



SCHOOL OF SOCIAL WORK

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Empowering Older Adults to Plan for Diminished Financial Capacity: Barriers and Facilitators



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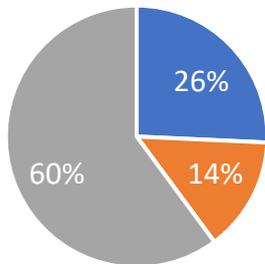
Research Question

- What are the barriers and facilitators to effective planning and communication about financial incapacity?

Background/Purpose

- Majority of older adults show suboptimal decisions when confronted with complex financial tasks.
- Failing to appoint a surrogate financial decision-maker can expose a person to risks – fraud, exploitation, mistakes.
- Rates of planning specifically for declines in financial capacity and communicating preferences are low.

Power of Attorney



- Have a power of attorney
- Have an informal plan
- No plan at all

Research Gaps

- Currently, most research focuses on advance care planning (ACP) related to health and medical decisions rather than financial decisions
- Research is needed to determine whether barriers and facilitators to ACP for health and medical decisions can be applied to ACP for financial decisions among older adults.

Study Procedures

Study Design

- Four focus group interviews – 2 hour sessions
- Purposeful sampling strategy
- Discussion probes included managing household finances now, concerns about declines in capacity in the future, getting one's finances in order, choosing a surrogate decision-maker, and having a conversation about future money management.

Participant Characteristics

Table 1. Focus group Characteristics

	African American	Latino	Low Income	Middle Income
Number of participants (n)	8	9	8	7
Mean age (in years)	71.6	68.4	70.8	70.0
% female	50.0%	55.5%	62.5%	57.1%
% non-Latino white	0.0%	0.0%	75.0%	85.7%
% married/partnered	37.5%	44.4%	25.0%	42.9%
% with children	62.5%	100.0%	75.0%	57.1%
Median household income	\$50k - \$75k	\$50k - \$75k	> \$30k	\$30k - \$50k
Median household wealth	\$100k - \$200K	\$100k - \$200K	> \$50k	\$50k - \$100k
% with Social Security as primary source of income	25.0%	11.1%	75.0%	14.3%

Data Analysis

- Open coding, axial coding, and selective coding

What Did We Learn

Barriers to advance financial care planning

- Denial
- Lack of trust
- Lack of available advocates
- Assumption that family will work it out
- Lack of knowledge
- Negative family dynamics
- Pushback from others
- Desire for privacy
- Desire to stay in control of finances
- Shame & embarrassment

Facilitators to advance financial care planning

- Health crisis.
- Motivated by prior caregiving experience.
- Knowledge about financial and legal issues.
- Overtures by others (Group interaction).



Implications

This study contributes to the literature and clinical practice by identifying barriers and motivators to effective planning and communication about financial incapacity.

- Findings suggest that significant education is needed for older adults in terms of the financial planning process.
- Findings also inform practitioners on how to facilitate planning and communication with older adults around future financial planning reducing the risk of exploitation, costly mistakes, and family conflict.

Discussion Question

- What might be our strategies to overcome the barriers that we identified?