The Alzheimer’s/Medicare Connection

Washington is a place where policy debates too often prioritize dollars spent over people benefited. Congressional fixation on austerity has often made our nation penny-wise and pound-foolish at a time when well-placed investments would benefit not only our citizenry but also the federal budget bottom line. This is especially true when you look at the case of insufficient funding for Alzheimer’s research and the rapidly growing impact this disease has on federal programs like Medicare, the nation’s largest health insurer, which handles more than 1 billion claims per year for 52 million beneficiaries; and Medicaid, the nation’s primary payer for long-term care services and supports.

Alzheimer’s is the most expensive disease in America. We spend more money treating and caring for Alzheimer’s victims than for persons suffering from cancer and heart disease. While deaths from cancer and heart disease are declining, the number of people diagnosed with Alzheimer’s disease continues to grow as our population ages. In spite of this demographic reality, federal funding for Alzheimer’s research pales in comparison to the commitments made to other disease research. The United States will spend about $5.4 billion this fiscal year on cancer research, $3 billion to research HIV/AIDS and about $1.2 billion on heart disease. Funding for Alzheimer’s research will reach only about $566 million at a time when an estimated 5.1 million Americans will have Alzheimer’s disease in 2015 and an estimated 13.5 million will have the disease by 2050. There is no known cure yet for Alzheimer’s so, without a serious federal commitment to invest new funds in the research needed, the fiscal and human costs of this disease will be increasingly devastating.

According to a new study commissioned by the Alzheimer’s Association, America will spend $20.8 trillion dollars over the next generation to care for people with Alzheimer’s. That’s more than the entire federal debt accrued by our nation over the past 36 years. By 2050, without changes in federal policy, spending in the Medicare program for Alzheimer’s and other dementias will increase fourfold to $589 billion in 2050. Put into perspective, that’s nearly the annual budget for the entire Medicare program today. We can not continue to ignore the threat this disease poses for millions of American families and federal programs like Medicare and Medicaid. Researchers also found, “In 2015, the costs to all payers for the care of people living with Alzheimer’s disease and other dementias will total an estimated $226 billion, with Medicare and Medicaid paying 68 percent of the costs. Based on the current trajectory, costs are projected to increase to over $1.1 trillion in 2050, with Medicare and Medicaid costs increasing to nearly 70 percent of the total.” It’s clear that Alzheimer’s is not only...
devastating to the growing number of families whose loved ones are afflicted with this terrible disease but it’s impact will also be felt by every American who depends on vital health security programs like Medicare and Medicaid.

The creation of a National Alzheimer's Project and our nation’s first “National Plan to Address Alzheimer's Disease,” has set a target date of 2025 to find new prevention and treatment plans. Congress added $100 million in 2014 to the National Institute on Aging’s funding for Alzheimer's research, and doubled the $100 million going to the BRAIN initiative (which stands for "Brain Research through Advancing Innovative Neurotechnologies"). President Obama’s FY 2016 budget asks for a $51 million increase in Alzheimer’s research, a budget increase which falls far short of the $2 billion a year scientists say is needed to meet the 2025 goal of a national Alzheimer’s plan.

Washington’s elected leaders need to recognize that increased Alzheimer’s funding is a win-win for our nation. If we meet the 2025 national target, millions of Americans could be saved from Alzheimer’s so that in 2050, only 9 percent of older adults would have Alzheimer’s instead of 16 percent. Medicare alone would save $141 billion in Alzheimer’s related expenses.

Moving forward, the “long goodbye” should no longer be about the desperate tragedy of memory loss but instead should represent the cessation of a deadly disease and the aversion of a fiscal crisis. This latest study clearly illustrates the Alzheimer’s/Medicare connection but what remains to be seen is whether Congress will do the right thing and make Alzheimer’s research funding a true national priority.

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ALZHEIMER’S RESEARCH

AARP Article


The most expensive disease in America is devouring federal and state health care budgets, and depleting the life savings of millions of victims and their families. But the greatest cost of Alzheimer’s disease and other forms of dementia is not financial, but personal.

The cost of caring for Americans with Alzheimer’s disease and other dementias has surpassed the cost of treatment for cancer patients or victims of heart disease. And these costs are virtually certain to go up. While the deaths from some cancers and heart disease are declining, the number of Alzheimer’s cases continues to increase every year as the population grows older.

Washington has committed some $5.4 billion this fiscal year to cancer research, about $1.2 billion to heart disease and $3 billion to research on HIV/AIDS. Research funding for Alzheimer’s will reach only about $566 million. The Alzheimer’s Association estimates that 5.2 million Americans had Alzheimer’s disease in 2014, a figure that has risen steadily over the years. Nearly two-thirds of Alzheimer's sufferers are women.

Alzheimer's currently costs the United States some $214 billion annually, according to federal government estimates. Care of the victims will cost Medicare and Medicaid $150 billion in the current fiscal year; the remaining costs will fall largely on patients and their families. A 2014 study by Caring.com, a website for family caregivers, reported that 42 percent of families that include someone with Alzheimer’s spend more than $20,000 per year for care.

In 2011, Congress created a new approach to the disease called the National Alzheimer's Project. This mandated the nation’s first "National Plan to Address Alzheimer’s Disease," which was released in 2012 and set a target date of 2025 to develop methods of prevention and effective treatment. To help reach this ambitious goal, Congress added $100 million in 2014 to the National Institute on Aging's portfolio for Alzheimer's research, and doubled the $100 million going to the so-called BRAIN initiative (a classic Washington acronym that stands for "Brain Research through Advancing Innovative Neurotechnologies").

Ronald Peterson, M.D., of the Mayo Clinic, who chairs an advisory council for the National Alzheimer’s Project, told Congress that meeting the 2025 goal for prevention and treatment will require $2 billion annually over the next decade in research funding. But Congress to date has never approved more than $600 million in annual funding — less than one-third of Peterson’s minimum requirement.
Doctors cannot prevent, cure or significantly slow Alzheimer's disease.

Florida is now home to 41 Alzheimer's-related clinical trials, 13 of which are within 100 miles of Fort Myers, according to the National Institutes of Health. The Neuropsychiatric Research Center of Southwest Florida in Lee County is enrolling adults, some who already have Alzheimer's, in seven dementia-related studies. Most involve placebo-controlled trials of experimental drugs for companies like Eli Lilly, Eisai and Merck.

Federal funding of Alzheimer's research totaled an estimated $566 million last year, about $11 million of which went to Florida research centers, according to the NIH.

It's hardly the lowest in U.S. disease spending but well below the amounts spent researching such things as HIV/AIDS ($2.9 billion), heart disease ($1.3 billion), diabetes ($1 billion) and breast cancer ($674 million).

The Obama administration announced plans in 2012 to boost research funding and set a goal to have effective Alzheimer's treatments by 2015. Federal spending on the disease has grown from $450 million just four years ago."

• The Alzheimer's Association's link to match dementia patients, family members and caregivers to applicable, ongoing studies: http://www.alz.org/research/clinical_trials/find_clinical_trials_trialmatch.asp

**ALZHEIMER’S ASSOCIATION**


Medicare is a federal health insurance program generally for people age 65 or older who are receiving Social Security retirement benefits or who are younger than 65 and received Social Security disability benefits for at least 24 months.

- Medicare covers inpatient hospital care and some of the doctors' fees and other medical items for people with Alzheimer’s or dementia who are age 65 or older. [Medicare Part D](http://www.alz.org/care/alzheimers-dementia-medicare.asp) also covers many prescription drugs.
- Medicare will pay for up to 100 days of skilled nursing home care under limited circumstances. However, custodial long-term nursing home care is not covered.
- Medicare will pay for hospice care delivered in the home, a nursing facility or an inpatient hospice facility for people with dementia who are determined by a doctor to be near the end of life.

**OAA PROGRAMS – make pitch for reauthorization**

Community support services

Many community organizations provide low-cost or even free services, including respite care, support groups, transportation and home-delivered meals. You also may consider informal care arrangements using family, friends, neighbors, faith communities and volunteer groups.

**THE HILL OPED**

The 2011 National Alzheimer’s Project Act required the development of the country’s first-ever national Alzheimer’s plan. Released in 2012, the National Plan to Address Alzheimer’s Disease set a clear goal: “prevent and effectively treat Alzheimer’s disease by 2025.”

Hitting this target would rewrite the future, saving millions of lives and trillions of dollars. For example, a treatment to delay the onset of Alzheimer’s by five years introduced in 2025 would decrease the number of Americans with Alzheimer’s by 2.4 million by 2030, according to the report.

**FROM THE REPORT**

Today, there are no available therapies that address the underlying cause of Alzheimer’s, making it the only disease in the top 10 causes of death in the United States without a way to prevent, cure or even slow its progression.
This is the price tag: $20.8 trillion. Because there is currently no way to stop or slow Alzheimer’s, that’s what we will all pay over the next generation to care for people with Alzheimer’s unless policymakers change the disease’s trajectory by adequately funding research for treatment.

At $20.8 trillion, Alzheimer’s will cost America more over the next 36 years than the total federal debt accrued over the last 36 years ($17.4 trillion). And, it is Medicare that will bear the greatest burden; so much that Alzheimer’s could bankrupt the federal insurance program.

A new report from the independent research firm The Lewin Group, commissioned by the Alzheimer’s Association, finds that on the current trajectory Medicare spending to care for people with Alzheimer’s and other dementias will increase more than fourfold to $589 billion in 2050. That’s one of every $3 Medicare will spend in 2050, and nearly what we spend on all of Medicare today.

The daunting numbers come from the fact that the number of Americans ages 65 and older living with Alzheimer’s disease will triple in just over a generation. Worse, more of them will be in late-stage Alzheimer’s in 2050 than the total number of Americans with the disease today. These individuals will lose their ability to eat, bathe and manage bodily functions, and require constant care for years on end, until the disease finally kills them.

According to the New England Journal of Medicine, Alzheimer’s is already the nation’s most expensive disease. The nation and the federal budget clearly cannot afford to let Alzheimer’s stay this course, which is why there is bipartisan agreement to change it.

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That’s five more years with our loved ones, earned insights, proud independence and cherished memories.

There is hope. A federal research investment of $2 billion a year between now and 2025, as suggested by the scientific community, would be recouped in the first three years after a treatment became available. And, the savings would grow substantially over time. If we hit the target set by the National Alzheimer’s Plan’s 2025 goal, there will
be a total savings of $220 billion over the first five years, and by 2050 the savings would grow to $367 billion in just a single year.

Promising research is ready for the pipeline, and prominent scientists believe the national goal is attainable if we accelerate funding. While the president’s budget again prioritizes Alzheimer’s, the scale of funding proposed is not commensurate with the triple threat that Alzheimer’s poses — soaring prevalence, lack of treatment and enormous cost. With millions of lives and trillions of dollars at stake, we need real progress in the fight against Alzheimer’s.

To guide research funding, Congress passed the Alzheimer’s Accountability Act as part of the fiscal 2015 Omnibus Appropriations Bill. It directs the National Institutes of Health to submit a Professional Judgment Budget to Congress that reflects the state of Alzheimer’s knowledge and the research investments NIH scientists say are required to meet the 2025 goal.

When the NIH scientists speak, it is vital that Congress listens and acts with urgency. Congress has the power to change the trajectory of Alzheimer’s, saving lives and Medicare.

*Harry Johns is president & CEO of the Alzheimer’s Association, the world’s leading voluntary health organization in Alzheimer’s care, support and research. Want More Stories Like This? [Subscribe to our Thought Leaders Newsletter.]*

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