NEW REPORT SAYS ALZHEIMER’S AND DEMENTIA COSTS TO THE NATION REACH $200 BILLION
Report Also Finds an Estimated 1 out of 7 People with Alzheimer’s Live Alone

CHICAGO – March 8, 2012 – According to 2012 Alzheimer’s Disease Facts and Figures, released today by the Alzheimer’s Association, caring for people with Alzheimer’s and other dementias will cost the United States an estimated $200 billion in 2012. This includes $140 billion paid by Medicare and Medicaid.

Medicare payments for an older person with Alzheimer’s and other dementias are nearly three times higher and Medicaid payments 19 times higher than for seniors without Alzheimer’s and other dementias. With nearly 30 percent of people with Alzheimer’s and other dementias on both Medicare and Medicaid, compared to 11 percent of individuals without these conditions, these costs will only continue to soar in the coming years given the projected rapidly escalating prevalence of Alzheimer’s disease as the baby boomers age.

“Alzheimer’s is already a crisis and it’s growing worse with every year,” said Harry Johns, President and CEO of the Alzheimer’s Association. “While lives affected and care costs soar, the cost of doing nothing is far greater than acting now. Alzheimer’s is a tremendous cost driver for families and for Medicare and Medicaid. This crisis simply cannot be allowed to reach its maximum scale because it will overwhelm an already overburdened system.”

Contact:
Toni Williams, 202.638.8666; toni.williams@alz.org
Alzheimer’s Association media line, 312.335.4078

Aggregate Costs of Care by Payer for Americans Age 65 and Older with Alzheimer’s Disease and Other Dementias, 2012*

Total cost: $200 Billion (B)

- Medicare $104.5 B, 52%
- Medicaid $35.5 B, 18%
- Out-of-pocket $35.8 B, 17%
- Other $26.2 B, 13%

*Data are in 2012 dollars
Source: Alzheimer’s Association 2012 Alzheimer’s Disease Facts and Figures
Most people with Alzheimer’s and other dementias have one or more other serious chronic conditions and Alzheimer’s acts as a cost multiplier on these other diseases. Cognitive impairment complicates the management of care, resulting in more hospitalizations and longer hospital stays compared to individuals with the same conditions but no Alzheimer’s. Because Alzheimer’s and other dementias complicate the treatment of other diseases, the costs of these other conditions increase considerably. For example, a senior with Alzheimer’s and diabetes costs Medicare 81 percent more than a senior with diabetes but no Alzheimer’s. Similarly, an older individual with cancer and Alzheimer’s costs Medicare 53 percent more than a beneficiary with cancer and no Alzheimer’s.

“This disease must be addressed on parallel tracks: supporting research to find treatments that cure, delay or prevent the disease, and offering assistance and support to the more than 5 million Americans now living with Alzheimer’s and their more than 15 million caregivers,” said Johns. “This is what the National Alzheimer’s Plan is all about. Caring for people with Alzheimer’s and other dementias costs America $200 billion in just one year. By committing just one percent of that cost, $2 billion, to research it could begin to put the nation on a path to effective treatments and, ultimately, a cure. Given the human and economic costs of this epidemic, the potential returns on this one percent solution are extremely high.”

**Individuals with Alzheimer’s Who Live Alone**

While Alzheimer’s imposes profound challenges on individuals and their families, for the one out of seven individuals with Alzheimer’s who live alone these challenges are even more formidable.

The *2012 Alzheimer’s Disease Facts and Figures* reports that an estimated 800,000 individuals have Alzheimer’s and live alone, and up to half of these individuals do not have an identifiable caregiver. On average, people with dementia who live alone in the community tend to be older, female and less cognitively impaired. However, people who live alone still have significant deficiencies in their ability to perform tasks such as managing money, shopping, traveling, housekeeping, preparing meals and managing medications.

People with dementia who live alone are at greater risk of jeopardized health than those who live with others, including greater risk of missed or delayed diagnosis and increased risk for malnutrition and untreated medical conditions. These individuals are also at increased risk of wandering away from home unattended and for accidental death, possibly due to lack of recognition of harmful situations and delays in seeking medical attention. People with Alzheimer’s disease who live alone often incur higher costs for home health care and non-physician outpatient services but lower costs for inpatient hospital services, hospice care and prescription medications.
“Advance planning is important for everyone, particularly for individuals who have Alzheimer’s or other dementias; but for the population that has Alzheimer’s and lives alone, future planning is absolutely critical,” said Beth Kallmyer, Vice President of Constituent Services for the Alzheimer’s Association. “Planning will allow these individuals to build their care team, handle their financial matters and make plans for the future.”

Expanding Impact of Alzheimer’s Disease and Dementia
Today, an estimated 5.4 million people are living with Alzheimer’s disease, but Alzheimer’s doesn’t just affect individuals – it affects entire families. There are 15.2 million friends and family members of individuals with Alzheimer’s and other dementias who provide 17.4 billion hours of unpaid care valued at more than $210 billion.

Someone develops the disease every 68 seconds, and while the greatest risk factor for developing Alzheimer’s disease is age, Alzheimer’s is not normal aging. Alzheimer’s is the sixth-leading cause of death in the country and the only cause of death among the top 10 in the United States that cannot be prevented, cured or even slowed. Based on final mortality data from 2000-2008, death rates have declined for most major diseases – heart disease (-13 percent), breast cancer (-3 percent), prostate cancer (-8 percent), stroke (-20 percent) and HIV/AIDS (-29) – while deaths from Alzheimer’s disease have risen 66 percent during the same period.

| Percentage Changes in Selected Causes of Death (All Ages) Between 2000 and 2008 |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Percentage                     | Alzheimer’s disease | Stroke | Prostate cancer | Breast cancer | Heart disease | HIV |
| +66%                            | -20%             | -8%   | -3%           | -13%          | -29%          |

Source: Alzheimer’s Association 2012 Alzheimer’s Disease Facts and Figures.
Increased Significance for a Strong National Alzheimer’s Plan
More than a year ago, the National Alzheimer’s Project Act passed unanimously in Congress. President Obama signed the legislation into law, offering hope for millions of families that a first-ever National Alzheimer’s Plan would change the trajectory of the disease. The Association supports the plan development process currently underway and is working with the Department of Health and Human Services to ensure a plan that is aggressive, urgent and achievable.

“How Alzheimer’s can’t wait,” said Robert Egge, the Alzheimer’s Association’s Vice President of Public Policy. “That fact is underscored more clearly than ever by the new information in the 2012 Facts and Figures report. The soaring costs, the escalating number of people living with the disease and the challenges encountered by families and those who live alone with Alzheimer’s, all demand a meaningful, aggressive and ambitious effort to solve this problem. Inattention is no longer an option.”

Full text of the Alzheimer’s Association’s 2012 Alzheimer’s Disease Facts and Figures can be viewed at www.alz.org after the embargo lifts. The full report will also appear in the March 2012 issue of Alzheimer’s & Dementia: The Journal of the Alzheimer’s Association (Volume 8, Issue 2).

Alzheimer’s Association’s Facts and Figures
The Alzheimer’s Association’s Facts and Figures report is a comprehensive compilation of national statistics and information on Alzheimer’s disease and related dementias. The report conveys the impact of Alzheimer’s on individuals, families, government and the nation’s health care system. Since its 2007 inaugural release, the report has become the most cited source covering the broad spectrum of Alzheimer’s issues. The Alzheimer’s Disease Facts and Figures report is an official publication of the Alzheimer’s Association.

Alzheimer’s Association
The Alzheimer’s Association is the world’s leading voluntary health organization in Alzheimer’s care, support and research. Our mission is to eliminate Alzheimer’s disease through the advancement of research; to provide and enhance care and support for all affected; and to reduce the risk of dementia through the promotion of brain health.

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