

# factsheet

MARCH 2013

alz.org

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

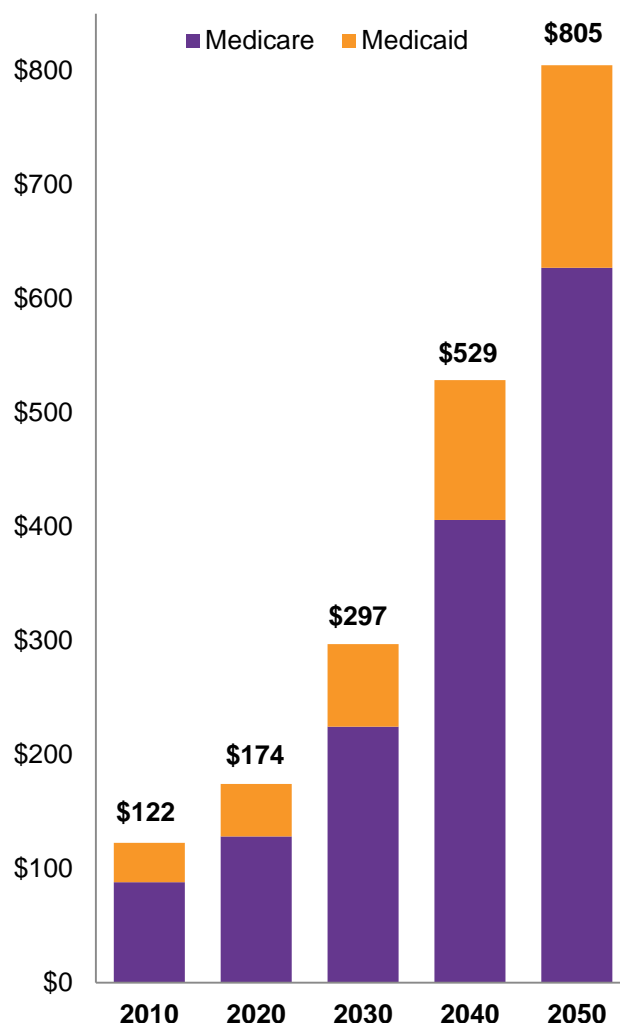
**Caring for people with Alzheimer's disease will cost all payers – Medicare, Medicaid, individuals, private insurance and HMOs – \$20 trillion (in today's dollars) over the next 40 years. The overwhelming majority of that will be spending by Medicare and Medicaid.**

- Medicare and Medicaid will spend an estimated \$142 billion in 2013 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.

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



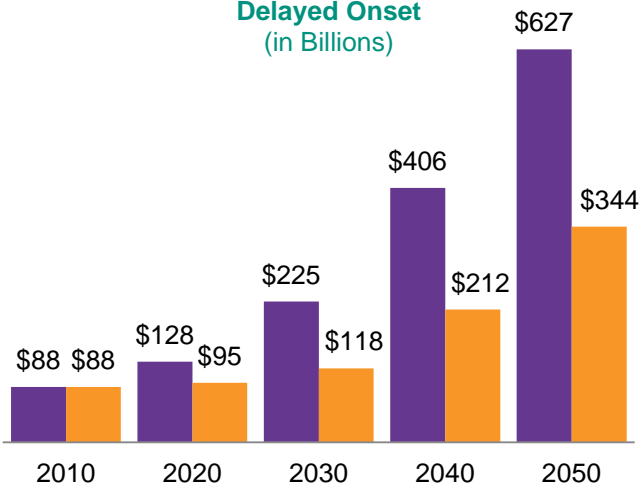
**If a treatment became available in 2015 that *delayed the onset* of Alzheimer's disease for five years (a treatment similar to the effect of anti-cholesterol drugs on preventing heart disease) –**

- 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.

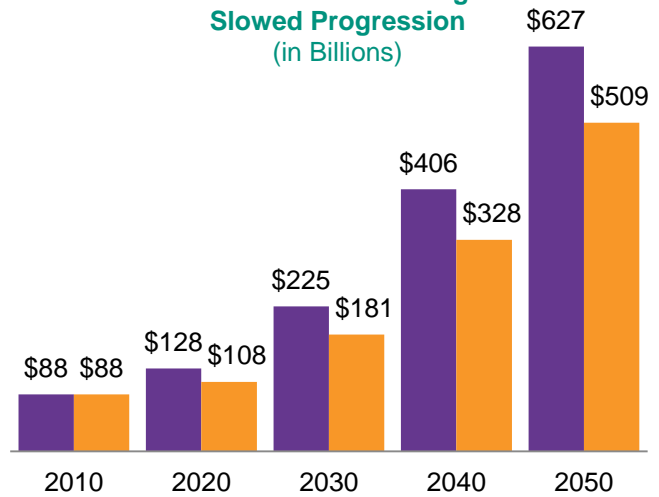
**If a treatment became available in 2015 that *slowed the progression* of Alzheimer's by keeping individuals in both the mild and moderate stages of the disease five times longer (similar to what has happened with HIV/AIDS and some cancers) –**

- \$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.

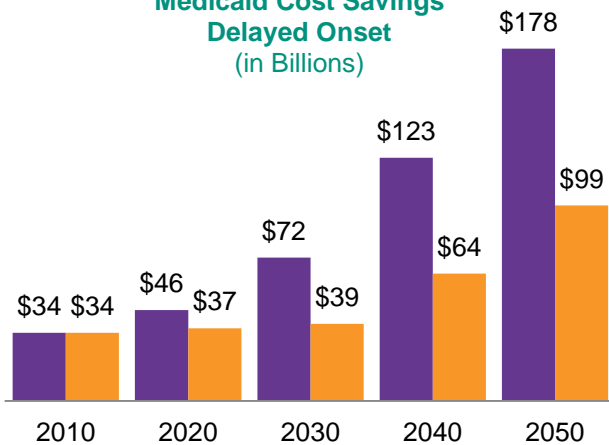
**Medicare Cost Savings Delayed Onset**  
(in Billions)



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



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



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

