

IA Watch Reporter

Tool for financial professionals to assess senior cognitive function now available

Published on: 7/7/2016

The increased focus by lawmakers, regulators and law enforcement on the issue of seniors' financial exploitation cries for some way that financial professionals may be able to better detect mental decline in their aged clients.

Last year, we shared best practices for dealing with elderly clients and mentioned the work of **Peter Lichtenberg**, director of **Wayne State University's** Institute of Gerontology ([IA Watch](#), July 9, 2015). He was testing a 10-item, multiple-choice questionnaire that financial professionals and others could use to gauge a senior's financial acumen and cognitive status.

After testing the questionnaire, which he calls a "scale," with 29 older adults and 79 professionals over the last year, Lichtenberg tells **IA Watch** he has verified the tool's utility.

"The overall goal really is to make sure that seniors who are making significant financial decisions can communicate, understand and appreciate those decisions before the financial professional proceeds," says Lichtenberg.

He asked us not to share the "scale" but if you're interested in obtaining it, you can contact Lichtenberg [here](#).

Here's one question: How much risk to your financial well-being is involved [in the transaction just discussed]? Low risk or none; Moderate risk; High risk; Don't know/inaccurate response.

The financial professional is advised to "probe" deeper if the senior answers "I don't know." Too many such answers may lead the professional to not go ahead with the transaction, counsel the client, further educate the client or consider a referral to a healthcare professional, says Lichtenberg.

The tool also could be used over time to judge a client's mental deterioration, he says.