NEW ANALYSIS SHOWS MORE THAN 28 MILLION BABY BOOMERS WILL DEVELOP ALZHEIMER’S DISEASE; WILL CONSUME NEARLY 25% OF MEDICARE SPENDING

Urgent Need for Investment in Treatments That Delay or Prevent the Disease. New Findings Reported at the Alzheimer’s Association International Conference 2015.

WASHINGTON, DC, July 20, 2015 – More than 28 million baby boomers will develop Alzheimer’s disease between now and midcentury, and the cost of caring for them will consume nearly 25 percent of Medicare spending in 2040, according to new research reported today at the Alzheimer’s Association International Conference® 2015 (AAIC® 2015) in Washington, D.C.

As the baby boomers with Alzheimer’s age, there will be a shift toward more severe forms of the disease, leading to greater Medicare costs. In 2020, the projected Medicare costs of caring for baby boomers with Alzheimer’s in the community ($11.86 billion, in 2014 dollars) will be 2.1% of total Medicare spending. By 2040, when the baby boom generation is aged 76-94, the projected Medicare costs ($328.15 billion, in 2014 dollars) increase to 24.2% of total Medicare spending, according to the new analysis.

“The risk of Alzheimer’s increases with age, and as baby boomers get older, the number of people developing the disease will rise to levels far beyond anything we’ve ever seen before,” said Maria Carrillo, PhD, Alzheimer’s Association Chief Science Officer. “Fortunately, there is a pipeline of experimental therapies that have the potential to delay the onset of Alzheimer’s and perhaps even prevent the disease. Updates on the status of several of these drugs will be described this week at the Alzheimer’s Association International Conference in Washington, D.C.”

“However, public funding for this research is extremely limited compared to the magnitude of the problem. If we’re going to change the current trajectory of the disease, we need consistent and meaningful investments in research from the federal government to ensure a more robust pipeline,” Carrillo said. “Where we’ve made significant commitments – heart disease, cancer, HIV/AIDS – we’ve generated effective treatments and prevention strategies, and reduced death rates. Now is the time to do the same for Alzheimer’s disease.”

An Alzheimer’s Association report released this year, Changing the Trajectory of Alzheimer’s Disease: How a Treatment by 2025 Saves Lives and Dollars, shows that the economic and health care burden we face over next two decades could be greatly mitigated if a treatment that delays the onset of Alzheimer’s by five years is introduced by 2025. According to the report, a treatment that delays disease onset could save $220 billion within the first five years of its introduction. It would also cut the number of people who have the disease in 2050 by 42% – from 13.5 million to 7.8 million.
Baby Boomer Alzheimer’s Numbers and Costs to Skyrocket in the Next 20 Years

At AAIC 2015, Lisa Alecxih and colleagues from The Lewin Group, Falls Church, VA, reported on a model of Alzheimer’s incidence, prevalence and cost that was developed for the Alzheimer’s Association to examine the current and future trajectory and economic impact of the disease.

The research team developed models that chart the trajectory and economic impact of Alzheimer’s based on the rate of new diagnoses, the number of people who will be living with the disease, and the cost of medical and long-term care between 2015 and 2050. They factored in the costs that Medicare pays for beneficiaries with Alzheimer’s, mortality rates and the varying costs of caring for people in different stages of the disease (mild, moderate, severe). Key findings include:

- The prevalence of Alzheimer’s among American baby boomers will rise from 1.2% in 2020, when most boomers will be in their 60s and early 70s, to an astonishing 50.1% in 2050, when all the boomers will be age 85+. This means that by 2040, more than twice as many baby boomers will have Alzheimer’s disease (10.3 million) compared with the equivalent age group in 2015 (4.7 million).
- When the first baby boomers turn 70 in 2016, Alzheimer’s prevalence in their age group will jump from less than 1% among individuals ages 65-69 to nearly 2.5% among individuals ages 70-74. At the same time, the number of Americans needing Alzheimer’s care and support will increase dramatically, with huge cost implications for decades to come.

“The findings of this new data analysis make it clear that the increased demand Alzheimer’s will place on the health and social services systems over the next two decades, coupled with the burden on those with the disease and their families, requires additional investment by the federal government,” Alecxih said.

The new data reinforces the value of ensuring strong implementation of the National Plan to Address Alzheimer’s Disease to achieve its goal of preventing and effectively treating Alzheimer’s by 2025, Alecxih added.

About AAIC
The Alzheimer’s Association International Conference (AAIC) is the largest gathering of leading researchers from around the world focused on Alzheimer’s and other dementias. As a part of the Alzheimer’s Association’s research program, AAIC serves as a catalyst for generating new knowledge about dementia and fostering a vital, collegial research community.
AAIC 2015 home page: www.alz.org/aaic/
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The Projected Impact of the Baby Boomers on the Trajectory of and Spending on Alzheimer's Disease

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Background: In 2016, the first Baby Boomers will turn 70, moving from a prevalence of Alzheimer’s disease (AD) of less than 1% among individuals ages 65-69 to nearly 2.5% among individuals ages 70-74. The march of the Baby Boomers into older ages with increasing prevalence of AD will significantly impact the number of Americans with AD and the spending to treat AD for decades. Using a model developed to examine the current trajectory and economic impact of AD, we examine the incidence and prevalence of the disease and the medical and long term care spending for these individuals during the 2015 to 2050 period.

Methods: The model combines incidence rates (Evans et al., 2003) and prevalence rates (Hebert et al., 2003, 2013); per capita costs of care for Medicare beneficiaries (Medicare Current Beneficiary Survey, 2011); and mortality rates and estimates of differential costs by stage of disease (mild, moderate, severe) (The Lewin Group, 2004). We used the model to evaluate the number of Baby Boomers expected to develop AD between 2015 and 2050, and the projected prevalence and costs as the Baby Boomers age.

Results: As Baby Boomers reach ages with a higher risk of AD, the prevalence among Baby Boomers will rise from 1.2% in 2020 to 50.1% in 2050 (see Figure 1). In 2040, more than twice as many Baby Boomers will have AD (N=10.3 million compared with the equivalent age group in 2015 (N=4.7 million). Over time, the disease burden will shift toward Baby Boomers with more severe forms of the disease, leading to increased Medicare costs. In 2020, when the Baby Boom generation is still relatively young, the projected Medicare costs for AD among Baby Boomers are just 2.1% of total Medicare spending (see Figure 2). By 2040 when the Baby Boom generation is aged 76-94, the projected Medicare costs increase to 24.2% of total Medicare spending.

Conclusions: Research into treatments and potential cures is critical to reducing both the disease burden and the economic consequences of this disease.
Figure 1: Prevalence of Alzheimer's Disease among Baby Boomers

Figure 2: Spending on Baby Boomers with AD as a % of total Medicare spending