A Person-Centered Approach to Financial Decision Making and Financial Exploitation: New tools for all professionals

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OVERVIEW

- Defining financial capacity and incapacity
- Person centered approaches to FDM
- The 4 scales we developed for financial capacity assessment and financial exploitation risk assessment
- The WALLET study

Our FE prevention pilot work

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Financial Capacity (FC)	A quality of an individual – here defined through psychological research	1. Avoid Financial exploitation 2. Informed Financial decision making 3. Intact Financial Management
Financial Incapacity (FIC)	A legal characteristic of an individual – here defined through conservatorship statutes	Specific legal standards for needing a conservator (Michigan) Clear and convincing evidence must be provided on two issues: (1) The individual is unable to manage property and business affairs effectively for reasons of mental illness, mental deficiency… and (2) The individual has property that will be wasted or dissipated unless proper management is provided.
Financial Decision Making (part 2 of FC)	An aspect of financial capacity	1. Understanding 2. Appreciation 3. Reasoning 4. Choice
Financial Exploitation	A relationship between two persons	1. Improper use of funds, property or resources by another 2. A form of elder abuse 3. Diminished financial capacity increases your risk for financial exploitation.

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Tool #1:
For Informed Decision Making

Lichtenberg Financial Decision Rating Scale (LFDRS) aka Financial Vulnerability Assessment on https://olderadultnestegg.com

All accounts, trainings, certification and usage of scales are at No Charge to users

Lichtenberg scale named after my colleague and late wife Dr. Susan MacNeill Lichtenberg (1963-2014)

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A Person-Centered Approach to Financial Capacity Assessment: Preliminary Development of a New Rating Scale

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Isn't Every Assessment Person Centered?

Person Centered Assessment focuses on actual decisions the older person is making or actual situations they find themselves in.

Person Centered financial management assessment focuses on actual spending the older person is engaging in.

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Using Person-centered Principles for Financial Decision-Making Capacity

- Context matters
- Voice of older adult is critical
- Analyzing responses to real life financial decisions vs vignettes

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Models for Clinical Assessment of Financial Capacity (Marson 2016)

- Financial Capacity as an IADL (simple money management)
- Financial Capacity as financial skills relevant to independence (E.g. Marson's FCI)—basic and complex, financial execution and judgement.
- Cognitive Psychology model—Types of financial knowledge (cognitive underpinnings to financial skills—semantic memory, procedural knowledge, declarative memory, judgement)
- Decision-Making Model (Appelbaum & Grisso, Lichtenberg's scales)
- IOM: Financial capacity as financial function in the world. (Unrealized in 2016; WALLET study 2020)

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Groundbreaking Work of **Appelbaum and Grisso 1988**

- Originally for capacity for psychiatric treatment and guardianship, then health decisions
- ID 4 aspects of decision making: *Communicating*
    1. Choice
    2. Understanding
    3. Appreciation
    4. Reasoning

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Conceptual Model for the Lichtenberg Financial Decision Rating Scale (LFDRS)

Contextual Factors

- **Financial Situational Awareness**
- **Psychological Vulnerability**
- **Susceptibility**

→

Intellectual Factors

- **Express:**
- **Choice**
- **Rationale**
- **Understanding**
- **Appreciation**

→

Integrity of Financial Decisional Ability

↑

Consistency with Values

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OXFORD

Original Research Article

Examining Health and Wealth Correlates of Perceived Financial Vulnerability: A Normative Study

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National Data
Health and Retirement Study

- Anxious about financial decisions, at least sometimes – 65%
- Wish had someone to talk with about finances, at least sometimes – 55%
- Worried that someone will take away one's financial freedom, at least sometimes – 32%
- Confident making big financial decisions? Unsure/not confident – 26%
- Treated with less respect and courtesy during financial transactions, at least sometimes – 30%
- Talked into a decision to spend money that originally did not want to, at least sometimes – 22%

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Some elements of Context: the 6 item Perceived Financial Vulnerability Scale

- Fenton L, Weissberger GH, Boyle PA, Mosqueda L, Yassine HN, Nguyen AL, Lim AC, Han DS. Cognitive and neuroimaging correlates of financial exploitation vulnerability in older adults without dementia: Implications for early detection of Alzheimer's disease. *Neuroscience & Biobehavioral Reviews,* 2022;140:104773.

•Fenton, L., Salminen, L.E., Lim, A.C., Weissberger, G.H., Nguyen, A.L., Axelrod, J., Noriega-Makarskyy, D., Yassine, H., Mosqueda, L. & Han, D.S. (2024). Lower entorhinal cortex thickness is associated with greater financial exploitation vulnerability in cognitively unimpaired older adults. *Cerebral Cortex, 34*(9), https://doi.org/10.1093/cercor/bhae360

Maynard, M, Flores, E.V., Paulson, D., Lichtenberg P.A. & Ng, B.P (2024). Perceived financial vulnerability, wealth and wealth change: The Health and Retirement Study. *Clinical Gerontologist* https://doi.org/10.1080/07317115.2024.2393761

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Quantifying Risk of Financial Incapacity and Financial Exploitation in Community-dwelling Older Adults: Utility of a Scoring System for the Lichtenberg Financial Decision-making Rating Scale

Peter A. Lichtenberg, Evan Gross & Lisa J. Ficker

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Findings from Study

- N=200 community Living Adults: 18% experienced FE in last 18 months
- Those with FE more likely to have decision-making deficits
- Those with FE more likely to have possible cognitive decline

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Table 4. Descriptive statistics of demographics and LFDRS Total and Subscale Scores by suspected history of financial exploitation.

Variable	Total (N = 200) *M* (*SD*) or %	No SFE (n = 164) *M* (*SD*) or %	SFE (n = 36) *M* (*SD*) or %	*p*-value*
Age	71.5 (7.4)	71.5 (7.4)	71.3 (7.4)	.868
Education (years)	15.3 (2.6)	15.5 (2.6)	14.9 (2.5)	.223
Race				.115
Caucasian	48.0%	50.6%	36.1%	
African American	52.0%	49.4%	63.9%	
Gender (female)	74.0%	71.3%	86.1%	.067
LFDRS Total	16.0 (8.6)	14.2 (6.8)	24.4 (10.8)	<.001
FSA	7.2 (3.2)	6.8 (3.1)	8.9 (3.2)	<.001
PV	3.1 (2.8)	2.7 (2.5)	4.7 (3.4)	<.001
Susceptibility	3.6 (3.8)	2.7 (2.7)	7.2 (5.5)	<.001
Intellectual	2.3 (2.0)	1.96 (1.6)	3.5 (3.0)	.004

Note: SFE = Suspected financial exploitation; LFDRS = Lichtenberg Financial Decision Rating Scale; FSA = Financial Situational Awareness; PV = Psychological Vulnerability.
**p*-values are reported for *t*-tests or chi-square tests as appropriate.

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Table 7. Results of chi-square test and descriptive statistics for cognitive status by SFE.

Cognitive Status	No SFE	SFE
WNL	138 (85.7%)	24 (14.3%)
PCD	26 (68.4%)	12 (31.6%)

Note: $\chi^2 = 5.86$, df = 1, $p = .015$. Numbers in parentheses indicate row percentages.

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Summary of our Research on the LFDRS

- Community based samples with data collected by me and my research team
- Psychometric expertise and independent analyses by Dr. Jeanne Teresi and her colleagues
- Examined reliability (inter-rater, internal consistency)
- Examined whether conceptual model was empirically supported through Confirmatory Factor Analysis Lichtenberg, et al., (2017) Conceptual and empirical approaches to financial decision making in older adults:. *Clinical Gerontologist, 41, 42-65.*
- Examined validity—convergent, and whether the scale classified decisional deficits and financial exploitation at accurate levels Lichtenberg, P.A.; Gross, E. & Ficker, L. (2020) Quantifying risk of financial incapacity and financial exploitation in community-dwelling older adults. *Clinical Gerontologist, 43, 266-280.*
- Demonstrated intersection of cognitive decline, reduced decision making and financial exploitation Lichtenberg, P.A., Hall, L., Gross, E. & Campbell, R. (2019). Providing assistance to older adult financial exploitation victims: Implications for clinical gerontologists. *Clinical Gerontologist*, 42, 435-442.
- A new sample cross validated our findings Flores, E.V. &Lichtenberg, P.A. (2023). Cross-validation of the Lichtenberg Financial Decision Rating Scale. *Clinical Gerontologist,46, 633-638*

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Tool #2 Family and Friends Interview

A Third party's perspective on an older adult's financial decision making and context

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Journal of Elder Abuse & Neglect

Routledge
Taylor & Francis Group

ISSN: 0894-6566 (Print) 1540-4129 (Online) Journal homepage: https://www.tandfonline.com/loi/wean20

Assessment of financial decision making: an informant scale

Rebecca C. Campbell, Peter A. Lichtenberg, Latoya N. Hall, Jeanne A. Teresi & Katja Ocepek-Welikson

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Question Stems for the Friends and Family Interview

1. To your knowledge, what type of financial decision or transaction did your relative or friend recently make or is thinking of making?
2. Was this decision their idea or did someone else suggest it?
3. Now and over time, how do you think this decision or transaction will impact your relative or friend financially?
4. How much risk is there that this decision could result in a negative impact, such as loss of funds?
5. Overall, how satisfied is your relative or friend with finances?
6. Who manages your relative's or friend's money day to day?
7. Is your relative or friend helping anyone financially on a regular basis?
8. How often does your relative or friend seem anxious or distressed about financial decisions?

9A. Is your relative's or friend's memory, thinking skills, or ability to reason with regard to finances worse than a year ago?

9B. Has this interfered with their everyday financial activities?

10. Does your relative or friend regret or worry about a financial decision or transaction they made or intend to make?
11. Would others, who know your relative or friend well, say the current major financial decision is unusual for them?
12. To your knowledge, how much has your relative or friend come to rely on just one person for all financial decisions?
13. Has anyone used or taken your relative's or friend's money without their permission?
14. How likely is it that anyone now wants to take or use your relative's or friend's money without their permission?

https://www.OlderAdultNestEgg.com

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Case Study

- 73-year-old man with early dementia
- Lives surrounded by family
- Loaned money to brothers and nieces, but never more than $3500 and kept careful account
- Brother who lives down the road interacts with him daily
- Man almost a victim of sweepstakes scam but wife alerted brother who deterred it
- Brother takes man to bank, gets man to cash in IRA for $100K so brother can “pay off his mortgage”
- Prosecutor charges man with unjust enrichment

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Informed Decision-Making Capacity?

LFDSS (FDT)

Q5 How will this decision impact you now and over time?
No impact

- Do you agree with the respondent's answer? *No*
- Please select what you feel the correct response to be *Negative impact/debt*

Q6 How much risk is there to your financial well-being?
Low risk or none

- Do you agree with the respondent's answer? *No*
- Please select what you feel the correct response to be *Moderate risK*
- Please provide input on why you do not agree *May need services himself*

LFDRS-I (FFI)

Q2 Was this decision their idea or did someone else suggest it?
Someone else's idea (describe)

Q3 Now and over time, how do you think this decision or transaction will impact your relative or friend financially?
Will have a major negative impact

Q4 How much risk is there that this decision could result in a negative impact, such as loss of funds?
Moderate risk

Q10 Does your relative or friend regret or worry about a financial decision or transaction they made or intend to make?
Yes (describe) - Very worried about money

Q11 Would others, who know your relative or friend well, say the current major financial decision is unusual for them?
Yes; this could be seen as very unusual

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Tool #3 A screening scale for Informed Financial Decision-Making

Applebaum and Grisso's Choice, Understanding, Appreciation and Rationale

The Lichtenberg Financial Decision-Making Screening Scale (LFDSS) aka The Financial Decision Tracker on https://olderadultnestegg.com

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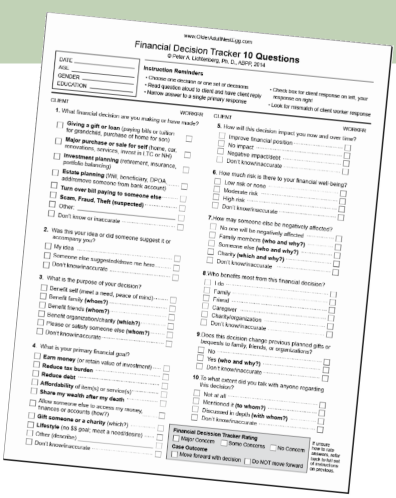
Lichtenberg Financial Decision Screening Scale (LFDSS)


www.OlderAdultNestEgg.com

Financial Decision Tracker 10 Questions

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DATE ____
AGE ____
GENDER ____
EDUCATION ____

Instruction Reminders

- Choose one decision or one set of decisions
- Read question aloud to client and have client reply
- Narrow answer to a single primary response
- Check box for client response on left, your response on right
- Look for mismatch of client worker response

CLIENT / WORKER

1. What financial decision are you making or have made?
   - ☐ **Giving a gift or loan** (paying bills or tuition for grandchild, purchase of home for son) ☐
   - ☐ **Major purchase or sale for self** (home, car, renovations, services, invest in LTC or NH) ☐
   - ☐ **Investment planning** (retirement, insurance, portfolio balancing) ☐
   - ☐ **Estate planning** (Will, beneficiary, DPOA, add/remove someone from bank account) ☐
   - ☐ **Turn over bill paying to someone else** ☐
   - ☐ **Scam, Fraud, Theft (suspected)** ☐
   - ☐ Other: ____ ☐
   - ☐ Don't know or inaccurate ☐
2. Was this your idea or did someone suggest it or accompany you?
   - ☐ My idea ☐
   - ☐ Someone else suggested/drove me here ☐
   - ☐ Don't know/inaccurate ☐
3. What is the purpose of your decision?
   - ☐ Benefit self (meet a need, peace of mind) ☐
   - ☐ Benefit family **(whom?)** ☐
   - ☐ Benefit friends **(whom?)** ☐
   - ☐ Benefit organization/charity **(which?)** ☐
   - ☐ Please or satisfy someone else **(whom?)** ☐
   - ☐ Don't know/inaccurate ☐
4. What is your primary financial goal?
   - ☐ **Earn money** (or retain value of investment) ☐
   - ☐ **Reduce tax burden** ☐
   - ☐ **Reduce debt** ☐
   - ☐ **Affordability** of item(s) or service(s) ☐
   - ☐ **Share my wealth after my death** ☐
   - ☐ Allow someone else to access my money, finances or accounts (how?) ☐
   - ☐ **Gift someone or a charity** (which?) ☐
   - ☐ **Lifestyle** (no $$ goal; meet a need/desire) ☐
   - ☐ Other (describe) ____ ☐
   - ☐ Don't know/inaccurate ☐

CLIENT / WORKER

5. How will this decision impact you now and over time?
   - ☐ Improve financial position ☐
   - ☐ No impact ☐
   - ☐ Negative impact/debt ☐
   - ☐ Don't know/inaccurate ☐
6. How much risk is there to your financial well-being?
   - ☐ Low risk or none ☐
   - ☐ Moderate risk ☐
   - ☐ High risk ☐
   - ☐ Don't know/inaccurate ☐
7. How may someone else be negatively affected?
   - ☐ No one will be negatively affected ☐
   - ☐ Family members **(who and why?)** ☐
   - ☐ Someone else **(who and why?)** ☐
   - ☐ Charity **(which and why?)** ☐
   - ☐ Don't know/inaccurate ☐
8. Who benefits most from this financial decision?
   - ☐ I do ☐
   - ☐ Family ☐
   - ☐ Friend ☐
   - ☐ Caregiver ☐
   - ☐ Charity/organization ☐
   - ☐ Don't know/inaccurate ☐
9. Does this decision change previous planned gifts or bequests to family, friends, or organizations?
   - ☐ No ☐
   - ☐ Yes **(who and why?)** ☐
   - ☐ Don't know/inaccurate ☐
10. To what extent did you talk with anyone regarding this decision?
   - ☐ Not at all ☐
   - ☐ Mentioned it **(to whom?)** ☐
   - ☐ Discussed in depth **(with whom?)** ☐
   - ☐ Don't know/inaccurate ☐

Financial Decission Tracker Rating
☐ Major Concern ☐ Some Concerns ☐ No Concern
Case Outcome
☐ Move forward with decision ☐ Do NOT move forward

If unsure how to rate answers, refer back to full set of instructions on previous.

AKA – "Financial Decision Tracker"(FDT)

10-item screening questions: Foundational to the Rating Scale

https://www.OlderAdultNestEgg.com

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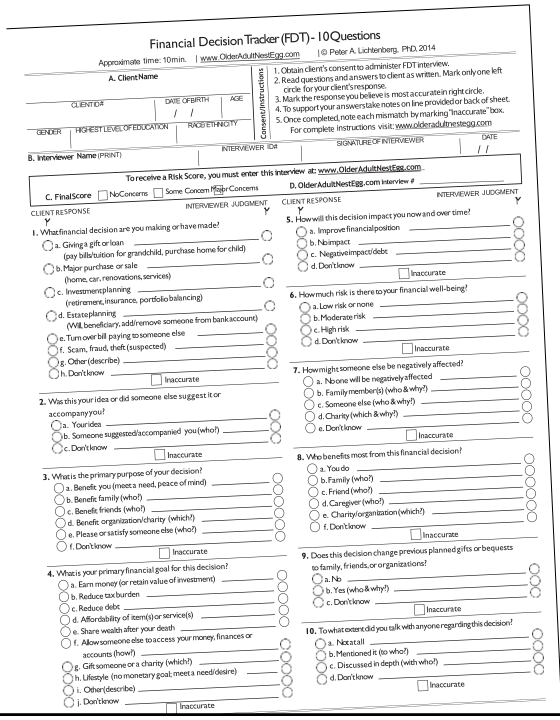

Financial Decision Tracker (FDT) - 10 Questions

Approximate time: 10min. | www.OlderAdultNestEgg.com | © Peter A. Lichtenberg, PhD, 2014

A. Client Name

CLIENT ID# | DATE OF BIRTH / / | AGE

GENDER | HIGHEST LEVEL OF EDUCATION | RACE/ETHNICITY

Consent/Instructions

1. Obtain client's consent to administer FDT interview.
2. Read questions and answers to client as written. Mark only one left circle for your client's response.
3. Mark the response you believe is most accurate in right circle.
4. To support your answers take notes on line provided or back of sheet.
5. Once completed, note each mismatch by marking "Inaccurate" box.

For complete instructions visit: www.olderadultnestegg.com

B. Interviewer Name (PRINT) | INTERVIEWER ID# | SIGNATURE OF INTERVIEWER | DATE / /

To receive a Risk Score, you must enter this interview at: www.OlderAdultNestEgg.com

C. Final Score ☐ No Concerns ☐ Some Concern ☐ Major Concerns

D. OlderAdultNestEgg.com Interview #

CLIENT RESPONSE | INTERVIEWER JUDGMENT

1. What financial decision are you making or have made?
   - a. Giving a gift or loan (pay bills/tuition for grandchild, purchase home for child)
   - b. Major purchase or sale (home, car, renovations, services)
   - c. Investment planning (retirement, insurance, portfolio balancing)
   - d. Estate planning (Will, beneficiary, add/remove someone from bank account)
   - e. Turn over bill paying to someone else
   - f. Scam, fraud, theft (suspected)
   - g. Other (describe)
   - h. Don't know
   - ☐ Inaccurate

2. Was this your idea or did someone else suggest it or accompany you?
   - a. Your idea
   - b. Someone suggested/accompanied you (who?)
   - c. Don't know
   - ☐ Inaccurate

3. What is the primary purpose of your decision?
   - a. Benefit you (meet a need, peace of mind)
   - b. Benefit family (who?)
   - c. Benefit friends (who?)
   - d. Benefit organization/charity (which?)
   - e. Please or satisfy someone else (who?)
   - f. Don't know
   - ☐ Inaccurate

4. What is your primary financial goal for this decision?
   - a. Earn money (or retain value of investment)
   - b. Reduce tax burden
   - c. Reduce debt
   - d. Affordability of item(s) or service(s)
   - e. Share wealth after your death
   - f. Allow someone else to access your money, finances or accounts (how?)
   - g. Gift someone or a charity (which?)
   - h. Lifestyle (no monetary goal; meet a need/desire)
   - i. Other (describe)
   - j. Don't know
   - ☐ Inaccurate

CLIENT RESPONSE | INTERVIEWER JUDGMENT

5. How will this decision impact you now and over time?
   - a. Improve financial position
   - b. No impact
   - c. Negative impact/debt
   - d. Don't know
   - ☐ Inaccurate

6. How much risk is there to your financial well-being?
   - a. Low risk or none
   - b. Moderate risk
   - c. High risk
   - d. Don't know
   - ☐ Inaccurate

7. How might someone else be negatively affected?
   - a. No one will be negatively affected
   - b. Family member(s) (who & why?)
   - c. Someone else (who & why?)
   - d. Charity (which & why?)
   - e. Don't know
   - ☐ Inaccurate

8. Who benefits most from this financial decision?
   - a. You do
   - b. Family (who?)
   - c. Friend (who?)
   - d. Caregiver (who?)
   - e. Charity/organization (which?)
   - f. Don't know
   - ☐ Inaccurate

9. Does this decision change previous planned gifts or bequests to family, friends, or organizations?
   - a. No
   - b. Yes (who & why?)
   - c. Don't know
   - ☐ Inaccurate

10. To what extent did you talk with anyone regarding this decision?
    - a. Not at all
    - b. Mentioned it (to who?)
    - c. Discussed in depth (with who?)
    - d. Don't know
    - ☐ Inaccurate

FDT contains 10 items

- Must be tied to actual decision or related set of decisions
  - Is a Rating Scale
  - Get trained on https://olderadultnestegg.com
- An overall risk score is assigned

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Financial Decision Tracker (FDT)

10 items: Administered in an interview format

Multiple choice

Focuses on the 4 intellectual factors and potential for undue influence

Professional does the rating on each item and does not just record older adult's responses

Overall judgment score based in part on don't know or inaccurate responses

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10 Questions from LFDSS

1. ***What is the financial decision you are making? Choice***
2. Was this your idea or did someone suggest it or accompany you? **Autonomy**
3. What is the purpose of your decision? **Rationale**
4. What is the primary financial goal? **Understanding**
5. How will this decision impact you now and over time? **Understanding**
6. How much risk is involved? **Appreciation**
7. How may someone else be negatively affected? **Appreciation**
8. Who benefits most from this financial decision? **Understanding**
9. Does this decision change previous planned gifts or bequests to family, friends, or organizations? **Appreciation**
10. To what extent did you talk with anyone regarding this decision? **Autonomy**

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LFDSS Questions 1-3

1. What financial decision are you making or have made?
- ◯ **a.** Giving a gift or loan (pay bills/tuition for grandchild, purchase home for child)
- ◯ **b.** Major purchase or sale (home, car, renovations, services)
- ◯ **c.** Investment planning (retirement, insurance, portfolio balancing)
- ◯ **d.** Estate planning (Will, beneficiary, add/remove someone from bank account)
- ◯ **e.** Turn over bill paying to someone else
- ◯ **f.** Scam, fraud, theft (suspected)
- ◯ **g.** Other (describe) ____________
- ◯ **h.** Don't know

2. Was this your idea or did someone else suggest it or accompany you?
- ◯ **a.** Your idea
- ◯ **b.** Someone suggested/accompanied you (who?) ____________
- ◯ **c.** Don't know

3. What is the primary purpose of your decision for your?
- ◯ **a.** Benefit you (meet a need, peace of mind)
- ◯ **b.** Benefit family (who?) ____________
- ◯ **c.** Benefit friends (who?) ____________
- ◯ **d.** Benefit organization/charity (which?) ____________
- ◯ **e.** Please or satisfy someone else (who?) ____________
- ◯ **f.** Don't know

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LFDSS Questions 4-6

4. What is your primary financial goal for this decision?
- ◯ **a.** Earn money (or retain value of investment)
- ◯ **b.** Reduce tax burden
- ◯ **c.** Reduce debt
- ◯ **d.** Affordability of item(s) or service(s)
- ◯ **e.** Share wealth after your death
- ◯ **f.** Allow someone else to access your money, finances or accounts (how?) ____________
- ◯ **g.** Gift someone or a charity (which?) ____________
- ◯ **h.** Lifestyle (no monetary goal; meet a need/desire)
- ◯ **i.** Other (describe) ____________
- ◯ **j.** Don't know

5. How will this decision impact you now and over time?
- ◯ **a.** Improve financial position
- ◯ **b.** No impact
- ◯ **c.** Negative impact/debt
- ◯ **d.** Don't know

6. How much risk is there to your financial well-being?
- ◯ **a.** Low risk or none
- ◯ **b.** Moderate risk
- ◯ **c.** High risk
- ◯ **d.** Don't know

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LFDSS Questions 7-10

7. How might someone else be negatively affected?
- ◯ **a.** No one will be negatively affected
- ◯ **b.** Family member(s) (who & why?) ____________
- ◯ **c.** Someone else (who & why?) ____________
- ◯ **d.** Charity (which & why?) ____________
- ◯ **e.** Don't know

8. Who benefits most from this financial decision?
- ◯ **a.** You do
- ◯ **b.** Family (who?) ____________
- ◯ **c.** Friend (who?) ____________
- ◯ **d.** Caregiver (who?) ____________
- ◯ **e.** Charity/organization (which?) ____________
- ◯ **f.** Don't know

9. Does this decision change previous planned gifts or bequests to family, friends, or organizations?
- ◯ **a.** No
- ◯ **b.** Yes (who & why?) ____________
- ◯ **c.** Don't know

10. To what extent did you talk with anyone regarding this decision?
- ◯ **a.** Not at all
- ◯ **b.** Mentioned it (to who?) ____________
- ◯ **c.** Discussed in depth (with who?) ____________
- ◯ **d.** Don't know

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Scam Case from APS FDT 1-2

Q1

- **What financial decision are you making or have made?**
  Other (describe) - No money to lend or loan
- Do you agree with the respondent's answer
  No
- Please select what you feel the correct response to be
  Scam, fraud, theft (suspected)
- Please provide input on why you do not agree
  Client is in arrears $ 24 000 at care facility for non-payment of rent. Involved in an online relationship with a famous music artist who, despite being wealthy, cannot access his funds due to a divorce and requires medical care. Client has transferred $54 000 out of her accounts to this individual and others. Client is unable to meet her own financial obligations.

Q2

- **Was this your idea or did someone else suggest it or accompany you?**
  Your idea
- Do you agree with the respondent's answer
  No
- Please select what you feel the correct response to be
  Someone suggested/accompanied you (who?)
- Please provide input on why you do not agree
  Client was contacted by users on Facebook who requested funds via Apple Cards (client report), possible money transfers and purchase of bitcoin (as per AHS Social Worker). Client acknowledges this is her decision to use her money in this way.

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Scam Case FDT 3-4

Q3

- **What is the primary purpose of this decision?**
Benefit you (meet a need, peace of mind)
- Do you agree with the respondent's answer
No
- Please select what you feel the correct response to be
Please or satisfy someone else (who?)
- Please provide input on why you do not agree
Client expressed she likes the feeling of helping someone and that maybe she was not the same before her surgery. She is grateful to have a charitable outlook. She is unable to recognize that someone else is benefiting financially believing they are using the funds because their own money is unavailable to them and they will reimburse her.

Q4

- **What is your primary financial goal for this decision?**
Other (describe) - Help someone with their medical expenses.
- Do you agree with the respondent's answer
Yes
- *Notes: I believe client wholeheartedly believes she is helping someone in need. She does not recognize this as fraud.*

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Scam Case FDT 5-6

Q5

- **How will this decision impact you now and over time?**
Negative impact/debt
- Do you agree with the respondent's answer
Yes
- *Notes: Client did state initially that she will not get the funds back. Her family thinks the money was spent foolishly. Currently, she is facing eviction from her care facility.*

Q6

- **How much risk is there to your financial well-being**?
Moderate risk
- Do you agree with the respondent's answer
No
- Please select what you feel the correct response to be
High risk
- Please provide input on why you do not agree
Client acknowledged that she is going to be taken to court by the facility for non-payment of rent. That she might go to jail if she does not pay the funds back; added well probably not jail.

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Scam Case FDT 7-8

Q7

- **How might someone else be negatively affected?**
  No one will be negatively affected
- Do you agree with the respondent's answer
  No
- Please select what you feel the correct response to be
  Family member(s) (who & why?)
- Please provide input on why you do not agree
  This has resulted in strained relationships with siblings and children. Client believes she is in a romantic relationship and that this man will come to pay her bills and take her to the US with him once his divorce is finalized and he has access to his funds again.

Q8

- **Who benefits most from this financial decision?**
  Don't know or inaccurate response
- Do you agree with the respondent's answer
  No
- Please select what you feel the correct response to be
  Family (who?)
- Please provide input on why you do not agree
  The men who have befriended her on facebook are benefiting financially.

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Scam Case FDT 9-10

Q9

- **Does this decision change previous planned gifts or bequests to family, friends, or organizations?**
  No
- Do you agree with the respondent's answer
  Yes

Q10b

- **Who did you discuss this with? Mark all that apply:**
  Family member
- Do you agree with the respondent's answer
  Yes

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OLDER ADULT NEST EGG DECISIONAL ABILITY SCORE:

Major Concerns

Based on interview, we recommend the decisional ability grade of major concerns for your client's financial decisional abilities to make this decision/transaction.

Risk Rating: Major Concerns FDT=11

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Your client scored in the high- risk range. The Tracker identified major concerns about your client's ability to make this financial decision.

The decision or transaction should be postponed if possible.

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Special Issue: Implementation Science in Gerontology: Research Article

Implementing a Financial Decision-Making Scale in APS Financial Exploitation Investigations: Use of the PARIHS Conceptual Framework

Peter A. Lichtenberg, PhD, ABPP,[1,2,*] Joshua Mandarino, MA,[3] Lisa Fisher, MSW,[3] Maggie Tocco, LCSW, MSW,[1] Juno Moray, MA,[1] and Marie Shipp, MA[3]

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Interviewer Agreement with Risk Score for Overall Sample (N=839)

Table 2. Interviewer Agreement With Risk Score for Overall Sample ($N = 839$)

	Interviewer agreed with FDT risk rating	Interviewer disagreed with FDT risk rating	Interviewer reduced risk rating compared with FDT risk recommendation	Interviewer increased risk rating compared with FDT risk recommendation
	n	*n*	*n*	*n*
Cases	773 (92.13%)	66 (7.87%)	31 (3.69%)	35 (4.17%)

Note: FDT = Financial Decision Tracker.

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Tool #4 Assessment of Financial Exploitation Risk

- Financial Exploitation Vulnerability Scale (FEVS) aka Financial Vulnerability Survey on https://olderadultnestegg.com

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Research Article

Context Matters: Financial, Psychological, and Relationship Insecurity Around Personal Finance Is Associated With Financial Exploitation

Peter A. Lichtenberg, PhD, ABPP,[1,*] Rebecca Campbell, BA,[2] LaToya Hall, MSW,[1] and Evan Z. Gross, MA[2]

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Context Matters

- Moving towards prevention and assessing impact of FE—The Financial Vulnerability Survey
- Financial, psychological and relationship strain and insecurity differentiated FE (n=78) from non FE (n=168) group
- 17 items with Chronbach alpha .82, AUC .80 provided initial construct validity for a new self-report survey: Financial Exploitation Vulnerability Scale (FEVS)

On OlderAdultNestEgg.com
FEVS is referred to as the Financial Vulnerability Survey

https://www.OlderAdultNestEgg.com

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Instructions: Circle one answer per question

1) How worried are you about having enough money to pay for things?

a. Not at all worried (0) **b.** Somewhat worried (1) **c.** Very Worried (2)

2) Overall, how satisfied are you with your finances?

a. Satisfied (0) **b.** Neither satisfied nor dissatisfied (1) **c.** Dissatisfied (2)

3) Who manages your money day-to-day?

a. I do, without any help(0) **b.** I get help from someone (1)

c. Someone else manages all my money (2)

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4) How satisfied are you with this money management?

a. Satisfied (0) **b.** Neither satisfied nor dissatisfied (1) **c.** Dissatisfied (2)

5) How confident are you in making big financial decisions?

a. Confident (0) **b.** Unsure (1) **c.** Not Confident (2)

6) How often do you worry about financial decisions you've recently made?

a. Never or rarely (0) **b.** Sometimes (1) **c.** Often (2)

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7) Have you noticed any money taken from your bank account without your permission?

a. No (0) **b.** Yes (1)

8) How often do your monthly expenses exceed your regular monthly income?

a. Never or rarely (0) **b.** Sometimes (1) **c.** Often (2)

9) How often do you talk with or visit others on a regular basis?

a. Daily or weekly (0) **b.** Monthly (1) **c.** Less than monthly (2)

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10) How often do you wish you had someone to talk to about financial decisions, transactions, or plans?

a. Never or rarely (0) **b.** Sometimes (1) **c.** Often (2)

11) How often do you feel anxious about your financial decisions and/or transactions?

a. Never or rarely (0) **b.** Sometimes (1) **c.** Often (2)

12) Do you have a confidante with whom you can discuss anything, including your financial situations and decisions?

a. Yes (0) **b.** No (1)

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13) How often do you feel downhearted or blue about your financial situation or decisions?

a. Never or rarely (0) **b.** Sometimes (1) **c.** Often (2)

14) Are your memory, thinking skills, or ability to reason with regard to financial decisions or financial transactions worse than a year ago?

a. No (0) **b.** Yes (1)

15) Has a relationship with a family member or friend become strained due to finances as you have gotten older?

a. No (0) **b.** Yes (1)

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OlderAdultNestEgg.com | Financial Vulnerability Survey

16) Did anyone ever tell you that someone else wants to take your money?

a. No (0) **b.** Yes (1)

17) How likely is it that anyone now wants to take or use your money without your permission?

a. Unlikely (0) **b.** Somewhat likely (1) **c.** Very likely (2)

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THE WALLET STUDY

Person Centered Financial Management Study: Wealth Accumulations and Losses in Early cognitive Transitions

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Looking for Volunteers to Participate in the WALLET Study

If interested, contact **Vanessa Rorai** at 313-664-2604 or vrorai@wayne.edu

Because the links between early memory loss and a decline in wealth are on the rise, the WSU Institute of Gerontology is seeking to interview older adults aged 60+. The interview will examine financial decision making, financial management, and completion of cognitive tests and other measures.

- **A review of financial records from a primary checking account will be included**
- **Participants will receive $100 compensation for completing the study**
- **All financial records are de-identified and confidential**
- **Interviews will take place over the telephone**

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WAYNE STATE UNIVERSITY

PI, Peter Lichtenberg
Director
Institute of Gerontology, WSU

The **WALLET** Study:

Wealth Accumulations and Losses in Later life Early cognitive Transitions

Funded by RRF and the National Institute on Aging

RRF Foundation for Aging

NIH National Institute on Aging

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OXFORD

Latest Discovery

The WALLET Study: Examining Early Memory Loss and Personal Finance

Peter A. Lichtenberg, PhD, ABPP,[1,*] Wassim Tarraf, PhD,[1,2] Vanessa O. Rorai, MSW,[1] Matthew Roling, MBA,[3] Juno Moray, MA,[1] Evan Z. Gross, PhD,[4] and Patricia A. Boyle, PhD[5]

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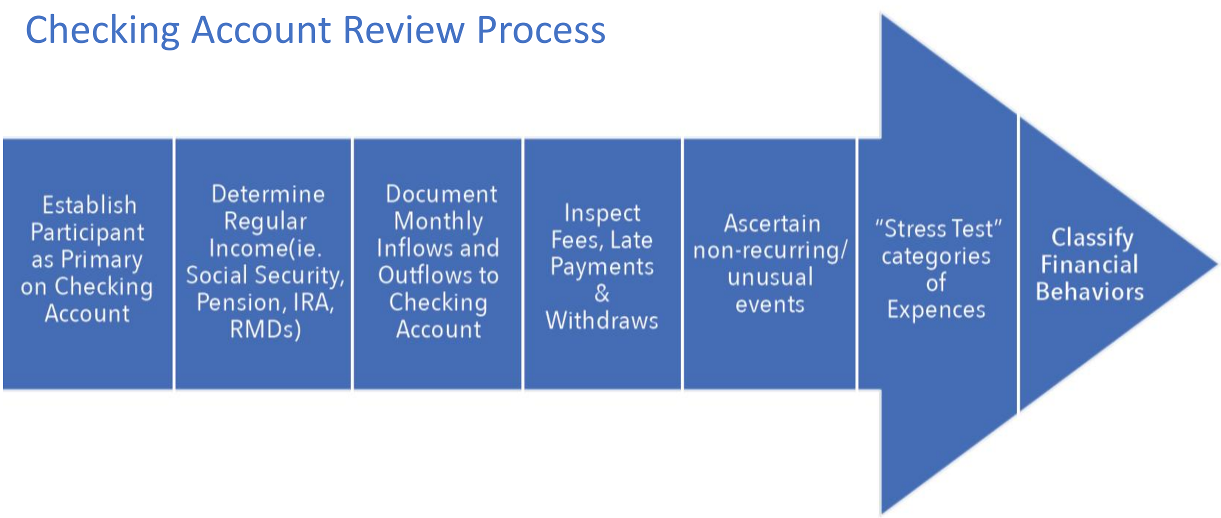
WALLET: Checking Account Review Process



iog.wayne.edu/walletstudy | OlderAdultNestEgg.com

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FINANCIAL VULNERABILITY INDEX

- Helping others financially on regular basis
- Overdraws to checking account
- Spending 2 tx+ amount on single category than norm
- Experience of losing money to financial exploitation past year

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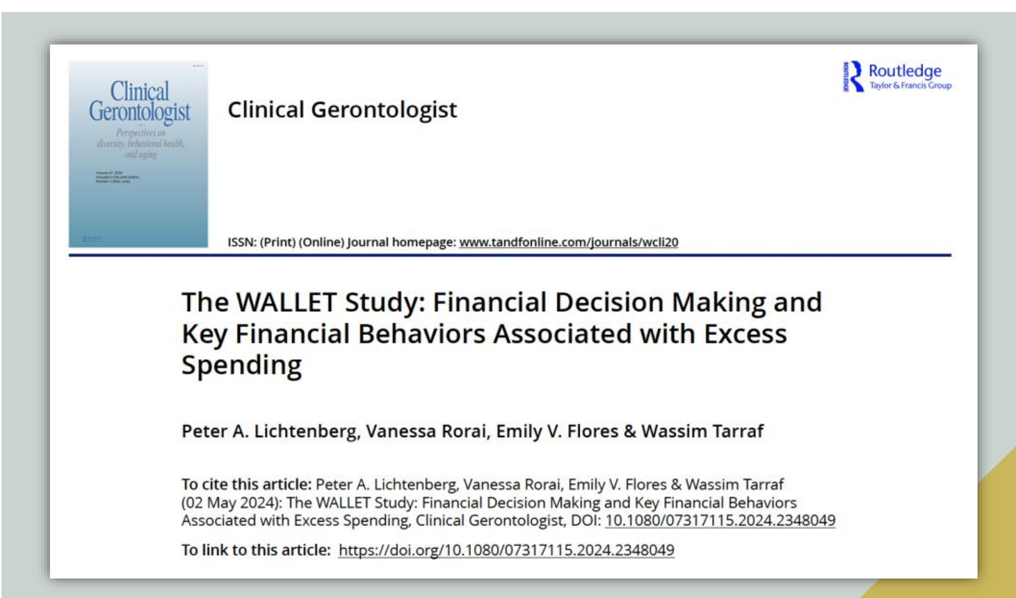

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The WALLET Study: Financial Decision Making and Key Financial Behaviors Associated with Excess Spending

Peter A. Lichtenberg, Vanessa Rorai, Emily V. Flores & Wassim Tarraf

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What did the study find?

- Older people with early memory loss had:
- TWICE AS MUCH EXCESS SPENDING
- WORSE SCORES ON INFORMED DECISION-MAKING
- POORER ADVANCED ACTIVITIES OF DAILY LIVING
- WORSE SCORES ON A LEARNING AND MEMORY TEST

- N=150

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Table 3. Sample characteristics by cognitive status

	Cognitive Normal	PCI/MCI	Total	p-value
	% (n)/Mean (SD)			
Excess Spending	**10.8 (23.9)**	**19.4 (24.1)**	15.5 (24.3)	0.0306
Age	72.0 (7.5)	73.5 (8)	72.9 (7.8)	0.2454
Sex				
Male	19.4 (13)	19.3 (16)	19.33 (29)	0.985
Female	80.6 (54)	80.7 (67)	80.67 (121)	
Race				
White	31.3 (21)	38.6 (32)	35.33 (53)	0.358
Black	68.7 (46)	61.4 (51)	64.67 (97)	
Education	15.7 (2.2)	15.5 (2.4)	15.6 (2.3)	0.6293
Income	43737 (25643)	45385 (31294)	44649 (28825)	0.729
IADLs	**36.2 (3.0)**	**34.2 (4.5)**	**35.1 (4)**	**0.0023**
RAVLT	**49.4 (9.7)**	**41.3 (9.2)**	**45 (10.2)**	**<0.001**
Numeracy	2.6 (1.4)	2.4 (1.3)	2.5 (1.4)	0.3101
Financial Literacy	2.3 (0.8)	2.0 (0.9)	2.1 (0.9)	0.1266
LFDRS	**10.0 (5.7)**	**15 (9.3)**	**12.7 (8.2)**	**<0.001**
FVI				
1 Events	39.4 (26)	47.0 (39)	43.6 (65)	0.133
2 Event	22.7 (15)	30.1 (25)	26.8 (40)	
2+ Events	37.9 (25)	22.9 (19)	29.5 (44)	

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RESEARCH ARTICLE

Behavior & Socioeconomics of Aging

The association between early memory loss, financial exploitation, and financial exploitation vulnerability

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Abstract

INTRODUCTION: Older adults lose billions of dollars to financial exploitation (FE) annually. It has been described as a "burgeoning public health crisis" and "virtual epidemic." This study evaluated a conceptual framework investigating early memory loss and personal financial behaviors and their association with financial exploitation and financial exploitation vulnerability.

METHODS: The study used a cross-sectional design and included 150 participants, with *t*-tests and chi-squared tests being used in bivariate analysis and logistic and multiple regressions being used in multivariate analysis.

RESULTS: Early memory loss was related to financial exploitation and financial exploitation vulnerability in univariate analysis. However, early memory loss was only related to financial exploitation vulnerability in multivariate analysis. Personal financial behaviors also showed significant associations with financial exploitation and financial exploitation vulnerability in multivariate analysis.

DISCUSSION: Results support the proposed framework that early memory loss and personal financial behaviors share a relationship with financial exploitation and financial exploitation vulnerability.

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Study Findings

- Financially exploited group (n=34) compared to non-exploited group (n=116) had:
- Poorer memory functioning
- Lower income
- Higher risk financial behaviors
- Higher scores on the FEVS

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TABLE 1 Demographics, social support, independence, stress, and FEVS ($N = 150$).

	FE ($n = 34$)	No FE ($n = 116$)	Overall sample ($n = 150$)	t or χ^2	Effect size
Gender				3.114	
Male	3	26	29 (19.3%)		
Female	31	90	121 (80.7%)		
Race				1.511	–
African American	25	72	97 (64.7%)		
White (non-Hispanic)	9	44	53 (35.3%)		
Cognition status				7.948**	$\Phi = 0.23$
PCI/MCI	26	57	83 (55.3%)		
Cognitively normal	8	59	67 (44.7%)		
Age, M (SD)	73.09 (8.55)	72.81 (7.64)	72.87 (7.83)	−0.181	–
Education, M (SD)	15.74 (1.91)	15.56 (2.41)	15.60 (2.30)	−0.388	–
Income, M (SD)	35,770 (22,469.47)	47,252 (30,025.44)	44,649 (28,825.16)	2.065*	$d = 0.40$
STS	12.47 (4.11)	11.67 (3.99)	11.85 (4.02)	1.003	–
Personal financial behaviors	1.55 (0.85)	.97 (0.87)	2.23 (0.74)	−3.286**	$d = 0.86$
No. credit cards	3.42 (3.56)	3.46 (3.17)		.057	–
FEVS	8.71 (5.84)	4.14 (3.77)	5.17 (4.72)	−5.419**	$d = -1.06$

Note: *$p < .05$, **$p < .01$.

Abbreviations: FE, financial exploitation; FEVS, Financial Exploitation Vulnerability Scale; IADL, Instrumental Activity of Daily Living; MCI, mild cognitive impairment; PCI, perceived cognitive impairment; STS, susceptibility to scams.

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The Domains of Financial Capacity: Financial Management, Financial Decision Making and Avoiding Financial Exploitation

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A Pilot Intervention to Prevent Financial Exploitation

Peter A. Lichtenberg & Latoya Hall

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Program Intake Assessment
Demographic Information
Financial Exploitation Vulnerability Survey (FEVS)
Financial Literacy Scale
Financial Hassles
Susceptibility to Scams (STS)
The Telephone Interview for Cognitive Status-Modified (TICS-M)
Instrumental Activities of Daily Living (IADL)
The Geriatric Anxiety Inventory (GAI)
The 20-item UCLA Loneliness Scale
(N=52)

→ Participants dropping out after Intake (N = 7)

↓

Session I
Review and Discuss FEVS
Review and Discuss Financial Literacy Questionnaire
Discuss the dynamics and Participants Understanding of FE
Determine Financial Literacy Topics to Discuss in Session 2

↓

Session II
Choosing a Financial Advocate
Organizing Finances
Review of Selected Financial Literacy Topic

↓

Session III
Three to Four Weeks after Session II
Follow up on Choosing a Financial Advocate and Organizing Finances
Referral to SAFE Advocacy Program if Necessary
Follow up Evaluation

Figure 1. Financial exploitation prevention program participation.

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Results from first 45 participants

3 sessions focused on 5 elements

Participants learned:

- Their financial vulnerability areas
- Their knowledge of financial literacy
- How to understand scam techniques (PRESSURE)
- How to choose a trusted advocate
- How to create a financial inventory

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Resist PRESSURE . . . Stop the Scam!

Beware the Red Flags

Visit OlderAdultNestEgg.com for resources about financial decision-making and exploitation in older adults. Snap the QR code to take a free online Financial Vulnerability Survey and learn your risk of being exploited.

Phone or other unsolicited contact by mail, email or text to start the scam.

Requesting money by gift card or wire transfer.

Extracting personal information, such as your SSN or bank account number to "verify" your identity.

Secrecy: Insisting you tell no one about your contact with them.

Spamming: Multiple emails or texts until one works.

Urgency: Insisting you act quickly before you get suspicious

Repetitive requests to provide money or information.

Emotional: Scammers make you panic ("Your grandson is in jail!") or get excited ("You won the grand prize!") so you act without thinking.

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Participant Outcomes

At the end of the program participants had:

- Significantly lower financial vulnerability
- Significant lower anxiety and financial hassles
- Significantly lower loneliness
- Increased financial literacy

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Gerontology Colleagues

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