

# factsheet

MARCH 2014

alz.org

## Alzheimer's Disease Treatments = Savings for Medicare and Medicaid

**Between 2010 and 2050, caring for people with Alzheimer's disease will cost America \$20 trillion (in today's dollars). Most of that will be spent by Medicare and Medicaid.**

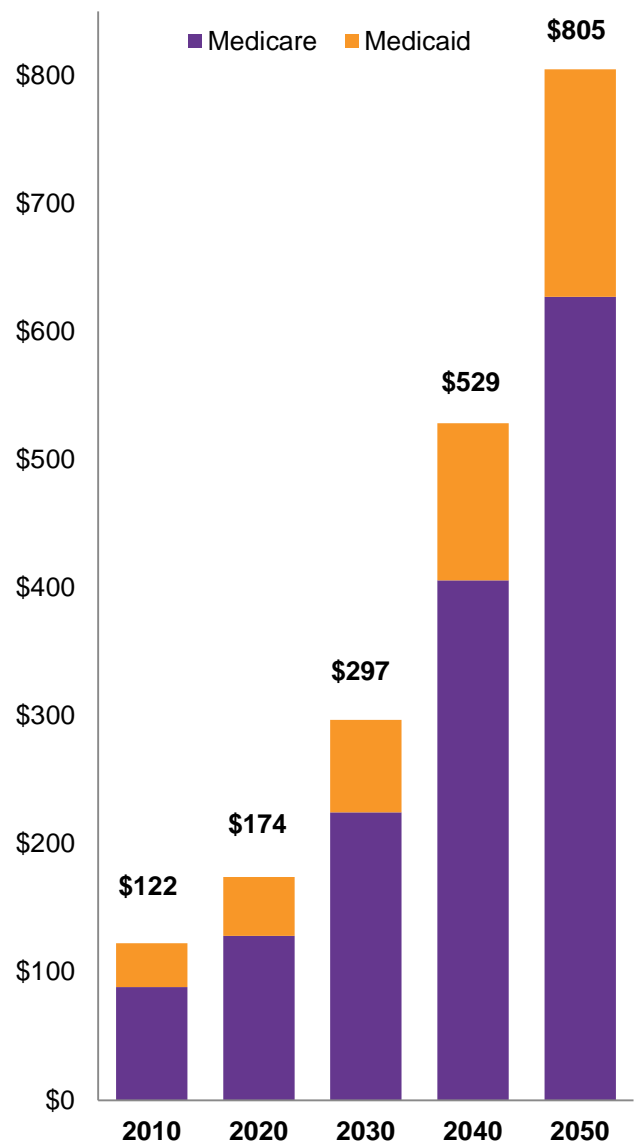
- In 2014, Medicare and Medicaid will spend an estimated \$150 billion (in current dollars) on people with Alzheimer's and other dementias.
- That figure is projected to increase to over \$800 billion in 2050 (before inflation).

**While there are currently no known treatments to prevent or delay the progression of Alzheimer's disease, such treatments could have a dramatic impact on Medicare and Medicaid spending.**

- The ultimate goal is a treatment that completely prevented or cured Alzheimer's.
- However, even more modest and, perhaps, more easily attainable treatments could prove extremely beneficial.

NOTE: The findings presented on this Fact Sheet are from an economic model developed by The Lewin Group and contained in the report, *Changing the Trajectory of Alzheimer's Disease: A National Imperative*. To maintain consistency with that report, this Fact Sheet presents all figures in constant 2010 dollars (unless otherwise noted). Other materials from the Alzheimer's Association may show slightly different cost estimates that reflect inflation as well as updated prevalence projections and health care cost data.

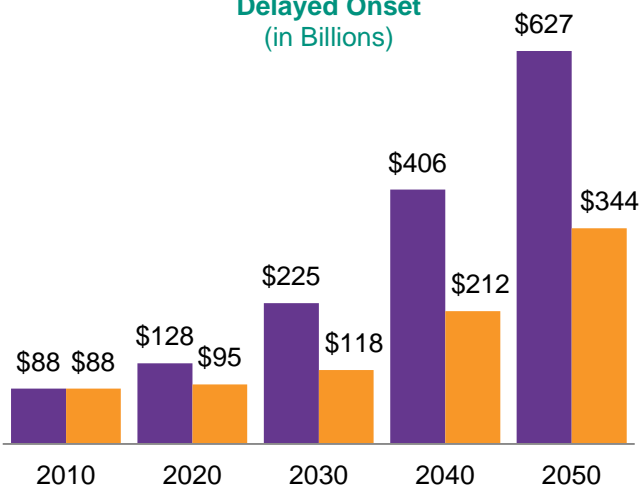
**Medicare and Medicaid Costs of Caring for People with Alzheimer's**  
Current Trajectory in Billions of 2010 Dollars



If a treatment became available in 2015 that *delayed the onset* of Alzheimer's disease for five years (a treatment similar to the effect of anti-cholesterol drugs on preventing heart disease) –

- Savings would be seen almost immediately: in 2020, Medicare and Medicaid spending would be \$42 billion *less*.
- In 2050, Medicare *savings* would be \$283 billion and Medicaid *savings* would be \$79 billion. This would be 45 percent less than what would be spent on people with Alzheimer's if there were no such treatment.

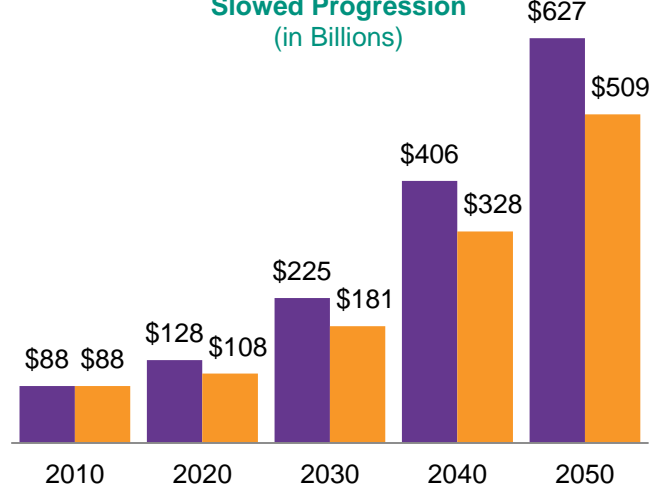
**Medicare Cost Savings  
Delayed Onset**  
(in Billions)



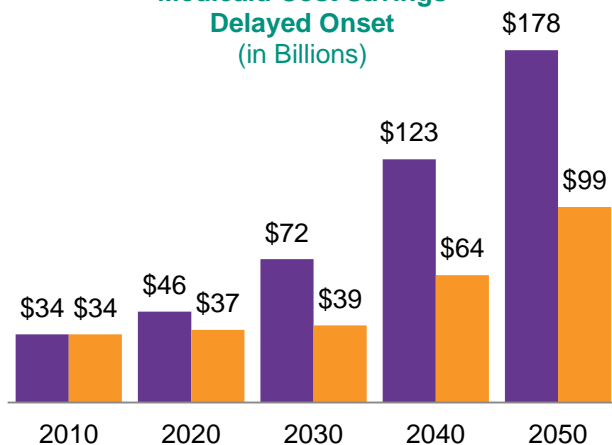
If a treatment became available in 2015 that *slowed the progression* of Alzheimer's by keeping individuals in both the mild and moderate stages of the disease five times longer (similar to what has happened with HIV/AIDS and some cancers) –

- \$34 billion would be *saved* by Medicare and Medicaid in 2020.
- In 2050, the government health care programs would save \$180 billion – \$118 billion in Medicare and \$62 billion in Medicaid.

**Medicare Cost Savings  
Slowed Progression**  
(in Billions)



**Medicaid Cost Savings  
Delayed Onset**  
(in Billions)



**Medicaid Cost Savings  
Slowed Progression**  
(in Billions)

