

## Lottery PMA Stakeholder Comments



• "AARP Pennsylvania Advocacy Director Ray Landis applauded the Governor's decision to commit an additional \$50 million to lottery-funded programs that have been neglected for years and have developed waiting lists for services. "Dedicating \$50 million in new revenues for home and community-based programs for seniors represents an important first step towards improving the balance between nursing home care and less expensive alternatives that allow older adults to remain at home," he said." -February 5, 2013



• "As a network we can substantiate there are significant unmet needs now and that up until that announcement we had little hope for the increased Lottery support in the future. Year after year we have been told the Lottery could not sustain the increased investment we needed, and that the Lottery was "mature" and revenues were too unpredictable for the future. We now have hope about our ability to meet current and future needs. We thank Governor Corbett for looking ahead to address the needs of the senior population." -January 22, 2013



• "Offering more home and community-based services to older Pennsylvanians makes good sense – it's a win/win for seniors who want to remain at home for as long as possible and a win for Medicaid because it's cheaper. So we were pleased to see Governor Corbett's announcement last Thursday when he indicated that this new partnership with Camelot will enable the state "to add an additional \$50 million in the upcoming budget to preserve and improve the system for seniors." -January 22, 2013



• "[Seniors]...just want the care they need to be available where and when they need it. I think that all on this panel can agree that Pennsylvania's current system can't guarantee that. Additional revenues available under the private management agreement can be part of a solution to make the system work better for our seniors." -January 22, 2013



• "If privatization means that additional dollars will flow to programs that benefit seniors, we are in favor of it...The Governor has stated that an additional \$50 million will be inserted into the 2013-14 budget for senior programs as a result of the privatization deal. This is absolutely critical." -January 22, 2013



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- “Kevin Shivers, head of the state chapter of the National Federation of Independent Business, said Camelot’s effort to get more people to play the lottery could actually be a boon for all retailers. It’s going to increase the awareness and hopefully the brand in the state lottery, which is going to increase ticket sales at existing businesses who sell lottery tickets,” said Shivers. He also noted the small businesses that would benefit from the plan to expand the kinds of establishments eligible to become lottery retailers. -January 21, 2013



- “PFMA supports the transition of government operated programs to the private sector and looks forward to supporting other initiatives led by the Corbett Administration and the members of the state House and Senate.” -January 14, 2013



- “If the private manager were to miss its annual target in any given year, the Commonwealth would be able to draw a shortfall payment from a \$150 million cash collateral provided by the private manager as a condition of the contract...” -December 20, 2012

- “What privatization does is recognize that lotteries are essentially businesses that are better run by professional firms that have the right mix of incentives, skills and technology to maximize the value of this ultimately state-owned asset.” -August 30, 2012



- “Today, there is no fall-back provision when the Lottery fails to meet profit projections. Instead, older Pennsylvanians are more likely to find themselves on waiting lists. In order to combat this negative impact, the private management agreement (PMA) provides a guaranteed minimum of \$34 billion in lottery profits for Pennsylvania over 20 years. Camelot already put \$50 million down as part of its bid, would provide another \$150 million cash collateral for the commonwealth to draw from if the company fails to deliver on its profit promises.” –January 3, 2013

- “Compared to the historic performance of the Lottery over the past 10 years (3.54 percent annualized growth), Camelot’s bid would generate an additional \$2.3 billion for senior services over the first decade of the agreement.” -January 3, 2013

