

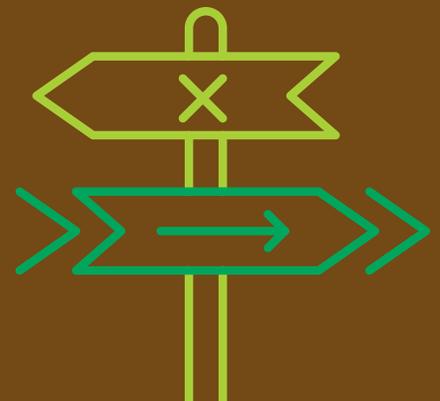
# Decision-Making Ability and Risk of Elder Mistreatment

There are many factors relevant to decision-making ability of older people including changes in the brain and cognition and social functioning. These changes can result in decision-making impairments that affect an older person's ability to pay bills, drive, follow recipes, adhere to medication schedules, or refuse medical treatment (Braun & Moye, 2010; IOM, 2015). Decision-making ability may fluctuate at a given point in time (Falk et al., 2014), and while an older person may lack decision-making ability in one area, they may retain it in other areas (Braun & Moye, 2010). Decision-making ability is of special concern for the field of elder mistreatment because impaired decision-making can lead to an increased risk for abuse and exploitation among older people (Spreng et al., 2016). Thus, understanding the many factors relevant to decision-making ability is imperative to reduce risk of abuse and exploitation while maintaining and promoting autonomy among older people.

Research presented in this brief builds upon foundational work among experts in the field, such as Grisso and Applebaum (2008).

## KEY TERMS

- ▶ **Cognition** – includes memory, decision-making, processing speed, wisdom and learning (IOM, 2015)
  - + **Cognitive aging** – the continuous process of changes in cognition throughout the life-span (IOM, 2015)
- ▶ **Executive function** – a higher order cognitive ability encompassing four component processes: working memory, attention, verbal fluency, and inhibition (Lezak, 1982; Boyle et al., 2013)
  - + **Working memory** – the ability to hold and manipulate information in short-term memory (STM) stores (Baddeley & Hitch, 1974; Boyle et al., 2013)
  - + **Attention** – the ability to attend to relevant information and efficiently perform mental comparisons (Jurardo & Rosselli, 2007; Boyle et al., 2013)
  - + **Verbal fluency** – the ability to generate exemplars within a specific category (Barkley, 1997; Boyle et al., 2013)
  - + **Inhibition** – the ability to regulate strong or automatic responses and minimize susceptibility to interference (Barkley, 1997; Boyle et al., 2013)
- ▶ **Episodic memory** – the ability to learn and retain new information (Tulving, 1983; Boyle et al., 2013)
- ▶ **Capacity** – refers to a continuum of decision-making abilities; capacity is at the heart of being “at risk”; capacity can be measured and is related to cognition but it is not the same as cognition (Marson & Ingram, 1996; Moye & Marson, 2007)
  - + **Decisional capacity** – the ability to complete a specific task or make a specific decision such as driving a car or refusing medical treatment (Buchanan, 1990; Charland, 2008)
  - + **Executorial capacity** – the ability to implement a decision (e.g., manipulate money, pay bills, and understand and maintain an accurate checkbook) (Boyle, 2013 as cited by Lichtenberg, 2016)
  - + **Financial capacity** – the ability to make informed decisions about financial issues (Marson, 2000)
- ▶ **Financial literacy** – refers to the ability to identify, understand, interpret, and use written materials to function effectively; lower financial literacy is associated with poor savings and investment behaviors, limited wealth, and mental health complaints (Lusardi & Mitchell, 2007; Boyle et al., 2013)



## What We Know

Decision-making ability may be influenced by the natural process of aging including cognitive aging and changes in capacity. When assessing risk for abuse, it is important to consider these natural processes as well as social aspects of decision-making ability. Psychosocial factors may be associated with an increased risk of elder abuse. Older adults who are depressed, have reduced feelings of well-being, lower levels of social support, or are lonely may be at greater risk of financial vulnerability. In contrast, older adults with larger social networks may be less likely to be abused or exploited (Spreng et al., 2016).



### COGNITIVE AGING

Cognition includes memory, decision-making, processing speed, wisdom and learning. Cognitive aging is a continual process across the life span causing varying changes that may impact these functions. It includes structural and functional brain changes that may impact daily tasks and challenge an older persons' ability to maintain independence and pursue certain activities. While cognitive aging cannot be stopped, there is evidence that some effects may be reduced through physical exercise, reducing and managing cardiovascular disease risk factors, and medication management (IOM, 2015).

Under certain conditions, cognitive aging may be associated with the potential for financial fraud and abuse and poor consumer decision-making (IOM, 2015). Highly technical or fast-paced environments, timed tasks, situations that involve new learning or stressful situations that may be emotional, physical or health-related may present greater challenges than highly familiar situations (IOM, 2015).



### CAPACITY

Capacity including decisional capacity and executional capacity requires that the person, "understand the implications of a decision and be able to take responsibility for the consequences of that decision" (Falk et al., 2014, p. 853) and that the individual be able to formulate, change and delegate tasks to carry out a plan (Moye & Marson, 2007; Falk et al., 2014).

Moye and Marson (2007) identify two major clinical domains of capacity that have received the most research attention – **medical decision-making capacity** and **financial capacity**. These two domains are fundamental to personal autonomy and independent functioning.

## MEDICAL DECISION-MAKING CAPACITY

A person's ability to make decisions regarding their medical treatment is a fundamental aspect of autonomy. Moye and Marson (2007) reviewed the following four core abilities associated with consent capacity:



**UNDERSTANDING:** The ability to comprehend diagnostic and treatment-related information including risks and benefits of proposed treatments



**APPRECIATION:** The ability to relate diagnostic and treatment information and related consequences to one's own personal situation



**REASONING:** Ability to rationally evaluate and compare treatment alternatives



**EXPRESSING A CHOICE:**  
The ability to convey relatively consistent treatment choices

(Applebaum & Roth, 1982; Lezak, 1982; Moye & Marson, 2007)

These four core abilities may be applied to other types of decision-making, and are not solely characteristic of medical decision-making capacity.

# FINANCIAL CAPACITY & EXPLOITATION

Approximately 1 in 20 persons over the age of 60 will experience some sort of financial exploitation (Peterson et al., 2014), with a cost of more than \$3 billion annually (NCFEA, 2011).

## ELEMENTS OF FINANCIAL CAPACITY

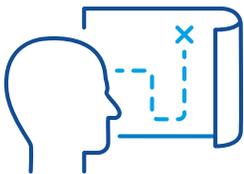
Even in the earliest stages of dementia, older people may demonstrate impairments in the following elements associated with financial decision-making:



**DECLARATIVE KNOWLEDGE:** The ability to describe facts, concepts and events related to financial activities.



**PROCEDURAL KNOWLEDGE:** The ability to carry out motor based, overlearned practical financial skills and routines such as making change or writing a check.



**JUDGMENT:** The ability to make financial decisions consistent with self-interest.

(Moye & Marson, 2007)

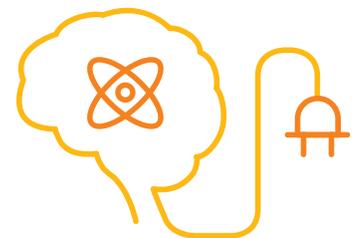
Boyle et al. (2013) suggest that financial literacy may also impact financial decision-making. They suggest that a person with high financial literacy is able to make good investments, increase his or her wealth, and spend or save accordingly. Furthermore, improvements in financial literacy of older people can lead to improved financial decision-making capacity (Boyle et al., 2013).

Because of the individual variability of normal cognitive aging, a person can maintain capacity in some domains, and lose capacity in others. A person may have the capacity to make financial decisions but lack the capacity to execute those decisions. For example, someone may maintain the capacity to make or change a will but lack the capacity to manage a checkbook.

## RISK FACTORS FOR FINANCIAL EXPLOITATION

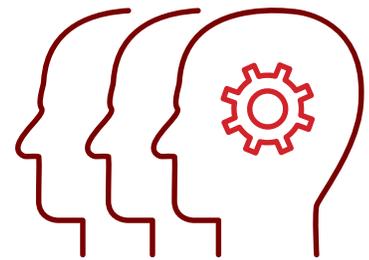
Subtle cognitive declines in executive function, episodic memory, and literacy occur even among persons without dementia (Boyle et al., 2013). As a result, normal age-related changes in decision-making capacity can increase one's risk for financial exploitation.

In a study of 600 older men and women, James et al. (2014) found susceptibility to scams to be related to older age, lower levels of cognitive function, lower psychological well-being, and poorer health and financial literacy.



## What To Do If You Suspect A Change In Decision-Making Ability

If you notice changes in an older person's decision-making ability, it is important to seek a medical evaluation to review the individual's physical and psychological status to identify any conditions that may require treatment. Due to the many different causes, there are many different paths of assessment that may be useful in determining a change in decision-making ability (Braun & Moye, 2010). The physician can refer to other professionals, such as neurologists and behavioral health providers.



A clinician trained in the use of a standardized capacity interview and administering cognitive assessment tools can give careful attention to an older person's decision-making ability. Analysis of the information provides an important step in assessing decision-making ability as well as abuse or exploitation (Spreng et al., 2016; Wood et al., 2014). What happens after the assessment will affect the balance between self-determination and protections for an older person with diminished decision-making ability. A variety of tools, such as supported decision-making agreements, electronic bill paying services, properly drawn durable powers of attorney, and as a last resort, guardianship can be used to protect against the potential for abuse and exploitation. It is critical that an older person with diminished decision-making ability has a trusted support team that works together to make appropriate decisions with them or on their behalf.

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