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Age-Associated Financial Vulnerability: An Emerging Public Health Issue

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Various processes common in the aging brain may affect an older adult's ability to manage personal finances, the most recognized of which are dementing illnesses (1). These conditions can affect cognitive abilities, which may jeopardize an older adult's financial well-being over their longitudinal course. However, recent studies suggest that even cognitively intact older adults can have “functional” changes that may render them financially vulnerable. Social isolation also increases dramatically with age, which places older persons at risk for exploitation from predators. Furthermore, capitalistic enterprises can threaten the financial security of this group, which is perceived to be a large untapped market and, in an era of information overload, is often presented with a dizzying array of products and services.

We propose the concept of age-associated financial vulnerability (AAFV) and discuss aspects of its epidemiology from the vantage of a neuropsychologist (S.D.H) and geriatrician–epidemiologist (M.S.L) who are both researchers and clinicians working in the field of elder abuse. We believe that considering AAFV a clinical syndrome may be advantageous to further critical research, promote public policy work, and encourage physicians to recognize it.

Definition

We define AAFV as a pattern of financial behavior that places an older adult at substantial risk for a considerable loss of resources such that dramatic changes in quality of life would

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result and that is inconsistent with previous patterns of financial decision making during younger adult life. This condition can occur in the absence of dementia or other neurodegenerative diagnoses and may or may not be the presenting manifestation of such illnesses.

We believe that this paradigm is useful for several reasons. First, it emphasizes that clinically relevant AAFV behaviors must affect quality of life. Second, the requirement that these behaviors be of recent onset and differ from previous financial decision-making patterns excludes patients who had poor premorbid financial literacy and decision making in the same way that dementia diagnoses require that cognitive impairment be “acquired.” The stipulation that AAFV need not be the presenting manifestation of new or established dementia likens it to such conditions as mild cognitive impairment, in which impairment is measurable. However, AAFV differs from this condition because cognitive impairment is not necessary for AAFV, as government case reports of financial exploitation among older adults have documented (2). The stipulation that AAFV need not be associated with cognitive impairment differentiates research on this condition from previous work that has focused on cognitive impairment as the driving force for financial vulnerability (3).

Age-associated financial vulnerability and financial exploitation (4, 5) can be linked—AAFV may predispose an older adult to financial exploitation—however, we perceive them as conceptually different. Age-associated financial vulnerability focuses on a potential condition that may have multiple causes and ultimately may or may not lead to exploitation. We view financial exploitation as focusing on specific mechanisms that drive a particular outcome, often consisting of intentional or forceful methods of exploitation. In this sense, persons who do not show AAFV can be victims of financial exploitation. More is known about the effects of financial exploitation; less is known about AAFV because we believe that this concept is new.

Epidemiology of AAFV: Prevalence and Risk Factors

Although a precise determination of the prevalence of AAFV would require assessment of a large population-based sample of older adults, community-based studies of elder abuse can offer insight. For example, in a recent study involving a weighted sample of more than 4000 older adults in New York State, 4.7% of participants reported experiencing some form of financial exploitation since turning age 60 years (6). This estimate is probably conservative because the study used telephone interviews, thereby excluding participants with substantial cognitive and other impairments that are potential risk factors. In addition, although not all financially vulnerable older adults are exploited, those with AAFV may lack insight into their vulnerability and are therefore unlikely to self-report.

Risk factors for AAFV, some of which have been documented clinically, are listed in the Table (7). In addition to cognitive impairment, social isolation is a risk factor because isolated persons may engage exploiters in a misguided attempt to cultivate social connections and these persons lack friends or family who could recognize evolving AAFV to mitigate or report it. Illness can also contribute to AAFV because desperate patients may be rendered susceptible to sham “remedies” peddled by unscrupulous salespersons (8).

Conclusions and Future Directions

We believe that AAFV is a problem with serious effects on patients, their families, and society. Its roots reside in the curious intersection of several trends, including a rapidly aging society, age-associated changes in the human brain, shifts in the concentration of wealth to older demographic groups, and industry's adoption of marketing strategies that are increasingly becoming rooted in behavioral economics and cognitive neuroscience. Although some protective efforts have been made on the federal level (9) (for example, passage of the Elder Justice Act) as well as in business (for example, the Better Business Bureau) and academia (for example, Baylor College of Medicine's financial exploitation education program for physicians and other professionals) (10), progress is urgently needed on several other fronts. Research must be done to better understand whether AAFV is a clinical syndrome, determine who is at risk and why, and create screening and intervention programs using strategies similar to those used recently for financial exploitation (4). The role and responsibilities of physicians in protecting their patients with AAFV must be defined and supported with evidence-based tools. Given the public health and policy implications of AAFV, a rigorous debate must begin on how to balance protection of older adults with the autonomy afforded to all citizens.

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Table**Possible Factors Contributing to Age-Associated Financial Vulnerability**

Domain Factor	Mechanism
Cognitive/emotional	
Executive dysfunction	Reduced ability to multitask, organize by time, and abstractly comprehend future ramifications of current financial actions
Acalculia	Inability to quickly calculate figures mentally to verify numbers or to perform numerical calculations
Frontal disinhibition	Reduced ability not to commit to financial courses of action with potentially negative consequences
Anxiety	May increase pressure to take bad financial risks or not pursue appropriate financial safeguards
Reduced ability to discern trustworthy persons	Results in having less information by which to discern good financial opportunities from bad financial risks
Medical and functional	
Serious progressive illness	Serious underlying medical illness unresponsive to traditional therapy may motivate patients to seek expensive and unproven treatments, creating susceptibility to fraud
Impaired mobility	Reduced ability to extricate themselves from an environment in which they are being pressured to make financial decisions
Vision and hearing loss	Decreased likelihood that complex financial transactions and/or documents are fully comprehended before execution
Polypharmacy	May contribute to delirium, directly influencing vulnerability; expense of medication may also lead to inadvisable risk-taking
Psychosocial	
Depression	Associated with executive dysfunction (7); shame and guilt may also preclude older persons from revealing their predicament to trusted friends and family who could extricate them from exploited role
Social isolation	No beneficent person within the older person's social network to recognize, mitigate, or report financial exploitation
Loneliness	Patients may engage potential exploiters as a mechanism of fostering social connectedness
Environmental/societal	
Wealth concentration	High concentration of wealth in older populations makes them targets of potential exploiters
Information overload	Complex offering of products and services may paradoxically reduce sound decision making in the aging brain
Sophisticated marketing	The aging brain may be more susceptible to increasing use of behavioral economics and cognitive neuroscience to sway consumers