

Aging, Financial Management and Financial Vulnerability

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OlderAdultNestEgg.com



Institute of Gerontology

Overview for today's webinar

- Introduce cognitive aging concepts and how they affect finances
- Discuss what dementia is and why it is difficult to detect early
- Discuss our WALLET study and what we are learning
- Introduce concept of financial vulnerability
- Describe our research findings on financial vulnerability
- Introduce our website <https://olderadultnestegg.com> for caregivers and older adults



NOVEMBER 2016, NUMBER 16-17

CENTER *for*
RETIREMENT
RESEARCH
at BOSTON COLLEGE

COGNITIVE AGING: A PRIMER

By ANEK BELBASE AND GEOFFREY T. SANZENBACHER*



INSTITUTE OF GERONTOLOGY

Figure 1: Components of Cognitive Ability

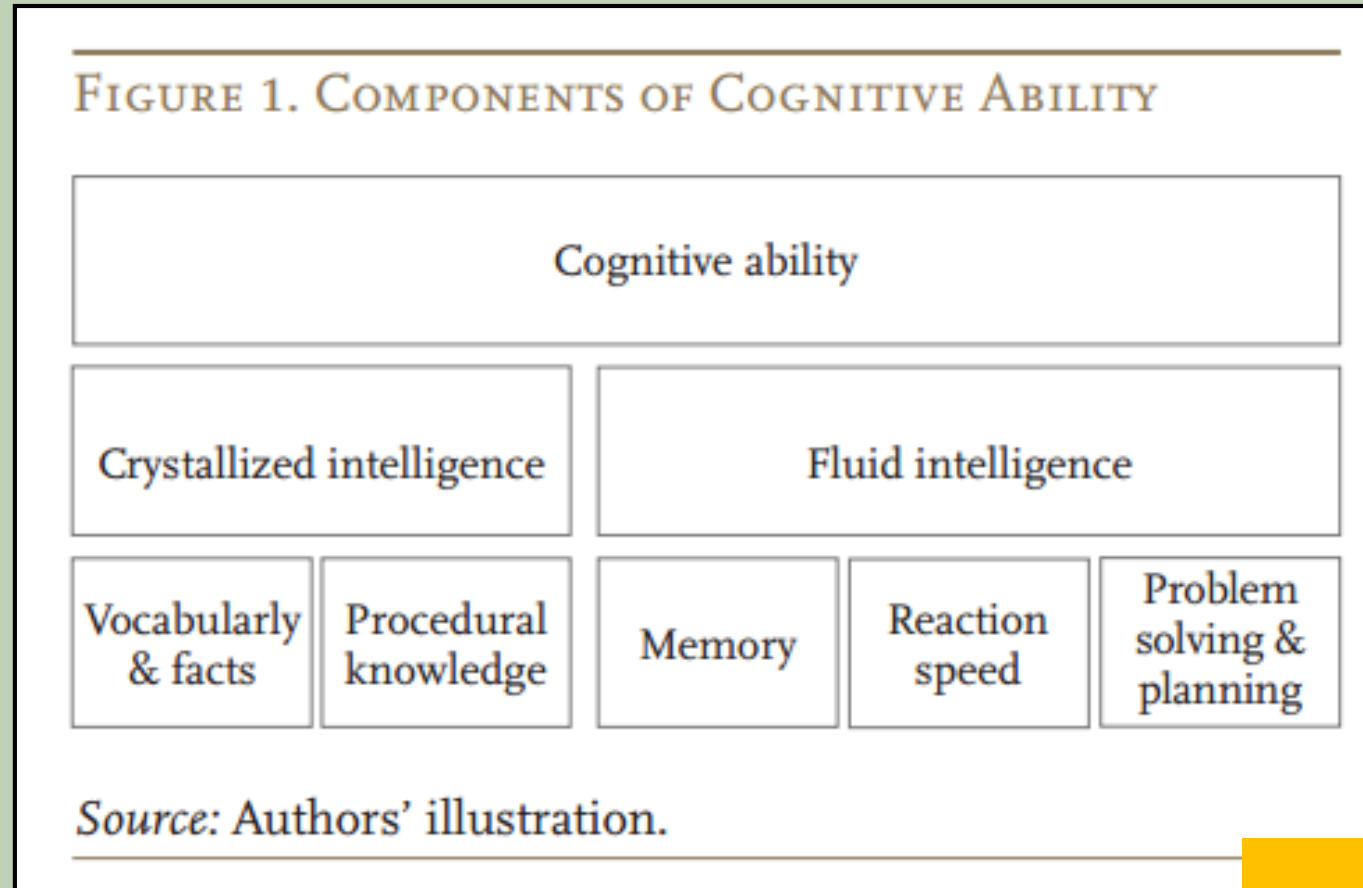
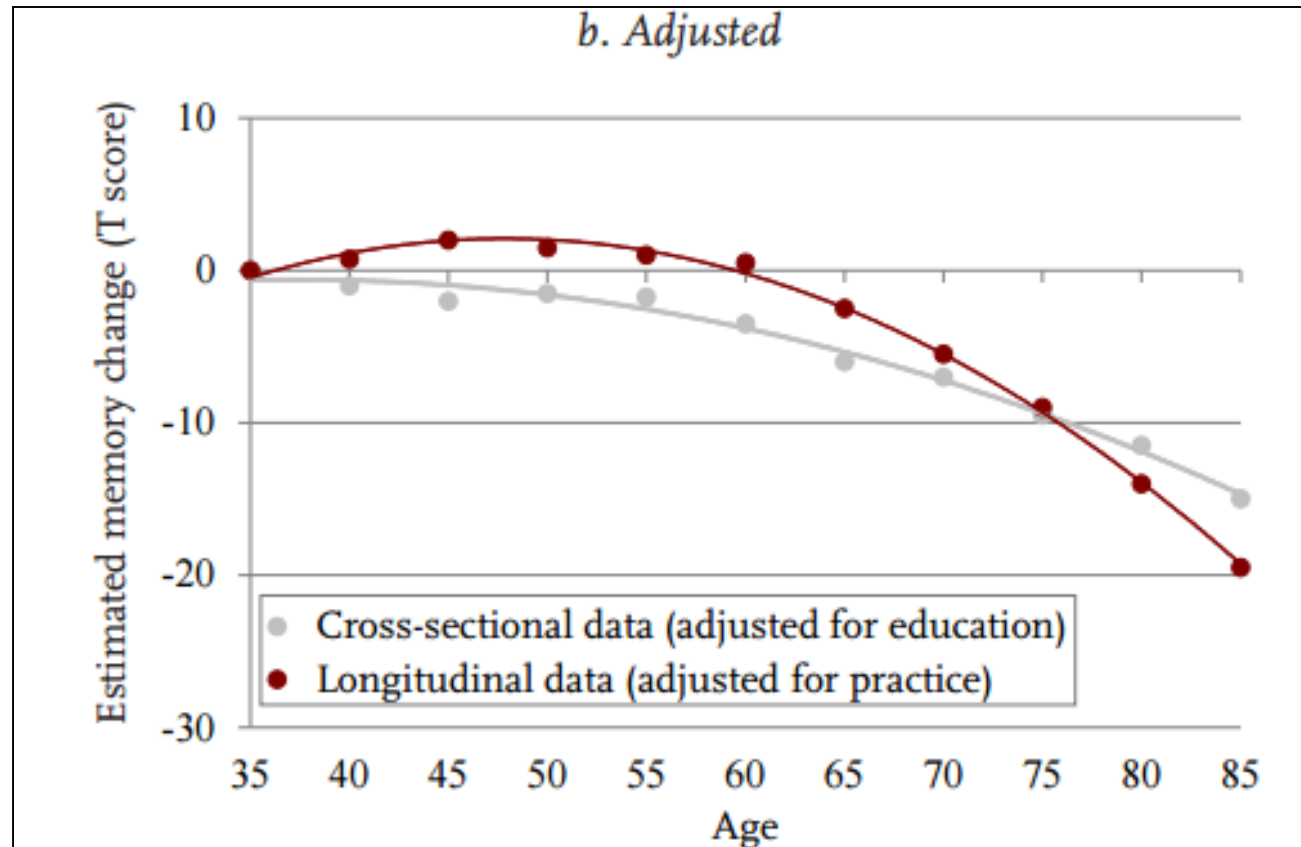


Figure 2b:
Age-Related Changes in Episodic Memory–
Adjusted



Source: Adapted from Nyberg et al. (2012).

Figure 4: Cognitive Scores Over 7-Year Period for Individuals Initially Ages 70-79

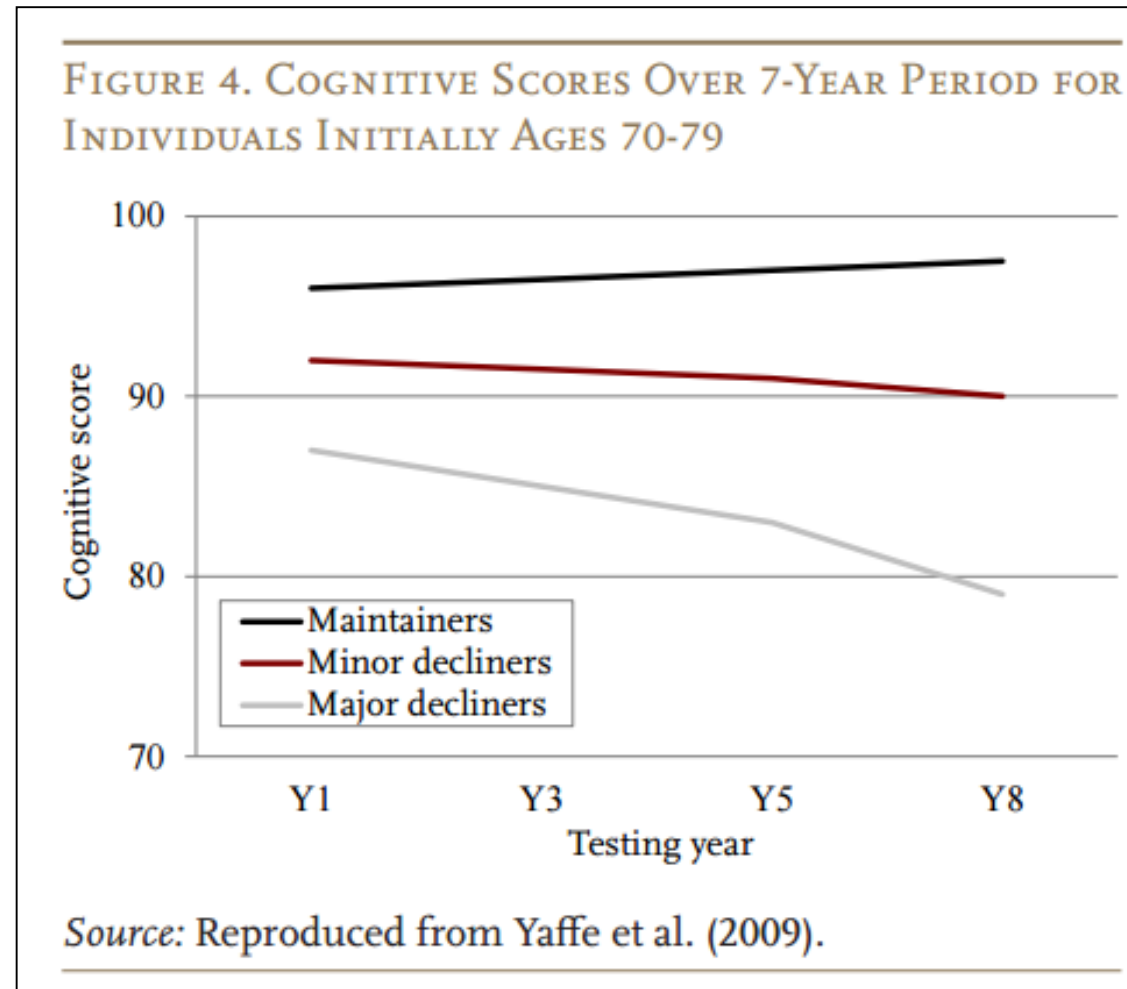
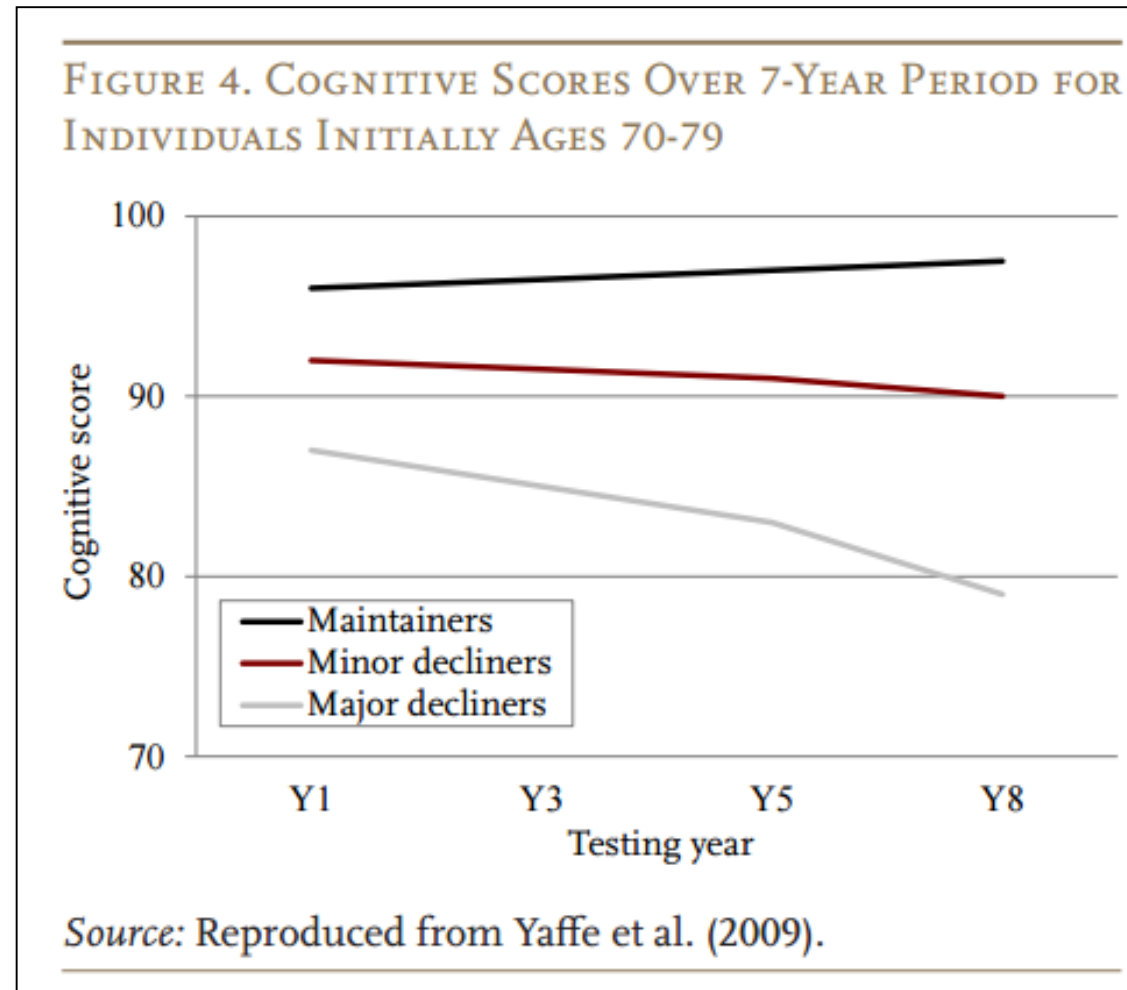


Figure 4: Cognitive Scores Over 7-Year Period for Individuals Initially Ages 70-79





JANUARY 2017, NUMBER 17-1

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at BOSTON COLLEGE

COGNITIVE AGING AND THE CAPACITY TO MANAGE MONEY

BY ANEK BELBASE AND GEOFFREY T. SANZENBACHER*

Vol. 17, No.1, pp. 1-6



INSTITUTE OF GERONTOLOGY

Cognitively healthy older adults and those with cognitive decline

- Given cognitive aging why do 95% of older adults manage debt, pay bills and maintain good credit just as well as 50 year olds?

Ans: Crystallized Intelligence (for those who have been managing finances for years).

For those taking over finances—it becomes a fluid intelligence task and not as solid in managing finances.

Now the scary part of the financial story

- Angrisani & Lee, 2019
- Health and Retirement study—longitudinal data
- Decrements in wealth linked to cognitive decline such that 10-15% decline equated to 15-18% wealth loss in 2 year period.
- 61% of sample with decrements had cognitive decline but remained untreated/diagnosed

Syndrome of Dementia

Cognitive or Neuropsychiatric Symptoms that:

1. Interfere with ability to function in usual activities
2. Represent a decline from previous functioning
3. Not due to delirium or major psychiatric disorder
4. Cognitive impairment detected through history and objective assessment
5. At least problems in 2 domains (memory, reasoning, visuospatial, language, personality change)

Criteria for Probable AD

1. Meet criteria for dementia
2. **Insidious onset**
3. **Clear-cut history of worsening cognition**
4. Variety of presentations; amnestic most common, language (word finding), executive dysfunction

Wealth accumulation and losses in early cognitive transitions (WALLET STUDY)

The Institute of Gerontology is also looking for volunteers to help with research . . . The link between early memory loss and a decline in wealth is on the rise. To help understand that, we seek to interview older adults aged 60+ who have received a diagnosis of Mild Cognitive Impairment or believe their memory is declining. No in-person contact required. The phone interview examines financial decision-making and financial management and asks you to complete cognitive tests and other measures. A review of financial records from a primary checking account and credit card account is included.

The interview takes about two hours and will be scheduled at your convenience. You will be compensated for your time. interested, contact Vanessa Rorai, MSW at 313-664-2604 or vrorai@wayne.edu

What we are learning

- Older adults who perceive their memory to be declining are:
 - ❖ Less likely to keep account of their spending
 - ❖ More likely to be over paying for certain items
 - ❖ More likely to be financially exploited
 - ❖ More likely to be spending more annually than their income
 - ❖ Less likely to know how to adjust their budget

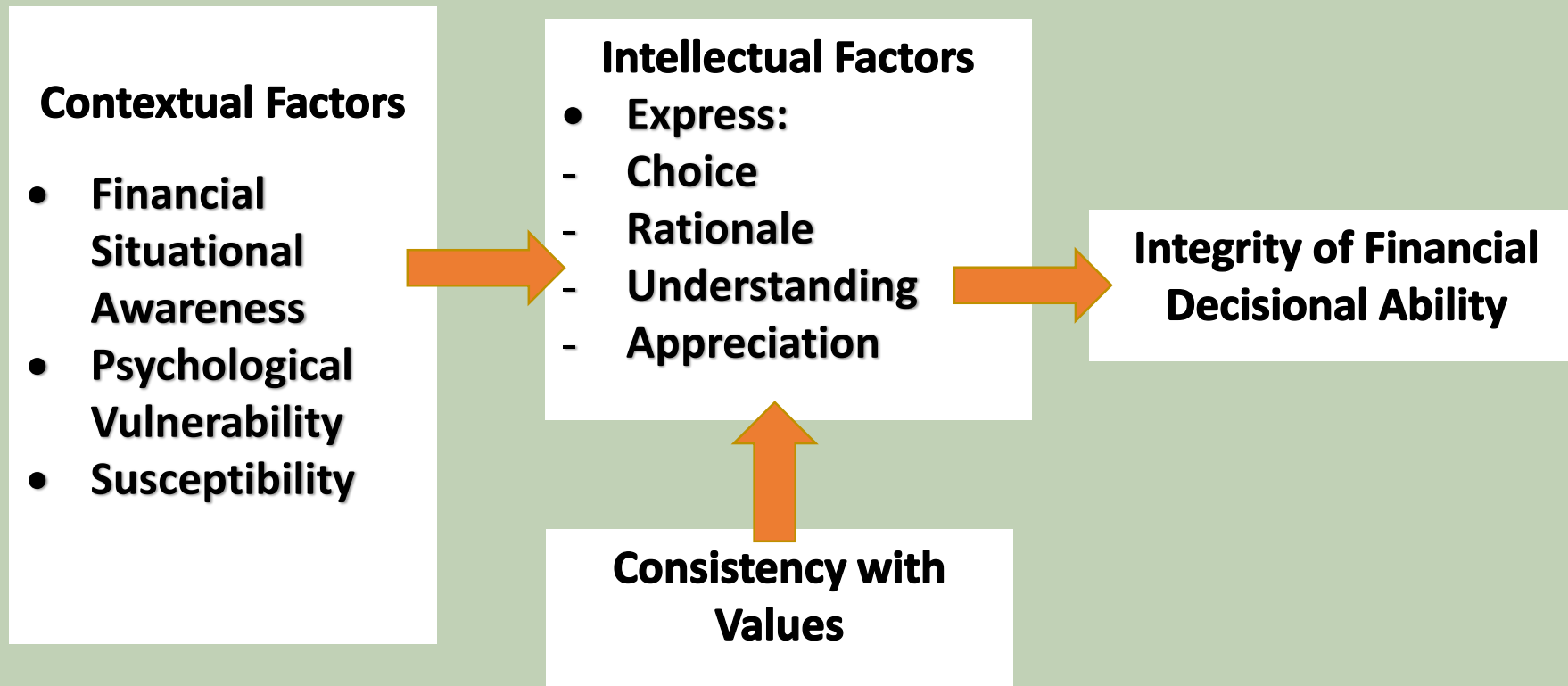
Measuring Financial Decision Making

- Created new ways to understand and measure this
- Financial decision making is connected to wealth management and financial exploitation

Ground Breaking Work of Appelbaum and Grisso 1988

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

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



What Does Financial Vulnerability Look Like?

Perceived Financial Vulnerability

New National Data

Health and Retirement Study 2020 release

- 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%

Financial Decision Making Review

The legal/logical aspects—choice, understanding, rationale, appreciation

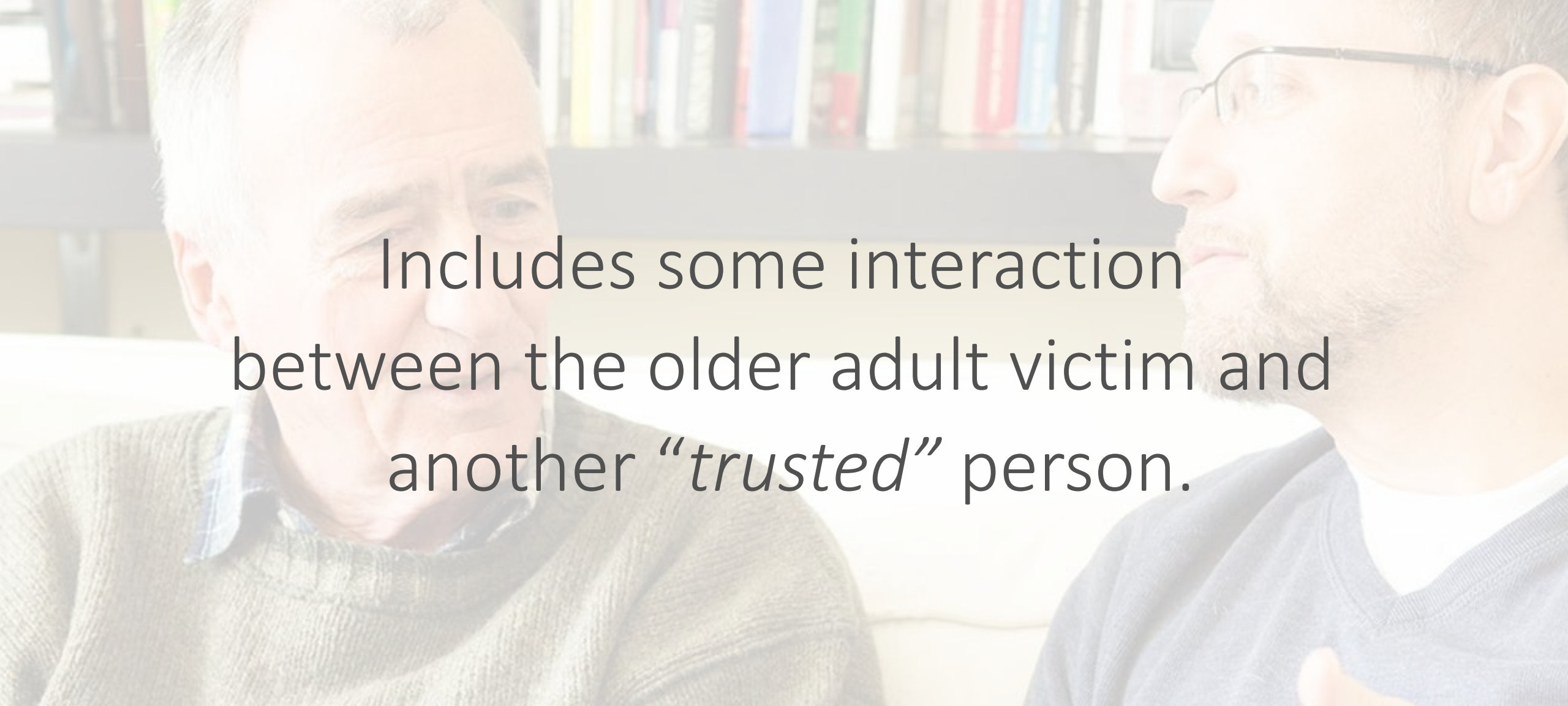
The context of one's situation—financial and relationship strain, psychological vulnerability about finances and financial decisions

Defining Financial Exploitation

Misappropriation or misuse
of the funds of an older and/or
vulnerable adult

Includes fraud, family or friend exploitation,
exploitation by staff or professionals

<https://www.olderadultnestegg.com>

A photograph of two men sitting on a couch and talking. The man on the left is older, with grey hair, wearing a green sweater over a blue collared shirt. The man on the right is younger, with a beard and glasses, wearing a blue sweater. They are in a room with a bookshelf in the background. The text is overlaid on the image.

Includes some interaction
between the older adult victim and
another “*trusted*” person.

Financial Exploitation

Financial Exploitation: What Is It?

Six Domains*

*Conrad et al. (2010)

Theft & Scams

Has anyone misused your ATM or credit card?

Abuse of Trust

Has someone convinced you to turn the title of your home over to them?

Financial Entitlement

Has anyone felt entitled to use your money for themselves?

Coercion

Did anyone put pressure on you to get a reverse mortgage?

Signs of Possible Financial Exploitation

Has anyone been frequently asking you for money?

Money Management Difficulties

Consumer Finance Protection Bureau (CFPB) Suspicious Activity Reports (SARs) 2019

- Reports from Financial Institutions: Deposit Institutions (Banks, Credit Unions) and Money Services Businesses (e.g. Moneygram, Western Union)
- SAR reports quadrupled between 2013 (1300/month) and 2017 (5700/month)
- 2017 losses connected to SARs \$1.7 Billion in 2017
- 80% SARs loss to an older adult; Mean loss \$34,000; 7% \$100K+
- 69% 60yo+
- 56% 70yo+
- 33% 80yo+

Why Financial Vulnerability & Exploitation matter to your patients/residents

Studies I am about to share:

- Those who had highest levels of financial vulnerability had worse, physical and mental health and more disability.
- Those who had been financially exploited had worse physical, mental and neurocognitive health and more disability

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, MA²

¹Department of Psychology, Institute of Gerontology, Wayne State University, Detroit, Michigan. ²Institute of Gerontology and Department of Psychology, Wayne State University, Detroit, Michigan.

Financial Vulnerability Survey

(refer to survey handout)

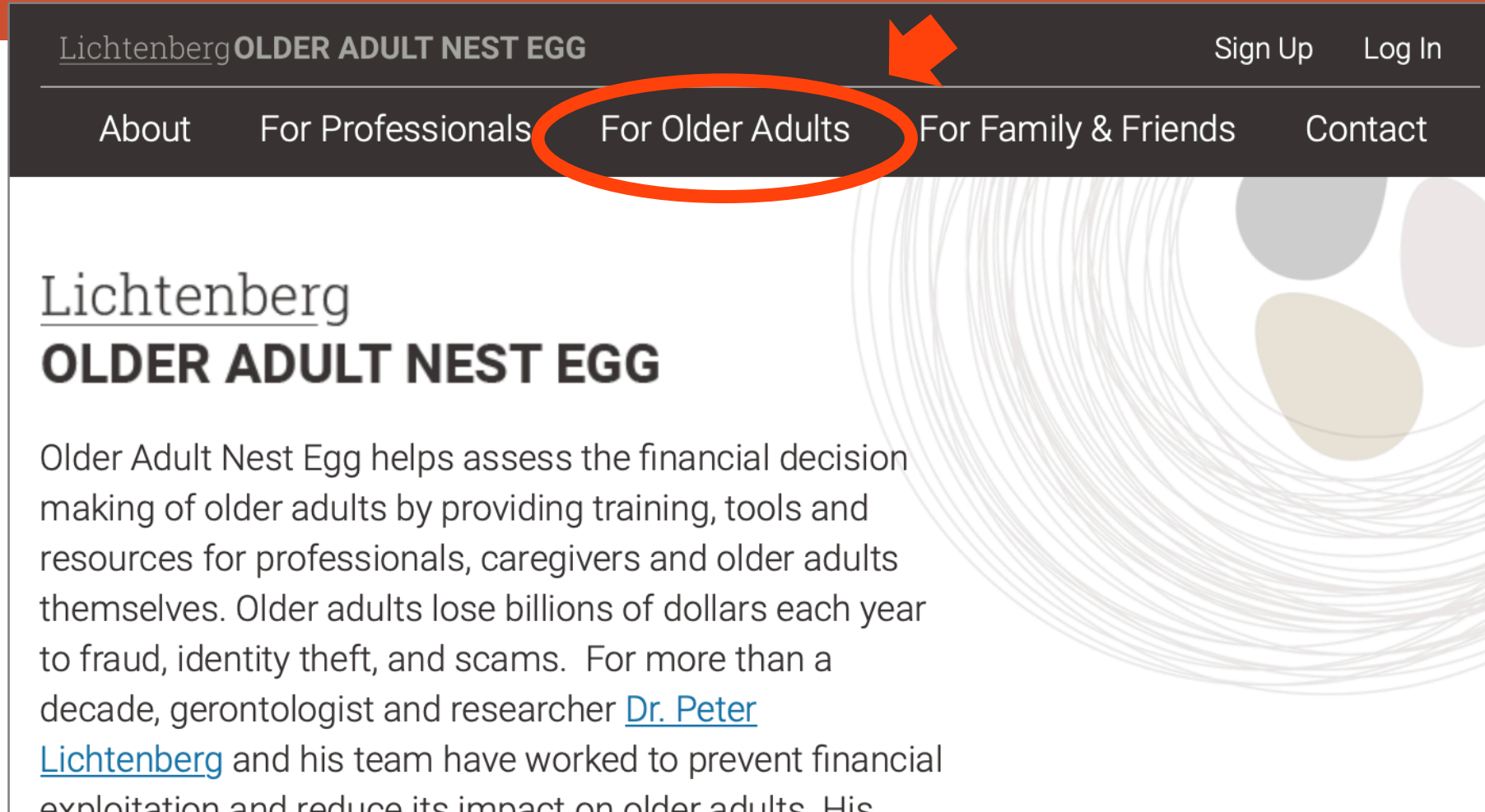
- Entirely self-report through interview or the older adult on their own
- 17 Items
- 3 Major Categories
 - 1) Financial strain, satisfaction and self-efficacy
 - 2) Psychological Vulnerability around finances
 - 3) Relationship strain and conflict around finances
- Each item is scored on a 0-2 scale

Financial Vulnerability Survey: Critical Items

- Q6: How often do you worry about financial decisions you've recently made?
- Q7: Have you noticed money taken from your bank account without your permission?
- Q10: How often do you wish you had someone to talk to about finances?
- Q11 and 13: How often do you feel anxious (or downhearted) about your financial decisions or situation?
- Q14: Are your memory, thinking or ability to reason with regard to finances worse than a year ago?
- Q15: Has a relationship with a family member or friend become strained due to finances as you have gotten older

VISIT:
[OlderAdultNestEgg.com](https://www.olderadultnestegg.com)

CLICK
For Older Adults



The screenshot shows the website's navigation menu with the following items: About, For Professionals, For Older Adults (circled in orange), For Family & Friends, and Contact. An orange arrow points to the 'For Older Adults' link. The main content area features the text: 'Lichtenberg OLDER ADULT NEST EGG' followed by a paragraph: 'Older Adult Nest Egg helps assess the financial decision making of older adults by providing training, tools and resources for professionals, caregivers and older adults themselves. Older adults lose billions of dollars each year to fraud, identity theft, and scams. For more than a decade, gerontologist and researcher [Dr. Peter Lichtenberg](#) and his team have worked to prevent financial exploitation and reduce its impact on older adults. His

Learn, Act & Engage

<https://www.olderadultnestegg.com>



Are you at risk of financial exploitation?

**3
Tabs
Appear**

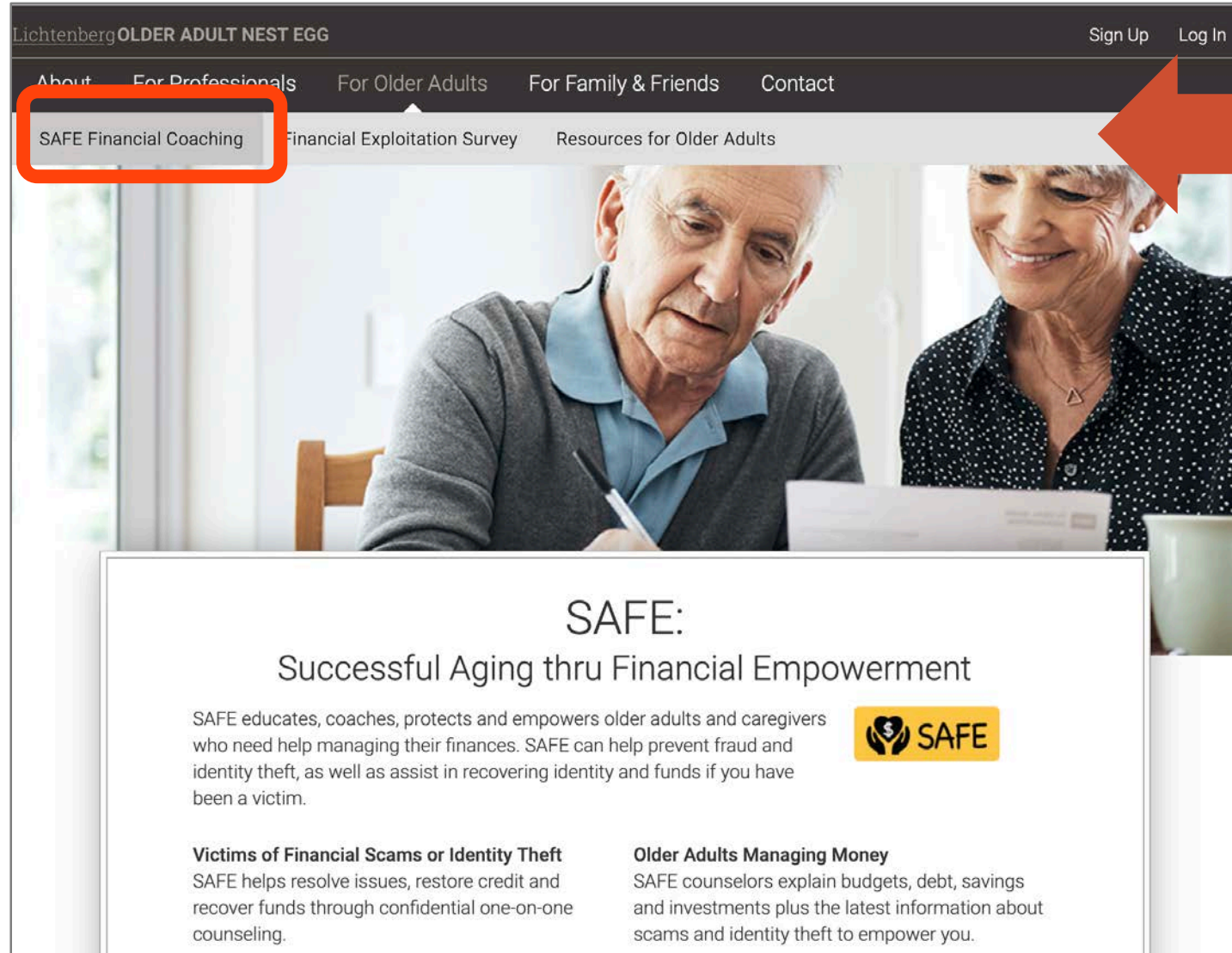
**SAFE
Financial
Coaching**

**Financial
Exploitation
Survey**

**Resources
For Older
Adults**

First Tab

<https://www.olderadultnestegg.com/safe-financial-coaching/>




Lichtenberg **OLDER ADULT NEST EGG** Sign Up Log In

About For Professionals For Older Adults For Family & Friends Contact

SAFE Financial Coaching Financial Exploitation Survey Resources for Older Adults

SAFE:
Successful Aging thru Financial Empowerment

SAFE educates, coaches, protects and empowers older adults and caregivers who need help managing their finances. SAFE can help prevent fraud and identity theft, as well as assist in recovering identity and funds if you have been a victim.



Victims of Financial Scams or Identity Theft
SAFE helps resolve issues, restore credit and recover funds through confidential one-on-one counseling.

Older Adults Managing Money
SAFE counselors explain budgets, debt, savings and investments plus the latest information about scams and identity theft to empower you.

SAFE
*Successful
Aging thru
Financial
Empowerment*

**Details of SAFE
Program**

**One-one-one
Assistance**

&

**How to
Contact Us**

Second Tab

<https://www.olderadultnestegg.com/for-older-adults/financial-exploitation-survey/>

Lichtenberg OLDER ADULT NEST EGG Sign Up Log In

About For Professionals Family & Friends Contact

SAFE Financial Coaching **Financial Exploitation Survey** Resources for Older Adults

Financial Exploitation Survey

For older adults.

Answer a few questions to determine your risk of fraud, scams and financial exploitation.

If you are concerned that your financial decision-making is changing as you age, this questionnaire can help. Your results are completely confidential. The computer does the scoring for you – you simply print or download the results. Next Steps suggest ways to protect yourself if you are at increased risk.

ARE YOU AT RISK?

Financial Exploitation Survey

17 QUESTIONS

Start Financial Exploitation Survey **START**

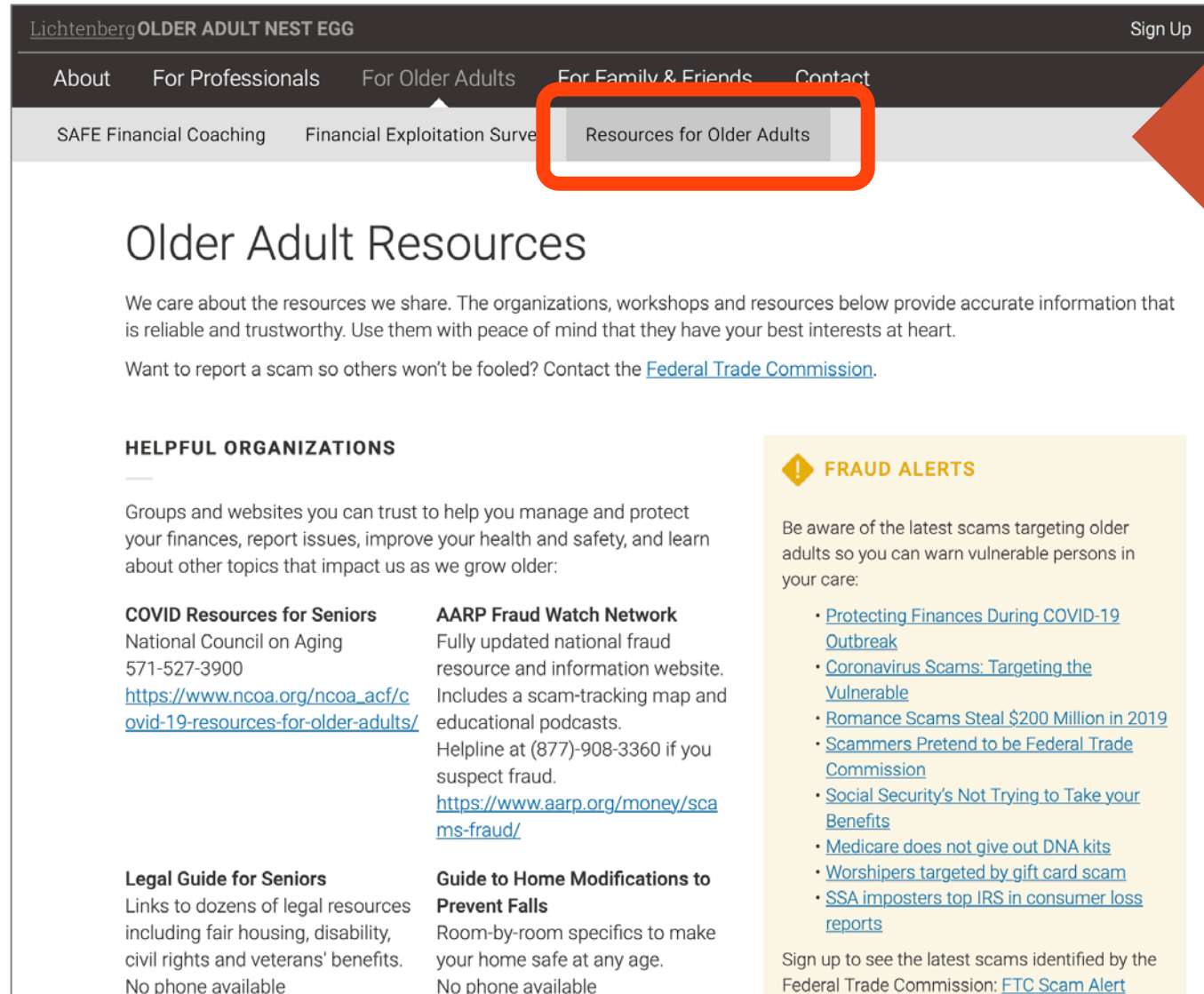
Financial Exploitation Survey (FES)

These questions are designed to uncover how at risk you are of being financially exploited based on how you make financial decisions.

- 1) Watch the brief overview**
- 2) Fill out the secure information**
- 3) Complete the Survey**
- 4) Download and/or print the report**

Third Tab

<https://www.olderadultnestegg.com/help-for-older-adults-at-risk-of-financial-exploitation/>



Lichtenberg OLDER ADULT NEST EGG Sign Up

About For Professionals For Older Adults For Family & Friends Contact

SAFE Financial Coaching Financial Exploitation Surveys **Resources for Older Adults**

Older Adult Resources

We care about the resources we share. The organizations, workshops and resources below provide accurate information that is reliable and trustworthy. Use them with peace of mind that they have your best interests at heart.

Want to report a scam so others won't be fooled? Contact the [Federal Trade Commission](#).

HELPFUL ORGANIZATIONS

Groups and websites you can trust to help you manage and protect your finances, report issues, improve your health and safety, and learn about other topics that impact us as we grow older:

COVID Resources for Seniors National Council on Aging 571-527-3900 https://www.ncoa.org/ncoa_acf/covid-19-resources-for-older-adults/	AARP Fraud Watch Network Fully updated national fraud resource and information website. Includes a scam-tracking map and educational podcasts. Helpline at (877)-908-3360 if you suspect fraud. https://www.aarp.org/money/scams-fraud/
Legal Guide for Seniors Links to dozens of legal resources including fair housing, disability, civil rights and veterans' benefits. No phone available	Guide to Home Modifications to Prevent Falls Room-by-room specifics to make your home safe at any age. No phone available

FRAUD ALERTS

Be aware of the latest scams targeting older adults so you can warn vulnerable persons in your care:

- [Protecting Finances During COVID-19 Outbreak](#)
- [Coronavirus Scams: Targeting the Vulnerable](#)
- [Romance Scams Steal \\$200 Million in 2019](#)
- [Scammers Pretend to be Federal Trade Commission](#)
- [Social Security's Not Trying to Take your Benefits](#)
- [Medicare does not give out DNA kits](#)
- [Worshippers targeted by gift card scam](#)
- [SSA imposters top IRS in consumer loss reports](#)

Sign up to see the latest scams identified by the Federal Trade Commission: [FTC Scam Alert](#)

Older Adult Resources

Helpful Organizations

•
Fraud Alerts

•
Ask us on FaceBook

•
Downloadable Information

•
Guild To Professionals

•
News & Recommended Reading

•
Education & Counseling

•
Sign up for Newsletter

Successful Aging through Financial Empowerment (SAFE)

Older Adult and Caregiver
Empowerment Program



Institute of Gerontology



CAREGIVER EMPOWERMENT: Find Help Here



SAFE Program Outreach Numbers

100+

Older adults provided with one-on-one services

12,000+

Older adults and professionals educated on
scams and identity theft



One-on-One Services

- Filing police and consumer reports
- Contacting credit reporting agencies
- Disputing information on credit reports
- Contacting creditors and closing accounts
- Placing fraud alerts on credit reports
- Assistance with closing and reopening financial accounts
- And more . . .



Referrals Please Contact

LaToya Hall
313-664-2608
L.hall@wayne.edu



CAREGIVER EMPOWERMENT: Find Help Here



GO TO: OlderAdultNestEgg.com

CLICK ON: *For Friends & Families*

Lichtenberg **OLDER ADULT NEST EGG** Sign Up Log In

[About](#) [For Professionals](#) **[For Family & Friends](#)** [Contact](#)

Lichtenberg OLDER ADULT NEST EGG

Older Adult Nest Egg helps assess the financial decision making of older adults, providing training, tools and resources for professionals, caregivers and older adults themselves. Older adults lose billions of dollars each year to fraud, identity theft, and scams. For more than a decade, gerontologist and researcher [Dr. Lichtenberg](#) and his team have worked to prevent financial exploitation and its impact on older adults. His assessments and interviews review significant financial decisions made by older adults to help identify and protect those who are vulnerable to undue influence, financial mismanagement and fraud. Explore the tabs for [Professionals](#) and [For Family & Friends](#) to learn more.

PLEASE NOTE:
This website
And its resources
are free.

FACT & REAL EXAMPLE

An 82-year-old man with undiagnosed vascular dementia gets caught up in the "grandparent scam," in which someone purporting to be a grandchild asks for money to get themselves

Lichtenberg
OLDER ADULT NEST EGG

Detecting
Early
Cognitive
Impairment

Uncovering
Financial Mismanagement

Managing Someone
Else's Money

Navigating
Difficult Conversations

OlderAdultNestEgg.com

For Family & Friends

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Lichtenberg **OLDER ADULT NEST EGG**

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About

For Professionals

For Family & Friends

Contact

Online Learning

- Detecting Early Cognitive Impairment
- Detecting Financial Mismanagement
- Managing Someone Else's Money
- Difficult Conversations

Caregiver Resources

- Helpful Organizations
- Downloadable Guides
- Fraud Alerts
- Ask an Expert on Facebook
- Need a Professional Evaluation
(Downloadable Letter to Trusted Professional)
- News & Recommended Reading
- Free Education and Counseling
- Newsletter Sign-Up
(Free from Advertisements)

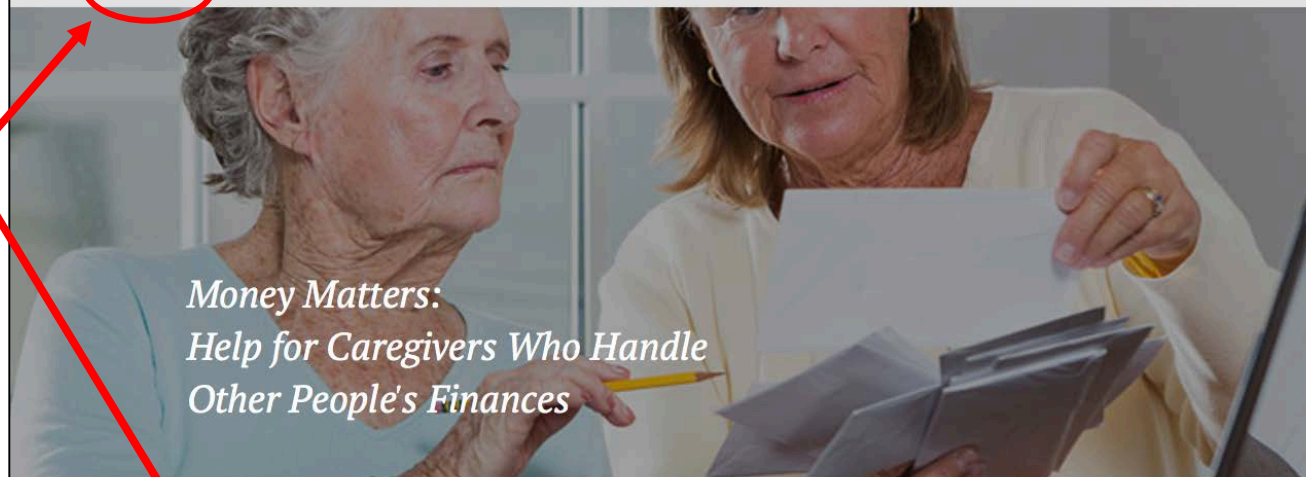
ONLINE LEARNING

Holding Difficult Conversations

Detecting Early Cognitive Impairment

Detecting Financial Mismanagement

Managing Someone Else's Money



*Money Matters:
Help for Caregivers Who Handle
Other People's Finances*

We Can Help

We specialize in educating caregivers to handle the critical money issues of the people they care for. **Learn. Assess. Protect.**

The easy-to-follow workshops teach the basics of good money management for older adults. Our brief online assessment can help determine the quality of your loved one's financial decision-making and give next steps to preserve and protect funds.

Free Online Learning

Learn the warning signs of early cognitive impairment, how to hold difficult discussions, the clues to detecting financial mismanagement and the basics of managing another person's money.



[Detecting Early Cognitive Impairment in Older Adults](#)

20 MINUTES
Changes in thinking skills may be an early sign of dementia. Learn to spot the first symptoms and get help.

Resources for Caregivers

From where to get help in your community to news and research, fraud alerts and more - explore resources for families and friends caring for older adults. We didn't cover something? Ask us a question.

[View Resources for Caregivers](#)

[View all of our Online Learning Segments](#)

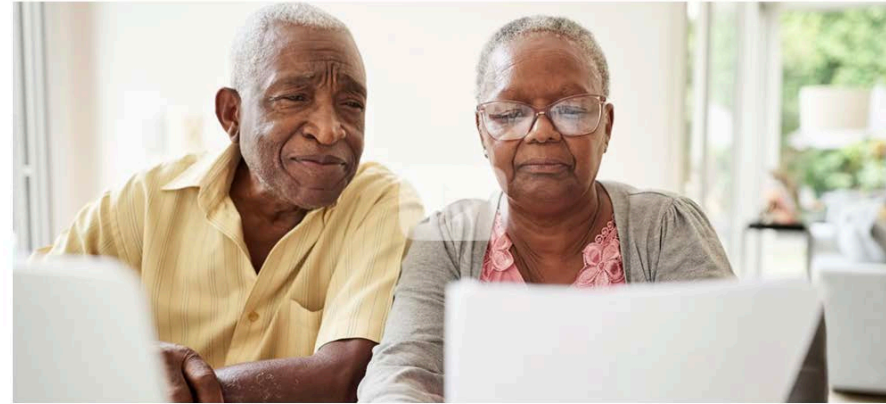
ONLINE LEARNING Link to all modules: [HERE](#)



[Detecting Early Cognitive Impairment in Older Adults](#)

20 MINUTES

Changes in thinking skills may be an early sign of dementia. Learn to spot the first symptoms and get help.



[Detecting Financial Mismanagement](#)

20 MINUTES

How do you know if your loved one is being exploited? Uncover the signs and put protections in place.



[Holding Difficult Conversations](#)

20 MINUTES

Compassionate techniques for good communication even when the subject elicits strong emotion.



[Managing Someone Else's Money](#)

CAREGIVER RESOURCES



Money Matters: Help for Caregivers Who Handle Other People's Finances

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View Resources for Caregivers

CAREGIVER RESOURCES

Connect with Organizations

Download Resources

Caregiver Resources

Caregiving duties can overwhelm even the most well-intentioned relative or friend. The organizations, workshops and resources below are reliable, accurate and trustworthy. Use them with peace of mind that they have the best interests of you and the person you care for at heart.

Want to report a scam so others won't be fooled? Contact the [Federal Trade Commission](#).

HELPFUL ORGANIZATIONS

Groups and websites you can trust to help with caregiver needs:

AARP Fraud Watch Network

Fully updated national fraud resource and information website. Includes a scam-tracking map and educational podcasts. Helpline at (877)-908-3360 if you suspect fraud. <https://www.aarp.org/money/scams-fraud/>

CaringKind

Services are New York based, but most educational information applies nationwide. 24 Hour Helpline (646) 744-2900 <https://caringkindnyc.org/>

Caregiver Action Network

The nation's leading family caregiver association providing education, peer support and resources. (202) 454-3970 <http://www.caregiveraction.org>

National Adult Protective Services

Investigates abuse, neglect and exploitation in older adults (202) 370-6292 <https://www.napsa-now.org/get-help/how-aps-helps/>

HealthInAging.org

Info & advice by American Geriatrics Society's Health in Aging Foundation (800) 563-4916 <http://www.healthinaging.org>

Family Caregiver Alliance

National nonprofit to serve the needs of those caring for a friend or relative with serious cognitive impairment. (800) 445-8106 <http://www.caregiver.org>

DOWNLOADABLE INFORMATION

Download to save as a resource or share with others.

↓ [Protecting Yourself From Financial Exploitation](#)
(pdf / 858 KB)

↓ [Difficult Conversations for Caregivers](#)
(pdf / 1 MB)

↓ [Power of Attorney Guide](#)
(pdf / 593 KB)

↓ [Household Finances](#)
(pdf / 695 KB)

↓ [Social Security and VA Fiduciaries](#)
(pdf / 509 KB)

↓ [Trustees Guide](#)
(pdf / 600 KB)

FRAUD ALERTS

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- [Medicare does not give out DNA kits](#)
- [Worshipers targeted by gift card scam](#)
- [SSA imposters top IRS in consumer loss reports](#)


Sign up to see the latest scams identified by the Federal Trade Commission: [FTC Scam Alert Page](#)

Consumer Protection: Are you a consumer who's been taken advantage of? Would you like a professional to investigate your case? Visit [The Fearless Consumer](#) to lodge your complaint and read eye-opening cases from investigative reporter and consumer advocate Barbara Nordin.

ASK US ON FACEBOOK

Have a question about financial victimization of older adults?

Message us on facebook or visit our Facebook feed to hear what other informal caregivers and experts have to share on the topic.

 [Institute of Gerontology at WSU](#)

Receive Alerts
View the latest
Scam Alerts and
sign up to
receive FTC
notifications.

Engage with
Experts
Follow the
Institute of
Gerontology
on Facebook to
learn about
current online
events or ask
and expert a
question

NEWSLETTER SIGN UP

Caregiving changes as your loved one changes. Enter your email to receive *Caregiver Connection*, our e-newsletter with information and techniques to help with financial and overall caregiving. *Caregiver Connection* is sent monthly at no charge. Your email is never shared with third parties for contact or solicitation. [View a recent issue.](#)

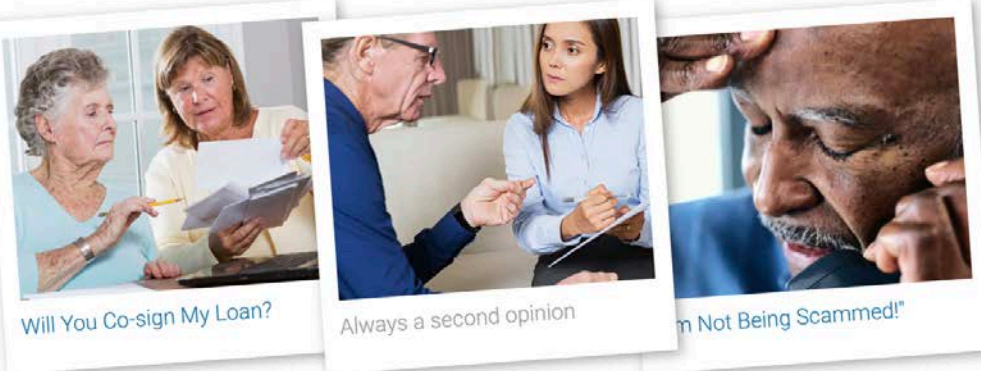
FIRST NAME*	LAST NAME*	EMAIL*
<input type="text"/>	<input type="text"/>	<input type="text"/>

SUBMIT

Close Ups

TRUE CAREGIVER STORIES

Caregiving duties can overwhelm even the most well-intentioned relative or friend. The organizations and resources below are reliable, accurate, and trustworthy. Use them with peace of mind that they have the best interest of you and the person you care for at heart.



Sign up to Receive our Caregiver Connection Newsletter

- Here stories from other caregivers
- Learn about online events
- Get remote help with scams, fraud, identity theft & managing money as a caregiver
- *and more*