

# The Growing Burden of Compulsive Gambling in the Era of Legalized Online Sports Wagering and Outcomes Betting

*Position Paper | September 2026*

The rapid expansion of legalized sports wagering, online casinos, and emerging forms of outcomes-based betting has fundamentally changed the nation's gambling landscape. What was once limited by geography and opportunity is now available at any hour through smartphones and digital platforms, increasing exposure to gambling and creating new pathways to addiction. **As betting becomes faster, more personalized, and more heavily marketed, treatment systems must be strengthened and supported to respond to a growing population of individuals struggling with compulsive gambling—which statistically also puts them at higher risk for co-occurring behavioral health and substance use conditions.**

Problem gambling is associated with profound individual and societal consequences, including financial instability, unemployment, housing insecurity, family disruption, depression, anxiety, substance use, criminal justice involvement, and elevated risk of suicide.<sup>1 2</sup> Individuals experiencing gambling disorder frequently present with complex clinical needs that extend well beyond the gambling behavior itself, requiring integrated treatment that addresses mental health, addiction, housing, employment, and long-term recovery supports.

**Youth and young adults are at tremendous risk for exposure to gambling through smartphones, social media, gaming platforms, and sports marketing.<sup>3</sup> Youth are particularly vulnerable because brain regions responsible for impulse control and decision-making are still developing. Resultingly, early gambling is associated with a significantly greater risk of gambling disorder, substance use, mental health conditions, financial hardship, and suicide.<sup>4</sup>**

Despite the growing need, access to evidence-based gambling treatment remains severely limited. Many states have few specialized providers, inconsistent funding mechanisms, limited workforce training, and inadequate insurance coverage for gambling services. Existing addiction treatment providers represent the nation's strongest foundation for expanding access, but they require dedicated resources to build expertise, develop specialized programming, and integrate gambling disorder screening, assessment, and treatment throughout the continuum of care.

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<sup>1</sup> Wardle, H., et al. (2024). The Lancet Public Health Commission on gambling. *The Lancet Public Health*, 9(11), e950–e994. Wardle, H., et al. (2024). The Lancet Public Health Commission on gambling. *The Lancet Public Health*, 9(11), e950–e994.

<sup>2</sup> Kristensen, J. H., Pallesen, S., Bauer, J., Leino, T., Griffiths, M. D., & Erevik, E. K. (2024). *Suicidality among individuals with gambling problems: A meta-analytic literature review*. *Psychological Bulletin*, 150(1), 82–106. DOI: 10.1037/bul0000411.

<sup>3</sup> Richard, J., & King, S. M. (2023). Annual Research Review: Emergence of problem gambling from childhood to emerging adulthood: A systematic review. *Journal of Child Psychology and Psychiatry*, 64(4), 645–688.

<sup>4</sup> American Academy of Pediatrics. (2026). Digital ecosystems, children, and adolescents: Technical report. *Pediatrics*, 157(2).

### ***Statistics on Problem Gambling and Gaming Revenue***

According to the National Council on Problem Gambling (NCPG) National Survey on Gambling Attitudes and Gambling Experiences,<sup>5</sup> most recently conducted in 2024:

- Approximately **2.5 million** U.S. adults meet diagnostic criteria for gambling disorder, and an additional **5 to 8 million** adults report experiencing moderate gambling-related problems that place them at elevated risk.
- Approximately 8% of American adults (~**20 million people**) reported experiencing at least one indicator of problematic gambling behavior "many times" during the previous year. Additionally, **nearly two-thirds** of adults aged 21 and older reported gambling before age 21.
- **Most states dedicate little or none of gambling tax revenue to gambling prevention or treatment.** While funding for prevention and treatment services is highly inconsistent across states, comprehensive systems of care remain unavailable in much of the country despite rapidly expanding gambling opportunities.

According to the American Gaming Association's 2026 State of the States<sup>6</sup> analysis of the commercial casino industry:

- Commercial gambling revenue generated a record high of **\$78.62 billion** in 2025, while generating **\$17.86 billion** in state and local gaming taxes in the same year, with sports betting tax revenue growing **382%** between 2021 and 2025.

### ***Treatment Communities of America Recommendations***

TCA urges a comprehensive national response to the rise of compulsive gambling that emphasizes prevention, early identification, residential and outpatient treatment, peer recovery support, financial counseling, and recovery housing where appropriate. A national response must also prioritize youth prevention, school- and community-based education, responsible advertising practices, and timely access to age-appropriate treatment and recovery services. Additionally, investment in sustainable service reimbursement models to ensure system continuity are essential.

Protecting individuals, families, and communities requires recognizing compulsive gambling as a serious behavioral health condition and ensuring timely access to comprehensive, evidence-based care that promotes long-term recovery, financial stability, and successful reintegration into society. As opportunities for compulsive gambling continue to expand, policymakers must ensure that treatment infrastructure grows alongside them.

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<sup>5</sup> National Council on Problem Gambling. (2025). *National Survey on Gambling Attitudes and Gambling Experiences 3.0: Key findings*.

<sup>6</sup> American Gaming Association. (2026). *State of the states 2026: The AGA survey of the commercial casino sector*.

*Potential policy action pertaining to compulsive gambling should include:*

⇒ **Strengthen Federal Research, Surveillance, and Accountability**

Congress should require systematic national data collection on gambling participation, gambling disorder prevalence, youth exposure, financial and behavioral health consequences, suicide risk, and treatment utilization. Federal agencies should also evaluate emerging products—including online sports wagering, micro-betting, prediction markets, and other outcomes-based wagering—to ensure that regulation, prevention strategies, and treatment investments keep pace with changes in gambling technology and consumer behavior.

⇒ **Establish Consumer Protection Standards for Online Betting**

States and Congress should establish minimum safeguards addressing aggressive advertising, promotions, credit-based gambling, micro-betting, and other practices that may encourage excessive or impulsive wagering. These safeguards should include special protections limiting gambling marketing and access among minors and young adults.

⇒ **Integrate Gambling Screening and Treatment into the Behavioral Health Continuum**

Congress should authorize grants and technical assistance enabling substance use disorder, mental health, primary care, housing, homelessness, and other community providers to routinely screen for gambling-related harms and establish referral and treatment pathways. Investments should include specialized workforce training so that existing behavioral health infrastructure can respond effectively as demand grows.

⇒ **Require Coverage and Sustainable Reimbursement for Gambling Disorder Treatment**

Congress should direct the Centers for Medicare & Medicaid Services (CMS) and other federal agencies to establish clear pathways for Medicaid, Medicare, and federally regulated health plans to reimburse evidence-based gambling disorder screening, assessment, treatment, and recovery support. Payment models should recognize gambling disorder alongside other behavioral health conditions and support integrated treatment for individuals with co-occurring substance use and mental health disorders.

⇒ **Establish Dedicated Federal Funding for Gambling Prevention and Treatment**

Congress should create a permanent federal funding stream for prevention, screening, treatment, recovery services, workforce development, and research related to gambling disorder. Funding could be supported through a modest assessment on sports wagering and other regulated gambling activity, ensuring that a portion of revenues generated by gambling is reinvested in addressing its public health consequences.