reported play & retailer reported play
2. **True Negative** – players did not report play & retailer did not report play
3. **False Positive** – player did not report play & retailer reported play
4. **False Negative** – player reported play & retailer did not report play

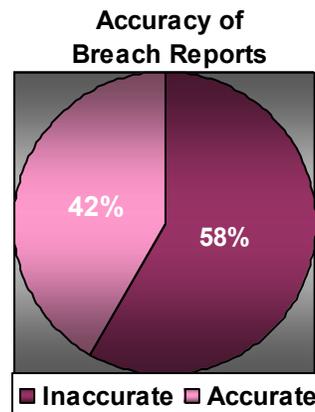
The information was used to generate two measures:

- **Report Accuracy Rates** - % of retail reports that corresponded with “true” play session
- **Identification Rates** - % of players’ “true” play sessions identified by retailers

#### Overall Report Accuracy

*(% True Positives versus False Positives reports)*

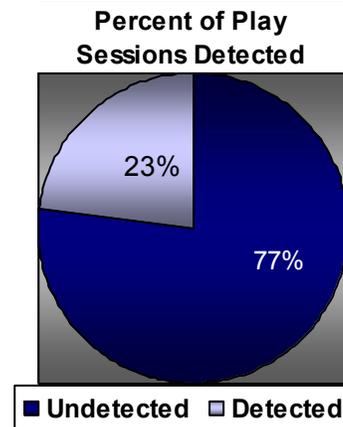
In total, just under half of all Breach Reports filed by participating retailers (42%) accurately identified a “True Positive” site visit by players taking part in the study. This means that only about two in every five reports filed by retailers were reliable in identifying a play visit by participating players. The majority of Breach Reports submitted by retailers during the Process test were “False Positive” identifications (58%).



#### Overall Identification Rate

*(% True Positives versus False Negatives detections)*

Despite the fact that 42% of reports submitted to the Central Registry were accurate in reporting a “True Positive” play visit, retailers were only detecting about 23% of all play sessions recorded by players during the trial period of the Process Test. This means that only one in every four play visits by those players taking part in the study were identified.



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## **Report Accuracy and Identification Rates by Key Segments**

### **By Type of Location**

- Private access locations, such as a Private Clubs or Legions were marginally better at submitting accurate reports than Public access locations, such as a bars, pubs or taverns (47% versus 35%).
- However, identification rates differed dramatically between the two types of sites with Private VL sites having significantly higher rates of detection than those locations open to the general public. **Private clubs, which typically are restricted to members and associated guests, identified 60% of play sessions by program participants playing at their locations as compared to only 11% identification at Public VL locations.**

### **Local (Cohorts) versus Non-local (Confederate) Players**

- All reports submitted for the non-local Confederate players were accurate (100%) versus only a 37% accuracy rate for reports submitted on local players.
- Conversely, play visits by local players were detected three times more often than play visits by the non-local Confederate players taking part in the study (33% versus 10%).
- **Therefore, while play sessions by local players (residing in the test area) were 3 times more likely to be detected, retailers were significantly more likely to make mistakes and submit false positive Breach Reports for these resident players. Almost two-thirds of the reports filed for local players were incorrect.**

### **By Month of Trial**

- Over the course of the study the accuracy of the reports filed by the retailers improved from about one-third of submitted reports corresponding with a “true positive” to just over half by the second month of the trial. While a 100% accuracy rate for Confederates drove most of this increase, improvements were also noted for the local Cohort players as well.
- **At the same time report accuracy improved, the percentage of play sessions detected declined.** Overall, identification rates dropped from 34% in March, the first month of the test period, to 23% in month two (April) and only 13% by month three (May). In the last month of the Process Test only 23% of play sessions by the local players (Cohorts) and 7% of those by non-local players (Confederates) were being detected and reported on by the participating retailers.

### **By Familiarity with Player**

- Visits by regular patrons (44%) were significantly more likely to be detected and this rate declined as retail staff became less familiar with the player. Only 18% of play visits by casual patrons were identified and this dropped to rates under 10% for detection of play by those who do not normally play VLT's at the site regardless of whether or not the individual was a local or non-local participant (non-patrons: 9%).

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- The least reliable reports were filed on play visits for local players who were Casual (16%) or Infrequent patrons (12%). The vast majority (84%+) of reports filed for these players were incorrect.

**For Regular Players Only**

- About one in every four play sessions by a regular patron (24%) was detected at Public VL sites. Private clubs correctly identified about two out of every three play visits by regular patrons achieving the highest identification rate observed in the study (67%).
- The level of “false positive” Breach Reports submitted for regular patrons was equally high for both private and public retail locations representing about half of the all retailer reports filed for this type of player.
- The presence or absence of a photo on file for regular patrons had no measurable impact on the likelihood of being identified 45% versus 43%). However, the accuracy rate of the submitted reports was generally lower when a photo was included (40% versus 60%).

**Factors Influencing Retailer Report Accuracy**

Analysis was conducted using logistic regression to identify factors contributing to the accuracy of the retailer reports. The model was predicting whether a report to the Central Registry resulted in a *true positive* (the individual had played at the site as reported), or a *false positive* (the individual had not played at the site as reported). When all of the variables were included in the analysis, using forward conditional (stepwise) controls for multicollinearity, a significant model was developed identifying 4 factors that predicted improved report accuracy explaining about 29% of the variance observed for retailer report accuracy (-2 Log likelihood = 247.950, Cox & Snell R Square = .290, Nagelkerke R Square = .391):

- **Location patronage** (regular, casual or non-patron)
- **Quality of report** (whether the report was complete or incomplete)
- **Time report submitted** (morning (<12 p.m.), afternoon (≈12-5 p.m.), evening (≈5-9 p.m.), night (>9 p.m.))
- **Type of location** (public versus private access)

**Location Patronage** - Familiarity with the player had the greatest effect in predicting report accuracy. Retailer accuracy was 3.4 times higher for reports submitted for play sessions by regular VL patrons than was the case for less frequent customers. This finding poses a significant challenge insofar as real self-excluded gamblers may be expected to play at local locations other than their regular sites in attempts to avoid detection.

**Quality of Report** - Although it appears counter-intuitive, the odds that an incomplete Breach Report would result in a “*true positive*” report submission were 3.5 times higher than for those Breach Reports meeting all administrative standards. It should be kept in mind that almost two-thirds of all reports filed were incomplete and the accuracy rate for this group only reached 46%. While there appears to be limited opportunity for making substantial gains in report accuracy by having retailers ignore reporting

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protocols, one thing is certain; the current protocols intended to support accurate report submissions by the retailers are not working.

**Time Report Submitted** –The later in the day the report was submitted the higher the odds that it was a correct identification (2.3 times higher). For the most part breaches were not being reported as they were detected and, in compliance with report protocols, were held for the Program Administrator (PA) to check and file with the Central Registry. This intermediate step seems to be contributing to reduced accuracy of the reports to some extent. Higher accuracy rates associated with evening reporting tended to reflect greater certainty on the part of the retail staff making the submission as reports, for which there was confusion or uncertainty, tended to be specifically left for the Program Administrator to deal with during quieter times such as the morning shift.

**Location Type** – The odds that a report accurately identified a true positive play visit were about 2.8 times higher for Private locations as compared to VL sites offering general public access. This means that while regularity of play is a more important predictor than type of location, in general Private locations are superior to public access sites in filing an accurate report. It seems that the controls in place to gain entry to the Private sites (e.g. sign-in requirements, membership) also facilitate retailer accuracy in confirming breaches. However, it should be kept in mind that even at these controlled access sites less than half of the reports filed, especially for play by casual patrons (33%), were accurate.

## **Factors Influencing Player Identification Rates**

Similar to analysis undertaken for retailer reporting accuracy, analysis was conducted using logistic regression to identify factors contributing to the retailer identification rates. The overall model predicted whether a play visit by participating players (Cohorts and Confederates) resulted in a **true positive** report to the Central Registry (the individual had played at the site and was detected), or a **false negative** (the individual played at the site and was not reported). When all of the variables were included in the analysis, using forward conditional (stepwise) controls for multicollinearity, a significant model was developed identifying 6 factors that predicted improved identification, collectively explaining about 37% of the variance observed for retailer detection of player “breaches” (-2 Log likelihood = 314.549, Cox & Snell R Square = .373, Nagelkerke R Square = .476):

- **Type of location** (public versus private access)
- **Location patronage** (regular, casual or non-patron)
- **Length of Play Session** (number of minutes played)
- **Frequency of same day visit** (number of times had been to site)
- **Personal contact with staff** (conversation or other interaction)
- **Month of Play** (March, April, May)

**Location Type** – The most important factor predicting correct identification was the type of location where play occurred. The odds of being detected at a Private club or legion are almost 18 times higher than the odds of being detected at a bar or licensed establishment that is open to the public. This underscores the impact of a screening process in place at the “door” in enhancing retail monitoring for self-exclusion.

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**Location Patronage** – The next most important factor predicting correct identification is whether or not the individual is a regular patron. As familiarity with the player declines so too does the likelihood that retailers will be able to detect “breaches”. The odds of detection for casual and unfamiliar players dropped to one-third that of regular players. This implies a need for staff to be particularly diligent in observing unfamiliar players who play the machines at his/her site.

**Length of Play, Frequency of Same Day Visits & Personal Contact with Staff** – Longer play sessions, more exposure to the player at the site and personal interaction between the player and site staff are all predictive of improved detection rates. All of these situations tend to make the player more memorable or familiar to site staff thus underlying the findings noted above under location patronage. While improved odds of identification related to session length and frequency of visits occur as a function of the player’s behaviour, encouragement of greater interaction between staff and VL patrons, especially those who are unfamiliar to the site staff, appears to offer some opportunity for enhancing detection of program participants.

**Month of the Test Period** - Play sessions that took place in the final month of the trial (May) had significantly reduced odds of being detected as compared to play sessions taking place earlier in the process test. The odds of being identified were 2.8 times higher in March and 2.7 times higher in April. Even over a limited three month test period vigilance by the retailers was found to be waning. The findings suggest that methods would have to be put in place to in order to sustain a consistent monitoring level by retailers. Despite regular contact and support throughout the process test, detection rates declined significantly over the course of the trial. Ensuring retailer interest and sustained performance over a protracted time period will be challenging, especially once the identification of players is linked to consequences for those who breach a self-exclusion agreement and potentially the retailer who may lose revenues to less diligent competitors.

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## Section 2: PROGRAM ADMINISTRATION & COMPLIANCE

The evaluation of the process from a retailer’s standpoint was gathered through periodic follow-up surveys with Program Administrators (PAs). An assessment of administrative compliance was also undertaken by collecting and examining the contents of each participating location’s Retailer Binder following the conclusion of the three month test period.

There were three individual follow-up surveys conducted with the Program Administrator (PA) at each participating location:

**Schedule of Data Collection for PA Follow-up Surveys**

Survey	Dates of Data Collection	# of Completed Surveys	# of Eligible Retailers	Response Rate
Survey 1	March 18 <sup>th</sup> to 29 <sup>th</sup>	44	45	98%
Survey 2	April 20 <sup>th</sup> to May 3 <sup>rd</sup>	44	45	98%
Survey 3	June 7 <sup>th</sup> to July 5 <sup>th</sup>	40	43*	93%

\* Between Survey 2 and Survey 3, one location had its VLTs moved and another location had PA duties assumed by an individual who was already PA at an adjoining location.

To measure VL retailer compliance with the administrative aspects of the process test, the binders used at the individual locations were collected for content analysis. “Proper” handling of the various reports in the binders was tallied; compliance with instructions or reasonable adaptation of the instructions were counted as acceptable.

## Administrative Compliance

### Process Test Materials & Overall Administration

- Finding a suitable location to keep the Process Test materials (i.e., private and secure yet accessible to participating staff) was not an issue for retailers, who kept the Binder behind the bar/under the counter (39%), in an on-site office (39%) or in a storage/stock room (22%).
- After approximately one month of the process test, about one in five retailers reviewed the participants in the Retailer Binder before each shift (20%) and 30% reported checking the binder only when a suspected breach occurred. Frequency of checking the binder varied for the remaining half of retailers, from a daily basis to weekly to less often. **The frequency of reviewing the Retailer Binder materials declined as the test period continued.** By the third month of the Process Test, about one in five retailers (22%) were still reviewing the information daily, while 30% did not look over the information at all.
- Most Program Administrators (PAs) found the group Training Sessions effective in preparing them to take part in the Process Test. Three out of four PAs went on to train additional On-Duty staff members at their location, with no problems or issues noted. However, in every case, the Retailer Binder with actual confidential participant information was used during the training

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process. **This indicates high opportunity for inadvertent breaches of confidentiality and a need for better defined and delineated training protocols for retailers.**

- **The average coverage of operating hours by staff trained to take part in the Process Test dropped from 95% during the first month to ≈84% after three months. This could present a serious issue for a formalized program if the trend continued to decline over a longer period.** Training sessions would need to be provided or monitored by an outside source (e.g., NSGC, Central Registry) or scheduled through PAs on an ad hoc basis to ensure that all hours of operation for the VLTs were covered by trained staff members.
- **Most PAs (91% to 96%, throughout the three months) felt comfortable performing their duties as part of the Process Test. The main issue identified as affecting comfort with the role is related to the additional time required to effectively perform the role on top of regular functions.**
- **Most PAs also described the Process Test easy to administer, although during the second month, almost one in ten were experiencing difficulties. Issues were primarily related to the amount of paperwork and the requisite time required to properly administer the Test, although problems with player recognition and breach reporting methods were also mentioned. Throughout the Process Test, retailers did not respond negatively to the various procedures involved in the program, but took issue with aspects of the program itself. The level of commitment required, without compensation, was often noted. The necessity of clear pictures of all players was also noted several times (versus descriptions only), along with the general difficulty of recognizing unfamiliar or “disguised” players through a “photo” only.**

**VLT Area Inspection Reports**

- **PA evaluation of the VL Area Inspection Reports process was varied.** Some locations indicated 60 to 80 inspections per day while others, who could see the VL area from the bar or who required patrons to sign in, did not conduct/report area inspections at all. **Participation in the VLT Area Inspection Reporting process diminished over the three months of the Process Test, moving from 71% of retailers completing any inspection reports during March to only 53% recording any inspections during May. Overall, one in four retailers did not complete any VLT Area Inspection Reports.**
- **Generally, compliance with the VLT Area Inspection reporting process became polarized between consistent, conscientious locations and those who never touched the forms.** The number of reports recorded ranges from one or two in a given month up to 1,000+ in a month.
- **Despite the decline in participation levels overall, those retailers who recorded 1+ inspections maintained their diligence over the three month test period. The average number of reports recorded ranged from 98 to 108 each month among this group, with the overall average number of reports at 260 for the test period. It is clear that the current process works well for a certain group of retail locations, but will need to be adapted for convenience in consideration of**

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specific location circumstances (i.e., those who can see the VLT area from their typical work station, those who require all patrons to sign in) enforced among some locations who did not record any notations of area inspections.

**Breach Reporting**

- **One half or fewer PAs reported having had any breaches at their location during each of the three months, with the majority completing a breach report form right away or as soon as conveniently possible.** By the end of the test period, 45% of PAs indicated that they had personally reported any breaches to the Central Registry. In total, two-thirds (67%) of all locations had at least one Breach Report filed with the Central Registry, suggesting a lack of compliance among up to 22% of locations who had staff members other than the Program Administrator submitting Breach Reports.
- **Up to 11% of PAs in a given month did not fax or call in the completed breach report information, citing mainly a desire to accumulate enough reports to “make it worthwhile” to call in.** Regardless, the majority (88%) of PAs who reported any breaches found the options for filing the report information convenient (toll-free phone or fax). One retailer specifically requested a toll-free fax line to improve convenience.
- There was little negative feedback on the Breach Reporting process overall, although having no specific area or directions for storage of the filed reports became an issue for locations with higher volumes of reports. Storage systems varied by retailer, with some keeping reports inside the plastic binder sleeves and some clipping the reports in a bundle. **A standardized procedure for storage of completed breach reports which have been filed with the Central Registry should be developed prior to a formalized program implementation.**
- Although there was little negative feedback and most PAs described the Breach reporting procedures as convenient, although only 53% of retailers filed all completed Breach Reports with the Central Registry. In total, there were 359 completed Breach Reports contained among the 32 Retail Binders with 1+ reports (includes reports from the pretest stage in February and duplicate reports). The maximum number of reports among all retailers was 56, with an average of 8 reports filled in per retail location or 11 reports among those retailers who completed one or more Breach Report forms.
- **A full quarter (25%) of all those retailers who had completed Breach Report forms contained in their binder did not call or fax one or more of the reports to the Central Registry (8 locations).** However, 30 of the 39 unfiled reports originated from only 2 retailers, indicating that the issue is related more to PAs overlooking or missing one or two reports, rather than disregard for the reporting process altogether. **Regardless, a key issue to be addressed in a formalized program is the gap between Breach Report completion and officially reporting the information to the Central Registry.**
- **Compliance with the administrative or “paperwork” for Breach Reporting, including signatures and filing in the appropriate Binder section, is lacking particularly in**

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comparison to compliance with the VLT Area Inspection Report specifications. This may be due in part to the fact that Breach Reports were to be taken out of the Binder for faxing/calling in to Central Registry and/or to move into the appropriate Binder location (with the identified players' notice of participation).

**Difficulties In Positive Identifications for Retailers**

- **More than one in three PAs (35%) report at least one occasion when staff was unsure whether or not a patron was one of the participating players in the Process Test.** Most triggered no consequences (i.e., confirmed the patron's identity with another staff member, did not fill in a report, determined that the patron did not play VLTs), but 5 PAs filed reports and 3 learned later that their reports were in error.
- **Six PAs (15%) are aware of one or more occasions when staff was aware that a participating player was on-site, but were unsure if the individual played VLTs.** Approaches to dealing with uncertainty regarding whether or not participating players actually played VLTs differed among the few retailers who had difficulty in this regard. **If this program was to be implemented, protocol must be developed to address situations when there is confusion or uncertainty about actual VLT play. Filing erroneous reports would trigger consequences for the self-excluder, who may have simply visited a licensed establishment.**

**Cancellation & Addition of Player Participants**

There were three packages couriered to all participating VL retail locations from the Central Registry, including the following information:

**Schedule of Addition/Cancellation Packages**

Date Sent	ADDITIONS		CANCELLATIONS	
	Confederates	Cohorts	Cohorts	Confederates
March 25/04	4	5		--
April 22/04	3	2		1
May 13/04	--	1		2
<b>TOTALS</b>	<b>7</b>	<b>8</b>		<b>3</b>

- **A reliable distribution system for information from the Central Registry will need to be in place. Using Canada Post Xpress-Post courier service (requiring signatures for delivery) was not 100% effective.** During the second follow-up survey, 98% of Program Administrators had received their couriered package containing participant additions and cancellations; only 92% had received either of the second or third packages (asked during the third survey). While signatures were required for package delivery due to content confidentiality, this is also a drawback and appears to be a barrier to ensured delivery by Canada Post's Express Post service.
- **Aside from delivery issues, the process to ensure that all participating staff members are aware and review additions and cancellations is also questionable.** After 3 to 4 weeks, about 1 in 10 retailers still had not had all staff review and sign the new Notice of Participation/Cancellation forms, and 5% of PAs reported that they had not added the pages into their binders.

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The actual time lapses between package receipt, inclusion in the Retailer Binder and staff review are difficult to determine as only 20% to 47% all locations ever dated and/or signed any combination of the forms in the appropriate places.

- **Compliance tended to be higher for the administration processes with the Notices of Participation than for the Notices of Cancellations, although no retailers complied fully with instructions for managing the information sent from the Central Registry.** Nearly one in four retailers (24%) had at least one Notice of Cancellation missing from their Binder, while 16% were missing one or more added player information. Fewer than half of all retailers even filled in the date of receipt for the Notices they received via courier. This represents another key area for adjustment in an actual program as the consequences for added/cancelled players who are not recognized as included in/removed from the program at the retail level could be serious.

### **Program Evaluation**

- **Response to the Central Registry's performance and perceived utility for the various parts of the program as test were generally positive,** in terms of providing support, collecting and communicating information, and administering the process test, with each aspect achieving average satisfaction ratings of 8 to 10 out of 10.
- **On average retailers estimated that just over half (51%) of participating players were recognized and reported by staff after playing VLTs in any of the area locations.** Reasons behind PA estimates indicate that some based their guess on personal experience in their own location, while others tended to consider only *other* locations that, in their opinion, would be either very conscientious or slack about the process.
- **At the end of the final follow-up survey,** participating retailers were asked for any final comments, from themselves or from any participating staff members, about Video Lottery Self-Exclusion or about the Process Test overall. Nearly two-thirds (61%) offered no comments, while the remaining PAs were fairly evenly divided among those who do not believe the program will work (11%), those who are willing to undertake such a program but describe some issues (11%) and those who found no problems with the process test in general (9%).

### **Confidentiality and Information Security**

- Participating retailers all tended to believe that the confidentiality of the Process Test was adequately maintained by the VL retailers and their staff.
- Although the majority of local players (Cohorts) also reported that the process test and materials were being kept confidential, 1 in 5 (20%) felt that there were occasions of confidentiality breaches by participating staff at the VLT retail locations.
- **In total, nine players reported specific occasions when retailer breaches in confidentiality occurred. However, over the three month trial period, there were a total of 20 incidents**

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reported by players surrounding security and confidentiality of player or program information.

- The majority of confidentiality breaches (13 out of 20) tended to be indirect, consisting of either overheard comments or general discussion. However, there were 7 incidents reported with the player being directly approached by a third party regarding participation in the program. Overall, retail staff were directly implicated in six individual incidents reported by player participants.

## CONCLUSIONS & RECOMMENDATIONS

From this study five primary issues emerged that have implications for proceeding further with a Video Lottery Self-Exclusion Program in Nova Scotia:

1. *Program Sustainability*
2. *Participant Recognition (self-excluded players)*
3. *Limited opportunity for improvement of Report Accuracy*
4. *Limited opportunity for improved Detection Rates*
5. *Confidentiality and Information Security*

### 1. Program Sustainability

**Conclusions:** Over the three month period of the Process Test there was compelling evidence that Retailer's ability to sustain even modest levels of success in identifying and reporting on participating players was waning. Following the enthusiasm and interest generated during the pre-test period and first month of the trial, retailer identification rates and compliance with program protocols declined significantly. By the end of the three month test period (May 31, 2004) Breach Report submissions had dropped by about half that for Month 1 (March, 2004) and identification rates had fallen to one-third the rate of detection obtained at the start of the trial (34% versus 13%). Part of this decline was due to the lower rates of detection for the non-local Confederate players but even among local players there was a significant decline (34% versus 23%). There is a possibility that this drop in identification rates over time reflects a seasonal influence (e.g. as summer approached there were changes in clientele or retail staff, students were returning home from the university located in the test area). Whatever the reasons, the findings suggest that methods would have to be put in place to in order to sustain a consistent monitoring level by retailers. In the current study all participating retailers participated in formal training sessions, were re-contacted monthly throughout the test and in addition received three notification packages by mail with follow-up calls to confirm receipt and understanding of materials and procedures. Despite this regular contact and support, detection rates declined significantly over the course of the trial. At the same time retailers also reported declines in program administrative compliance. As the novelty of the program diminished retail staff was less attentive to the "paperwork" requirements of the program, largely due to the tedium of the protocols, such as area breach reports and daily review of binder, and the conflicting demands of their other site responsibilities. Another

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contributing factor is the low return relative to the amount of diligence required in order to detect an “excluded player”. Constant, consistent monitoring is an essential component of on-site staff detection of “excluded” players. Minor deviations or diversions of attention can result in a “missed” detection despite staff vigilance during the majority of time the location is open. Staff training issues (e.g. changes in staff), inconsistencies in shift coverage (e.g. presence of designated program staff) and lower detection rates during busier time periods (e.g. evenings and weekend shifts) were also noted over the course of the trial as interfering with on-going program compliance.

**Implications:** Ensuring retailer interest and sustained performance over a protracted time period will be challenging, especially once the identification of players is linked to consequences for those who breach a self-exclusion agreement and potentially for the retailer who may lose revenues to less diligent competitors. The current program protocols, while not considered onerous by participating retailers, are also not being consistently utilized across the sites. In some cases, it is not practical for the site to comply given distinctive features of the site (e.g. proximity of staff to gaming area, volume of business). In other cases, retailers are unable to comply (e.g. staff scheduling issues, lack of resources during high demand periods). Moreover, there is little incentive for retail staff to expend the necessary effort to meet program requirements. At the very least some retail Program responsibilities would have to be outsourced or independently monitored to ascertain compliance. Introduction of an on-line (or automated) system for submitting breach reports and administering retail program protocols that require designated staff to key in information (in the gaming area) could be monitored off-site to independently assure performance standards over all locations. Such program support services would require high retail commitment and extensive infrastructure investment. However, it is unclear as to whether these changes would produce the desired improvements in detection rates or reporting accuracy. Regardless, significant changes to the current Program design are required in order to support retailer compliance over time.

## **2. Participant Recognition**

**Conclusions:** While declining retailer compliance with program protocols played a minor role in reducing detection rates the primary barrier for the success of the Program is related to the ability of retailer’s to recognize and accurately report on program participants. Even during the first month of the trial, with only 28 players on the “excluded” list, only one in every three play visits was being detected. Reliance on photographs for staff to consult on-site is insufficient for use in recognizing a participating player. The absence or presence of a photograph for regular VL patrons had no impact on correct identification. In the case of less familiar patrons it appears that having a picture on site caused greater uncertainty for retail staff and contributed to the submission of “False Positive” reports. Retailers specifically noted instances when a Breach Report was submitted in error due to mis-identification of an individual. The reports filed by the retailers to the Central Registry are intended to be used to trigger some sort of action in response to a detected breach of a player’s self-exclusion agreement. Thus, the accuracy of the reports submitted for action is critical to the overall success of any program especially one which relies solely on the performance of gaming operators in detecting and reporting breaches rather than intervening at the point of detection. This lack of personal contact essentially eliminates any reliable method for the retailer to confirm identification prior to submission of a Breach Report. Not surprisingly, in the current study only 42% of the reports filed were accurate in

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identifying a “True Positive” play visit. This means that there is low reliability in using the Retailer Breach Reports for action. While the accuracy of the retailer’s report is critical of even greater importance is the level of detection achieved by the retail monitoring process. This indicates the percentage of player “breaches” that are actually detected by retailers. Identification of program participants is the cornerstone of any self-exclusion program, without which the administrative framework and retail monitoring component is meaningless. In the current study a minority of play sessions were identified with less than one in three sessions detected for local players dropping down to only 1 in 10 for non-local or unfamiliar local players. Given that players who breach a self-exclusion agreement could be expected to seek out locations where they are less likely to be identified (especially if there are consequences associated with their breach), the results of the Process Test indicates that there is extremely low assurance of identification. The highest identification rates achieved in the study were by Private locations (Legions, clubs). Not surprisingly, Private clubs were significantly better than Public sites at detecting non-local players (44% versus 5%); even among local patrons identification rates were still almost 4 times higher at the Private sites (64% versus 17%). The highest detection rates observed in the current study were for play sessions by regular patrons at Private sites (67%), however half of the report filed for these types of play visits were still incorrect.

**Implications:** Under the current scenario tested, report accuracy and identification rates are too low to yield reliable rates of detection for program participants. It is virtually impossible for retailers to consistently identify even a limited number of players in the context of a busy social setting. For Private VL sites “sign-in” or screening requirements at the door pre-empt many of the detection difficulties faced by public access locations, yet even these sites cannot “catch” all players with any reliable degree of accuracy. The primary impediment is lack of any objective means of confirming player identity or ascertaining whether or not they actually play the machines. Undoubtedly, the most effective way of improving identification rates within all player segments is to implement a method of on-site screening that is independent from subjective detection of “excluded” players through staff recognition. Such independent screening could be instituted upon entry to the gaming area, which would preclude excluded players having access to the machines altogether. This would necessitate the location of the terminals in an enclosed environment with either a person screening at the door or an automated card swipe. Alternatively, such technology could be incorporated on the machine which would circumvent retailer involvement in the process allowing them to continue to focus on their primary customer service responsibilities and remove the contentious issue of policing patrons.

### **3. Limited Opportunity for Improving Breach Accuracy**

**Conclusions:** In the current study less than half of the Breach Reports filed corresponded with a “True Positive” identification, with 58% characterized as “False Positives”. Few opportunities were identified in the current study to improve the accuracy of retailer Breach Reports for the proposed program. There were only four factors that had a significant effect in predicting improved retail reports. Collectively, these factors explain about 30% of the variance in differences in reporting accuracy. Two of the significant factors identified fall outside of the control of retail staff or the Central Registry service: Location Patronage (Familiar versus Unfamiliar players; Local versus Non-local

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players) and Location Type (Private versus Public). Report accuracy is currently so low for local play sessions at non-regular locations (11% -16%) that drastic improvements are required in order to rely on retailer's report with any degree of confidence. There were two factors that do offer some potential for retail reporting improvement although the gains in accuracy will be marginal; Quality of report (complete versus incomplete submissions) and the timing of the report submission. During the Process Test there was evidence that administrative compliance in some cases diverted retail attention from the more important task of accurately identifying program participants. Incomplete reports or non-compliant reports were found to be more accurate in predicting a "True Positive" site visit. This was also true for the timing of the submission. Reports which were filed by the observing staff member immediately upon making an identification had higher odds of being accurate than those that complied with Program protocols and were left for the Program Administrator to remit. It may be that this occurred as a result of the individual having greater certainty that they were identifying an "excluded" player thus triggering action upon the detection. It may also be that when the reports are left for the PA to remit there is less onus on the observing staff member to ascertain identification.

**Implications:** The results indicate that significant changes to retailer reporting protocols are required to enhance reporting accuracy. Without a systematic way for retail staff to confirm the player's identity, Breach Reports, at best, will represent little more than educated guesses, especially when attempting to identify less familiar patrons at the site. At the very least retail staff would have to be required to request identification from the suspected patron prior to submitting a Breach Report. Obviously, this ploy will be transparent to the player who can take evasive action by refusing or indicating that they do not have identification on them. This places staff in an awkward position of acting as pseudo enforcers for the Program. Such a role has already been evaluated with retail service staff. They are reluctant to take on "policing" of the program and would likely avoid the situation thus negating the contribution of the retailer in any meaningful monitoring capacity. Under the current Program tested retailer Breach Reports are not accurate enough to be relied upon and should be eliminated or modified as the primary source of player identification.

#### **4. Limited Opportunity for Improving Player Identification**

**Conclusions:** In the current study the overall identification rate for play sessions by program participants was 23%, meaning that 77% of play visits to the retail locations taking part in the study were not detected and/or correctly reported upon. Similar to results predicting report accuracy, the most influential factors for improved identification rates are largely beyond the control of retail staff and instead reflect conditions or constraints that serve to make detection of players easier such as controlled access to the site (membership, sign-ins), familiarity with the player (regular patronage), the length of the play session and frequency of exposure to the player at the site. One of the few factors over which retail staff has some control is contact with patrons. Those play visits for which players reported contact or personal interaction with site staff beyond simply ordering drinks, food or using cash services were more likely to be identified. However, consistently establishing personal contact with all VL players who come to the site may be too demanding and unrealistic for busy retail staff. It may also be an unwelcome intrusion for those non-excluded customers playing the machines. The tendency for self-excluded players to avoid contact with on-site staff may prove to be a significant challenge in effectively using this approach to improve rates of breach detection. In the absence of systematic,

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independent monitoring, retailers are most likely to detect only the most obvious breaches; by regular patrons, those playing for extended periods, those who are easier to recognize (older versus younger adults).

**Implications:** The demands that would be placed on retail staff in order to improve identification rates for Program participants are likely to be neither appropriate for nor acceptable to VLT site-holders. Increased personal interaction with customers, especially those who are less familiar to staff at the site, offers the best opportunity for enhancing detection rates but cannot be consistently managed, administered, and, even if successful, would have only a limited impact in collectively elevating detection rates. To achieve reasonable assurance of the monitoring component of the Program would require the attention of a dedicated staff whose primary (or sole) responsibility would be to supervise the gaming area for breach detection. Whether such staff would be employees of the site or an independent government body (e.g. Regulatory body (NSAGA), NSGC or ALC) would have to be determined. The creation of such a position does not circumvent the need for systematic verification of the breaches through identification confirmation. Otherwise, the accuracy of any Breach Report will still be unreliable. Of far greater potential is the introduction of a systematic screening process that is consistent over time, over the various sites and is independent of staff's limited ability to recognize an excluded player. Instituting a screening process at the "door", similar to Legions and Private Clubs in the test area, does produce significantly higher detection rates. However, the fact that players are still allowed to enter the premises to take part in other social activities means that about half of all plays visits will go undetected and that about half of the breach reports will be inaccurate. Thus, unless players are barred from the location, the most effective point of intervention would be at the gaming area or machine level.

## 5. Confidentiality and Information Security

**Conclusions:** One-third of local players taking part in the study encountered some issues with breaches in confidentiality. The vast majority of incidents mentioned did not involve malicious or deliberate disclosure by retail staff but rather were unintentional or "careless" breaches. Only one retailer taking part in the study felt there had been any lapses in information security throughout the test, yet almost half mentioned instances when they had discussed or overheard retail staff or other players at the site talking about the Program and/or those taking part. Some non-trained staff had access to the Binder and players mentioned seeing the material sitting out openly. In the Process Test all participants were instructed that participating players were voluntarily taking part in the test and were not experiencing any problems with their VL gambling. This was heavily stressed in all of the information sessions and materials. Despite the pre-cautions, one individual was approached in public by someone they did not know (previous site employee), who said, in front of others, "*Hey I saw your picture in that book for problem gamblers?*". A similar incident was reported by another player. These are significant breaches that have serious implications for confidentiality assurances, especially in light of new privacy laws in Canada (PIPEDA). Staff training is also an area for lapses in confidentiality, given the rates of staff turn-over in retail service. By the end of the trial 3 out of 4 site PAs had trained someone else at the location for on-duty Program responsibilities. In the majority of cases the actual binders with confidential player information was used for training purposes rather than the training materials. This represents a potential problem with information security. There are also issues with how player

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notification and cancellation materials should be sent out to locations and managed on-site, especially as this information accumulates over time.

**Implications:** In compliance with the new Canadian Privacy Act (PIPEDA, January 2004) all retailers taking part in the study had to sign a confidentiality contract assuring the protection of personal information. There are retail management concerns regarding the potential for breaches in information security and resulting consequences. Privacy parameters constrain the dissemination of participant information, which in turn limits the on-site resources available for player detection and reporting. However, the public disclosure of someone accessing such a program for assistance in abstaining from VL play could have significant personal and legal ramifications for all Program participants. In the current study there were significant breaches in confidentiality, suggesting potential for problems with information security exist. High turn over in staff at the retail sites further exacerbates the situation. The demands for staff training are high; therefore, Program Training should be undertaken by an independent body to ensure compliance with player confidentiality or at least monitored on a frequent basis (at least monthly). Even this approach has limited potential for success as the number of people having access to this confidential information will increase exponentially over time. Again the results suggest that the feasibility of alternative options for implementing enforceable self-exclusion for video lottery are explored before proceeding further with the current design.

### **Recommendations:**

In the Video Lottery Self-Exclusion Process Test the retail monitoring component of the Program proposed for multi-site Video Lottery was not sufficient to support program objectives or expectations. The results indicate that reliance on the ability of retail staff to subjectively detect and accurately report on the gaming activity of an “excluded” player is neither reasonable nor appropriate. Changes identified to improve retail Program compliance and detection rates are likely to be too cumbersome, expensive and impractical to be consistently administered across sites and, moreover, are unlikely to assure the required improvements in retailer performance. While there is a demonstrated need for reliable self exclusion for video lottery gambling in Nova Scotia, under the current Process Test it appears that players seeking abstinence assistance may be better served by informally approaching specific, familiar sites for cooperation on an ad hoc basis until such time a method of reliable on-site screening is implemented that is independent from subjective detection of “excluded” players through staff recognition. The Video Lottery Self-Exclusion Pilot Working Committee is advised to explore other options for player monitoring, such as player card technology or “restricted access” gaming areas, in order to meet “duty of care” program standards.