



# Thinking Ahead Roadmap™

A GUIDE FOR KEEPING YOUR MONEY SAFE AS YOU AGE

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**CE+HD** COLLEGE OF EDUCATION  
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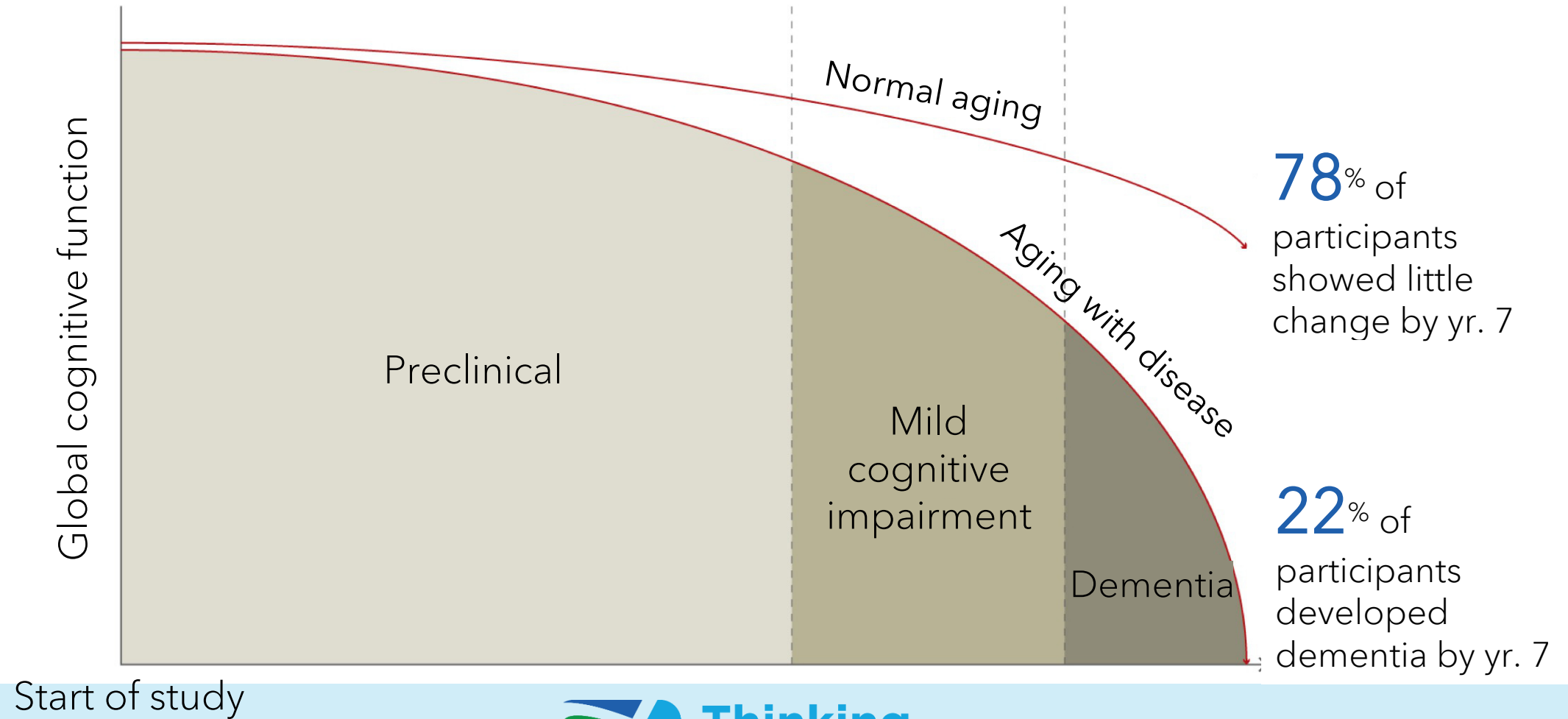
# Introducing a new guide to help people plan ahead

## WEBINAR AGENDA

- Why is it important to engage in advance financial care planning?
- Research questions and findings
- Overview of the six steps of advance financial care planning
- Preview of the Thinking Ahead Roadmap and participant testimonials
- Next steps



# Dementia is not universal, but some cognitive decline is



# Financial decision making declines in *normal aging*

## ***Decision making:***

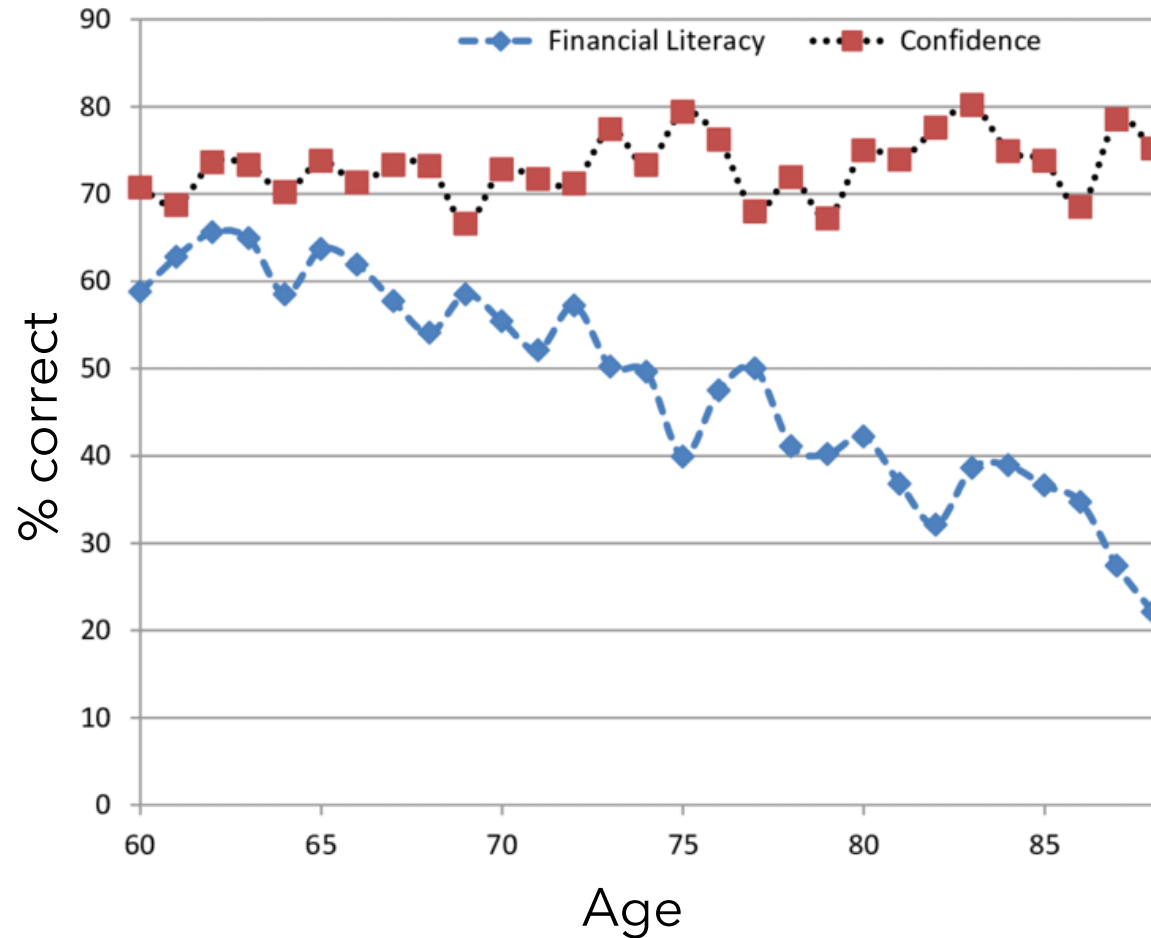
Ability to understand and evaluate competing alternatives and make an optimal choice.

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**30-40%** of “normal agers” make suboptimal financial choices.



# Despite lower financial literacy, confidence remains high



Confidence in one's ability to properly manage money, credit, invest, and insure.

Percent of financial literacy questions answered correctly.



# Red flag Elder Fraud

## Law Enforcement Action Aimed at Those Who Victimize Senior Citizens



Targeting older  
en victims of fraud. Part  
12:37PM



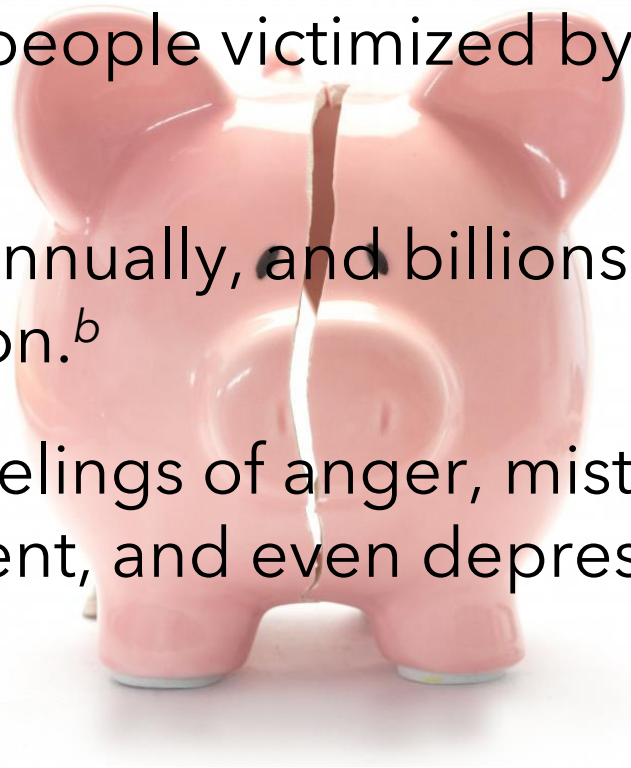
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# Financial incapacity increases fraud risk

More than 1 in 18 older people victimized by fraud each year.<sup>a</sup>

\$50 billion lost to fraud annually, and billions more to elder financial exploitation.<sup>b</sup>

Victimization results in feelings of anger, mistrust, shame and embarrassment, and even depression and thoughts of suicide.<sup>c</sup>



# Advance financial care planning is a hedge against risk

1. Reduces opportunities for fraud and exploitation
2. Reduces the likelihood of poor financial decisions
3. Eases uncertainty and burden on future financial decision-makers
4. Increases the odds that financial needs and expectations are honored



# What proportion of U.S. adults ages 50+ have a financial power of attorney?

1. Less than 10%
2. 10 - 20%
3. 21 - 30%
4. 31 - 50%
5. 51 - 75%
6. Greater than 75%

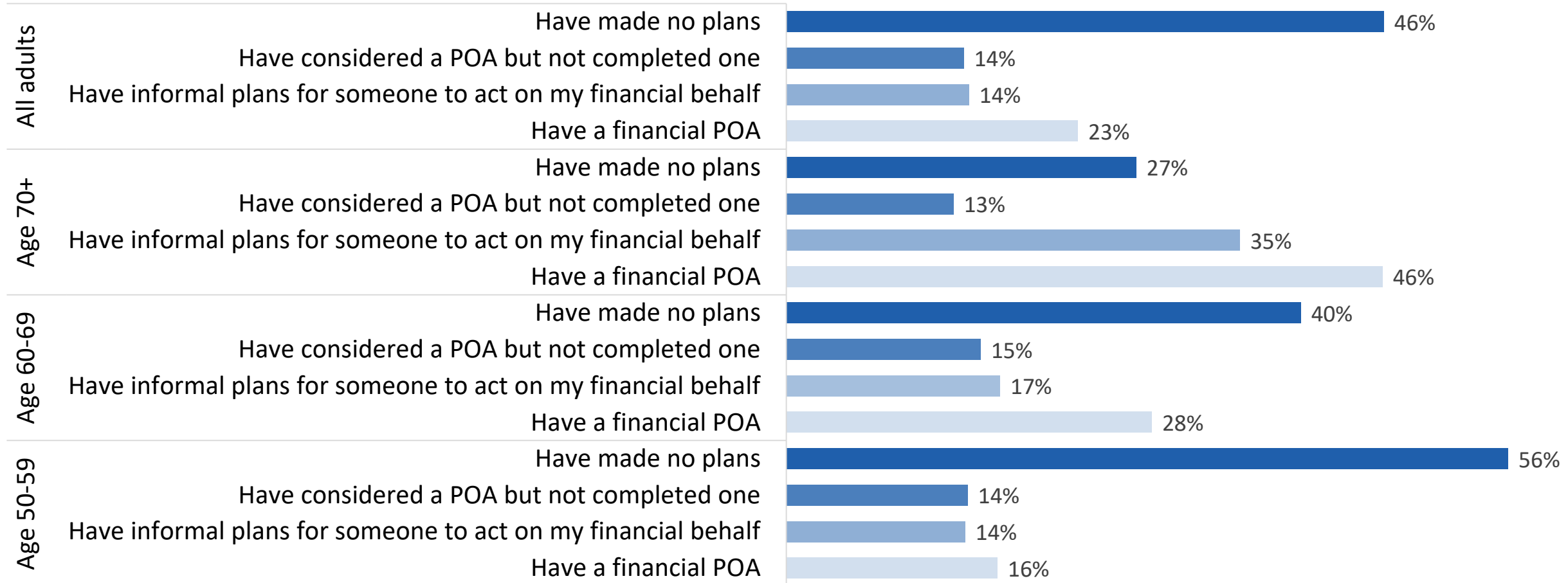
Poll

What proportion of U.S. adults ages 50+ have made *informal* money management plans for the someone to take over for them in the future?

1. Less than 10%
2. 10 - 20%
3. 21 - 30%
4. 31 - 50%
5. 51 - 75%
6. Greater than 75%

Poll

# Majority of Americans do not plan for incapacity



Federal Reserve Board (2013). *Insights into the Financial Experiences of Older Adults: A Forum Briefing Paper*. Board of Governors of the Financial Reserve System.

# Research & Development Aims

- What are the key steps of advance financial care planning?
- How do we motivate people to engage in advance financial care planning?
- What information do adults need to guide them through the process?

# Research team



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Retirement and finance consultant



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Law and aging consultant



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# Funding acknowledgement

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Development funded by AARP





# Research activities

IN-DEPTH INTERVIEWS	FOCUS GROUPS	ONLINE DISCUSSION FORUM
14 professionals (elder law attorneys, financial advisors, daily money managers, neuropsychologists, physicians, geriatric care managers)	1. African American 2. Latino/Hispanic	120 adults age 60+
4 older adults 6 caregivers	3. Low-income (< \$30K) 4. Middle income (\$30-75K)	2-week long engagement

# Results: Barriers to advance planning

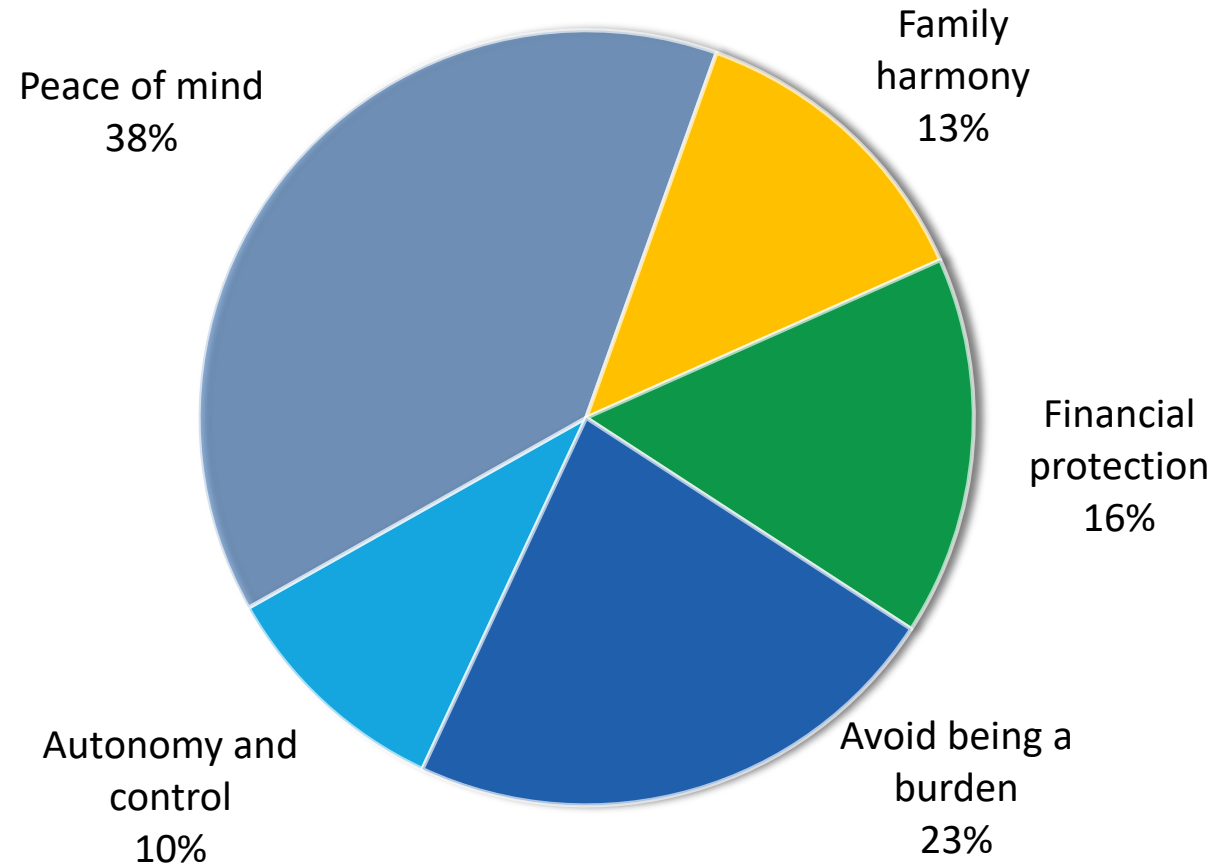
- Denial of future disability
- Lack of available advocates
- Desire for financial privacy
- Resistance from friends/family
- Dysfunctional family dynamics
- Lack of knowledge about POAs
- Poverty and financial myopia

# What is the top reason ***you*** would want to have an advance financial care plan?

1. Greater autonomy and control over future money management
2. Avoid being a burden on others
3. More peace of mind
4. Improve family harmony (minimize future disagreements)
5. Protect finances from fraud, abuse, mistakes

Poll

# Responses from our age 60+ participants



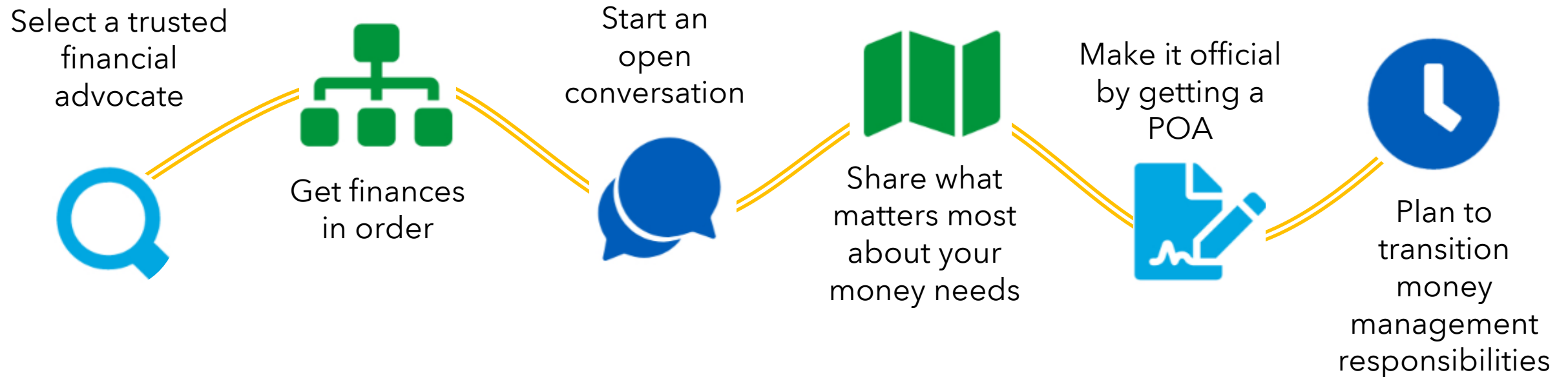
# Our participants said...

"Extra effort now  
can provide peace  
of mind later."

"It's not a matter of  
losing control, but  
gaining oversight  
and assistance."

"Failing to plan is  
planning to fail."

# What does advance financial planning entail?





thinkingaheadroadmap.org



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# Demo of the Thinking Ahead Roadmap website

[Thinkingaheadroadmap.org](http://Thinkingaheadroadmap.org)

# Next steps

- Develop Thinking Ahead Roadmap workshop materials for facilitators (e.g., retirement plan sponsors, senior centers, faith-based communities; legal aid organizations)
  - Handouts
  - Presentations
  - Facilitator's guide
- Partner with community organizations to research and develop a revised Thinking Ahead Roadmap for low income and minority older adults



# Looking for your help



The background features several abstract, overlapping shapes in shades of blue and green. A large, light blue shape with a rounded right edge is the most prominent, containing the word 'Questions?'. To its left is a darker blue shape. Below the light blue shape is a green shape. In the bottom left corner, there is a small light blue shape and a green shape, both containing contact information.

# Questions?

[info@thinkingahead.org](mailto:info@thinkingahead.org)  
[thinkingaheadroadmap.org](http://thinkingaheadroadmap.org)