

*Clinical Assessment of Financial Capacity in a Digital World***Daniel Marson**

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Financial capacity—the ability to independently manage one’s financial affairs—is an important but underrecognized domain of functional cognition in neurology and neuropsychology. Decline in financial capacity may be an early functional manifestation of neurodegenerative disease and can have profound individual and family consequences, including financial exploitation, unpaid obligations, inappropriate purchases, and loss of assets. Yet contemporary clinical assessment of financial capacity increasingly confronts a fundamental challenge: the financial environment itself has changed in our digital world. As financial life becomes increasingly digital, financial-capacity assessment also needs to evolve.

Traditional approaches to financial-capacity assessment were developed around 20th century financial activities such as counting cash, writing checks, balancing a checkbook, paying bills by mail, and conducting transactions in person. These activities remain relevant in some contexts and particularly for some older patients but no longer capture the complexity of contemporary financial behavior in our digital world. Patients increasingly use smartphones, online banking, electronic bill payment, peer-to-peer payment applications, contactless payments,

automated transfers, online investment accounts, and digital commerce. Consequently, a patient may perform adequately on conventional financial tasks while being unable to safely navigate the digital financial environment.

Conversely, technological fluency with digital environments does not ensure intact financial capacity. A patient may navigate a digital application effectively while failing to recognize scams, making impulsive purchases, sharing sensitive information, or making other errors of judgment.

Thus the goal of contemporary financial capacity assessment is not simply to determine whether a patient is “good with technology.” Digital financial competence involves more than technological familiarity. It requires recognizing legitimate versus fraudulent communications, protecting passwords and authentication credentials, evaluating online offers, understanding automated transactions, detecting unusual account activity, and appreciating the risks of granting another person digital access.

A contemporary assessment framework should examine core traditional financial abilities—basic monetary

skills, financial conceptual knowledge, cash and asset management, judgment, and decision-making—while also incorporating assessment of ecologically relevant digital behaviors. Clinicians should inquire about recent changes in online banking, unusual transactions, susceptibility to scams, password management, use of automated payments, and dependence on others for digital financial activities. Collateral information from family members, financial records, and, when appropriate and available, the patient's actual digital financial practices may substantially increase ecological validity of assessment.

In summary, financial capacity assessment has needed to evolve in our digital world. The clinical assessment task today is to determine whether a patient possesses the cognitive abilities and judgment necessary to manage both traditional financial affairs, and also contemporary digital financial affairs, safely and independently.