Our Mission: Helping to prepare Iowa’s health practitioners to care for our growing population of elders. E-NEWS is one of our methods of teaching through technology.

Each month, E-NEWS delivers abstracts from current multidisciplinary healthcare journal articles related to a specific geriatric topic. This month’s E-NEWS focuses on Financial Exploitation in Aging and Dementia.

FINANCIAL EXPLOITATION IN AGING AND DEMENTIA

In this issue of the E-NEWS, you will find abstracts for:

- A study that addresses the prevalence and correlates of emotional, physical, sexual, and financial abuse and potential neglect in older adults.
- A study that explores differences between African Americans and non-African Americans in financial exploitation and psychological mistreatment.
- An article that describes a conceptual model and map of financial exploitation of older adults.
- A study that investigates barriers and facilitators to minimizing risks of financial abuse for people with dementia.
- An article that discusses clinical and ethical aspects of financial capacity in dementia.
- An article that presents an educational program to assist clinicians in identifying elder investment fraud and financial exploitation.
- An article that outlines strategies to address financial abuse.
- A study that seeks to determine the effects of age, sex, and neuropsychological performance on financial decision-making.
- A study that examines the relationship between brain structure volumes, cognition, and financial capacity in patients with mild Alzheimer's disease.
- An article that reviews issues in finances in older adults with cognitive impairment.

**OBJECTIVES:** We estimated prevalence and assessed correlates of emotional, physical, sexual, and financial mistreatment and potential neglect (defined as an identified need for assistance that no one was actively addressing) of adults aged 60 years or older in a randomly selected national sample. **METHODS:** We compiled a representative sample by random digit dialing across geographic strata. We used computer-assisted telephone interviewing to standardize collection of demographic, risk factor, and mistreatment data. We subjected prevalence estimates and mistreatment correlates to logistic regression. **RESULTS:** We analyzed data from 5777 respondents. One-year prevalence was 4.6% for emotional abuse, 1.6% for physical abuse, 0.6% for sexual abuse, 5.1% for potential neglect, and 5.2% for current financial abuse by a family member. One in 10 respondents reported emotional, physical, or sexual mistreatment or potential neglect in the past year. The most consistent correlates of mistreatment across abuse types were low social support and previous traumatic event exposure. **CONCLUSIONS:** Our data showed that abuse of the elderly is prevalent. Addressing low social support with preventive interventions could have significant public health implications.

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**PURPOSE:** to examine racial differences in (a) the prevalence of financial exploitation and psychological mistreatment since turning 60 and in the past 6 months and (b) the experience-perpetrator, frequency, and degree of upset-of psychological mistreatment in the past 6 months. **DESIGN AND METHODS:** random digit dial telephone recruitment and population-based survey (telephone and in-person) of 903 adults aged 60 years and older in Allegheny County (Pittsburgh), Pennsylvania (693 non-African American and 210 African American). Covariates included sex, age, education, marital status, household composition, cognitive function, instrumental activities of daily living/activities of daily living difficulties, and depression symptoms. **RESULTS:** prevalence rates were significantly higher for African Americans than for non-African Americans for financial exploitation since turning 60 (23.0% vs. 8.4%) and in the past 6 months (12.9% vs. 2.4%) and for psychological mistreatment since turning 60 (24.4% vs. 13.2%) and in the past 6 months (16.1% vs. 7.2%). These differences remained once all covariates were controlled in logistic regression models. There were also racial differences in the experience of psychological mistreatment in the past 6 months. Risk for clinical depression was also a consistent predictor of financial exploitation and psychological mistreatment. **IMPLICATIONS:** although the results will need to be replicated in national surveys, the study suggests that racial differences in elder mistreatment are a potentially serious issue deserving of continued attention from researchers, health providers, and social service professionals.

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This article describes the processes and outcomes of three-dimensional concept mapping to conceptualize financial exploitation of older adults. Statements were generated from a literature review and by local and national panels consisting of 16 experts in the field of financial exploitation. These statements were sorted and rated using Concept Systems software, which grouped the statements into clusters and depicted them as a map. Statements were grouped into six clusters, and ranked by the experts as follows in descending severity: (a) theft and scams, (b) financial victimization, (c) financial entitlement, (d) coercion, (e) signs of possible financial exploitation, and (f) money management difficulties. The hierarchical model can be used to identify elder financial exploitation and differentiate it from related but distinct areas of victimization. The severity hierarchy may be used to develop measures that will enable more precise screening for triage of clients into appropriate interventions.

**BACKGROUND:** The risks of financial exploitation and abuse of people with dementia remain under-researched. Little is known of the views of those responsible for local adult safeguarding systems about prevention and redress. We explore current repertoire of responses of such persons and consider barriers and facilitors to minimizing risks of financial abuse for people with dementia. **METHODS:** Fifteen qualitative interviews were undertaken with a purposively sampled group of Adult Safeguarding Co-ordinators in England in 2011. Framework analysis delineated themes in the transcripts; these were included in an iteratively developed coding framework. **RESULTS:** Five themes were explored: (1) incidence of financial abuse; (2) impact of dementia on safeguarding responses; (3) warning signs of financial abuse, including neglect, unpaid bills, limited money for provisions; (4) encouraging preventive measures like direct debit to pay for bills, advance care plans, appointing Lasting Power of Attorney; and (5) barriers and facilitors in safeguarding, including the practice of financial agencies, cultural barriers, other systemic failures and facilitors. Not all systems of financial proxies are viewed as optimally effective but provisions of the Mental Capacity Act 2005 were welcomed and seen as workable. **CONCLUSIONS:** Healthcare professionals may need to be more alert to the signs and risks of financial abuse in patients with dementia both at early and later stages. Engaging with safeguarding practitioners may facilitate prevention of abuse and effective response to those with substantial assets, but the monitoring of people with dementia needs to be sustained. In addition, professionals need to be alert to new risks from electronic crime. Researchers should consider including financial abuse in studies of elder abuse and neglect.


In contrast to issues like treatment and research consent capacity, financial capacity has received relatively little clinical and ethical attention in the dementia literature. Yet issues of financial capacity emerge frequently in patients with Alzheimer's disease (AD), Parkinson's disease (PD) and related dementias, and commonly present ethical and clinical challenges for clinicians treating these patients. These issues include whether a patient with possible dementia has sufficient capacity independently to manage their financial affairs, needs referral for financial capacity assessment, and/or is being financially exploited or abused by others. The accurate identification, assessment and successful handling of such financial capacity issues can have a substantial impact on the financial and psychological well-being of patients and their family members. The present commentary presents an overview of financial capacity and associated clinical and ethical issues in dementia, and describes a set of possible clinician roles regarding these issues as they arise in clinical practice. The commentary concludes with a section describing educational resources available to clinicians and bioethicists seeking additional guidance in handling financial capacity issues. The ultimate goal of the paper is to focus clinical and ethical attention on a neglected capacity that is of fundamental importance for patients, families, and health care and legal professionals.


Due to age-related factors and illnesses, older adults may become vulnerable to elder investment fraud and financial exploitation (EIFFE). The authors describe the development and preliminary evaluation of an educational program to raise awareness and assist clinicians in identifying older adults at risk. Participants (n = 127) gave high ratings for the program, which includes a presentation, clinician pocket guide, and patient education brochure. Thirty-five respondents returned a completed questionnaire at the 6-month follow-up, with 69% (n = 24) of those indicating use of the program materials in practice and also reporting having identified 25 patients they felt were vulnerable to EIFFE. These findings demonstrate the value of providing education and practical tools to enhance clinic-based screening of this underappreciated but prevalent problem.

Financial abuse is a growing problem for older adults. This article outlines four major strategies for addressing elder financial abuse: (a) education and outreach, (b) general detection and universal screening, (c) legal interventions, and (d) multidisciplinary teams. Future efforts should be devoted to understanding the efficiency and effectiveness of these various strategies in order to keep older adults from becoming victims of financial abuse and to intervene as soon as possible once financial abuse has been identified.


The capacity to make sound financial decisions across the lifespan is critical for interpersonal, occupational, and psychological health and success. In the present study, we explored how healthy younger and older adults make a series of increasingly complex financial decisions. One-hundred sixteen healthy older adults, aged 56-90 years, and 102 college undergraduates, completed the Financial Decision-Making Questionnaire, which requires selecting and justifying financial choices across four hypothetical scenarios and answering questions pertaining to financial knowledge. Results indicated that Older participants significantly outperformed Younger participants on a multiple-choice test of acquired financial knowledge. However, after controlling for such pre-existing knowledge, several age effects were observed. For example, Older participants were more likely to make immediate investment decisions, whereas Younger participants exhibited a preference for delaying decision-making pending additional information. Older participants also rated themselves as more concerned with avoiding monetary loss (i.e., a prevention orientation), whereas Younger participants reported greater interest in financial gain (i.e., a promotion orientation). In terms of sex differences, Older Males were more likely to pay credit card bills and utilize savings accounts than were Older Females. Multiple positive correlations were observed between Older participants' financial decision-making ability and performance on neuropsychological measures of non-verbal intellect and executive functioning. Lastly, the ability to justify one's financial decisions declined with age, among the Older participants. Several of the aforementioned results parallel findings from the medical decision-making literature, suggesting that older adults make decisions in a manner that conserves diminishing cognitive resources.


Persons with mild Alzheimer's disease (AD) have significant deficits in financial abilities. This study examined the relationship between brain structure volumes, cognition, and financial capacity in patients with mild AD. Sixteen mild AD patients and 16 older adult comparisons completed the Financial Capacity Instrument (FCI), a psychometric measure of financial abilities, and also underwent magnetic resonance imaging (MRI) to obtain volumes of the bilateral hippocampi, angular gyri, precunei, and medial and dorsolateral frontal cortices. Mild AD patients performed significantly below comparisons on the FCI and had significantly smaller hippocampi. Among mild AD patients, FCI performance was moderately correlated with frontal (medial and dorsolateral frontal cortex) and posterior (angular gyri and precunei) cortical volumes. Stepwise regression demonstrated that medial frontal cortex volume predicted FCI score. The relationship between medial frontal cortex volume and overall FCI score was partially mediated by two measures of simple attention (DRS Attention, DRS Construction). The findings suggest that medial frontal cortex atrophy and associated declines in simple attention play an increasingly important role in declining financial skills in patients with mild AD.
Financial capacity can be defined as the ability to independently manage one's financial affairs in a manner consistent with personal self-interest. Financial capacity is essential for an individual to function independently in society; however, Alzheimer disease and other progressive dementias eventually lead to a complete loss of financial capacity. Many patients with cognitive impairment and their families seek guidance from their primary care clinician for help with financial impairment, yet most clinicians do not understand their role or know how to help. We review the prevalence and impact of diminished financial capacity in older adults with cognitive impairment. We also articulate the role of the primary care clinician, which includes (1) educating older adult patients and their families about the need for advance financial planning; (2) recognizing signs of possible impaired financial capacity; (3) assessing financial impairments in cognitively impaired adults; (4) recommending interventions to help patients maintain financial independence; and (5) knowing when and to whom to make medical and legal referrals. Clearly delineating the clinician’s role regarding identification of financial impairment could establish for patients and families effective financial protections and limit the economic, psychological, and legal hardships of financial incapacity on patients with dementia and their families.
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