

Risk-Sensitive Assessment of Decision-Making Capacity: *A Comprehensive Defense*

by SCOTT Y. H. KIM and NOAH C. BERENS

Figure 1.
Comparison of Fixed- and Variable-Threshold Models of Assessing DMC



- 0-100: range of scores on a DMC abilities measurement; 100 = perfect abilities; 0 = coma.
- Gray bar = zone of uncertainty. Cases in green area are obviously competent or incompetent.
- The fixed-threshold model is insensitive to risk, so the threshold must be risk neutral. This will be at the midpoint.
- Variable thresholds: LR = low-risk threshold; HR = high-risk threshold. Variable thresholds will vary depending on the scenario. In the diagram, they are given as examples of where the thresholds might be when risks are low or high.

Table 1.
Each Threshold Model's Relative Rates of Two Error Types

	<i>Low-risk decisions</i>	<i>High-risk decisions</i>
<i>Competent judged incompetent</i>	Higher rate with a fixed threshold	Higher rate with a variable threshold
<i>Incompetent judged competent</i>	Higher rate with a variable threshold	Higher rate with a fixed threshold

- Low-risk decisions are *much* more common than high-risk decisions.
- The fixed-threshold model generates more errors of finding competent people incompetent.
- The variable-threshold model generates more errors of finding incompetent people competent.