

Cost of care for people with Alzheimer's disease also falls on businesses and taxpayers

While the financial burden of care falls primarily on families, the rapid growth in the prevalence of Alzheimer's will also impact California's healthcare costs, causing them to rise significantly.

Alzheimer's disease is a major contributor to Medi-Cal costs and therefore ultimately impacts taxpayers:

- The cost to the Medi-Cal program for an individual with Alzheimer's disease or a related dementia is 2.5 times greater than the cost for an individual not having a diagnosis of dementia.
- Most of the Medi-Cal cost difference is accounted for by nursing home expenditures, which are almost three times greater for individuals with Alzheimer's disease or other dementias compared to other residents.
- Lack of community-based services may increase hospitalization rates and may contribute to people being placed into nursing homes earlier than necessary, thereby driving up Medi-Cal costs.

California businesses will also be significantly impacted by growth in the number of people with dementia. Among employed caregivers, 71% work full-time and 29% are part-time employees. Because many caregivers miss work, reduce their work hours, or change jobs, California's employers experience an estimated \$1.4 billion in lost productivity annually from full-time employed caregivers alone.

Total Estimated Cost to California Businesses of Full-Time Employed Caregivers

	Cost per Employee	Total Employer Cost
Replacing Employees	\$825	\$318,512,329
Absenteeism	\$1,420	\$548,398,064
Workday Interruptions	\$379	\$146,239,371
Elder Crisis	\$244	\$94,010,807
Supervisor Time	\$103	\$39,630,499
Unpaid Leave	\$189	\$73,119,516
Full-Time to Part-Time	\$346	\$133,665,090
Total	\$ 3,506	\$1,353,575,676

THIS DATA CALLS CALIFORNIA POLICY MAKERS TO ACTION

California must expedite development of a State Alzheimer's Disease Plan

- In 2008 California enacted legislation (SB 491-Alquist) mandating the state's Alzheimer's Advisory Committee to update the 1987 Alzheimer's Task Force Report
- The Committee is to advise the Legislature and Secretary of Health and Human Services on policy recommendations that will enable California to prepare for the dramatic increase in Californians living with Alzheimer's disease and other dementias.
- Legislators and the public will have an opportunity to participate in development of this plan.

California must increase its commitment to Alzheimer's research

- Research that discovers a way to delay the debilitating symptoms of Alzheimer's by just five years could cut prevalence rates in half.
- A decline in the number of people diagnosed with dementia can result in a parallel decline in the burden on Medi-Cal—and on taxpayers.
- The Legislature and the Governor are urged to increase funding for California's ten Alzheimer's Research Centers and extend the sunset date for the Alzheimer's Disease Research Fund tax check-off.

These highlights are extracted from *Alzheimer's Disease Facts and Figures in California: Current Status and Future Projections*, released February 2009. Funding for the report was provided by The Rosalinde and Arthur Gilbert Foundation.

Alzheimer's Association, California Council
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Alzheimer's Disease Facts and Figures in California
CURRENT STATUS AND FUTURE PROJECTIONS

- In the next generation, the number of Californians over age 55 living with Alzheimer's disease will double.
- During the same time period, the number of Latinos and Asian/Pacific Islanders living with the disease will triple.
- Alzheimer's is not limited to older adults—it can occur in individuals in their 30s, 40s and 50s.
- Alzheimer's is now the sixth leading cause of death in California.

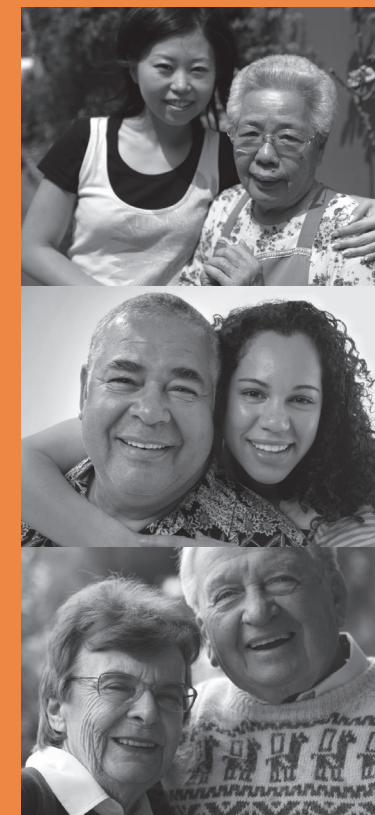
2008

588,208 families in California living with Alzheimer's disease



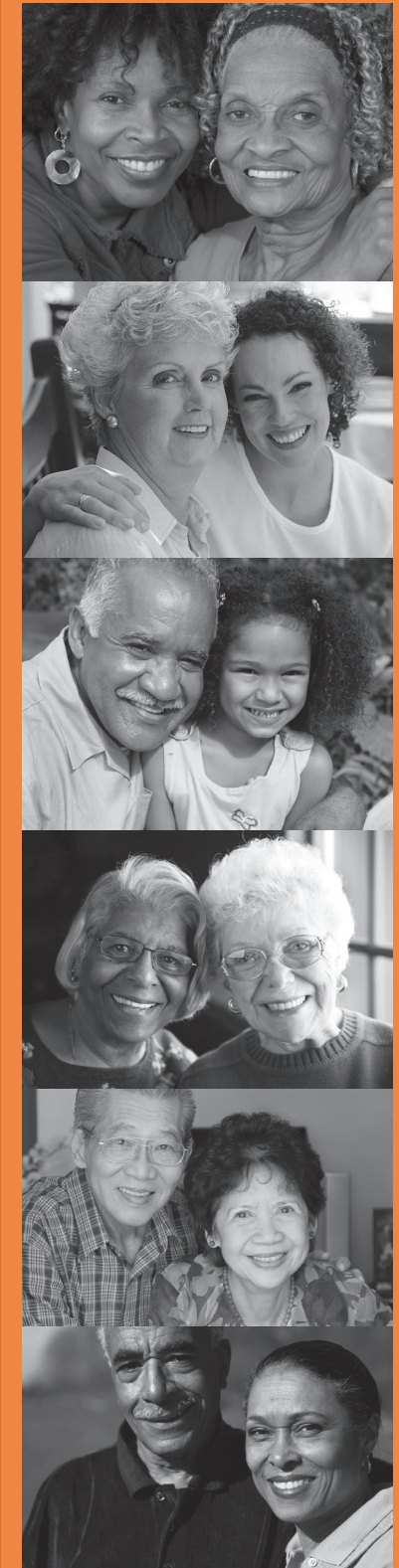
2015

678,446 families in California living with Alzheimer's disease



2030

1,149,560 families in California living with Alzheimer's disease



Alzheimer's disease is a progressive, irreversible neurological disorder characterized by severe memory loss. It is the most common type of dementia.

One in eight California Baby Boomers who reach age 55 will develop Alzheimer's disease

California's baby boomer population now includes over 9 million people. In 2008 the oldest baby boomers, people born in 1946, turned 62. It is estimated that in their lifetime, 1.6 million California baby boomers can expect to develop some form of dementia. 1.2 million will develop Alzheimer's disease, the most common type of dementia.

Growth in the number of people living with Alzheimer's disease is not limited to older adults

By 2030 the number of Californians between the ages of 55 and 74 living with Alzheimer's disease will almost double. Early diagnosis of people under age 65 poses unique challenges that are not currently addressed in community services primarily designed for people in their 70s and 80s. Some programs have age-based eligibility. Individuals diagnosed in their 50s and 60s are often still working and therefore face loss of income as well as health insurance.



Trends among California's diverse population are changing the face of Alzheimer's disease

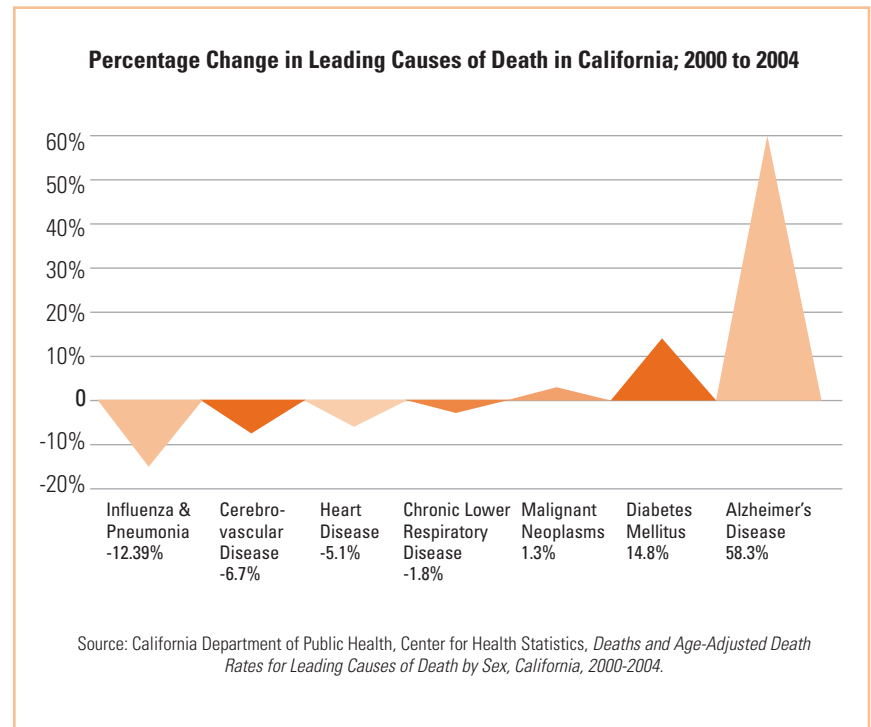
While Alzheimer's in the overall population will double in the next generation, among Latinos/Hispanics and Asian/Pacific Islanders this disease will triple between 2008 and 2030. The number of African-Americans affected by the disease will double by 2030.

Cultural biases in cognitive testing, inadequate translation of diagnostic tools, and lack of bilingual health professionals may influence the identification of dementia in these populations. Under-reporting and diagnosis at a later stage of disease often occurs among people of color, thus limiting the effectiveness of treatment.

Deaths from Alzheimer's disease continue to rise

Alzheimer's disease is ultimately fatal. It is now the 6th leading cause of death in California; in 2004 it was 8th. Compared to other leading causes of death in California, Alzheimer's showed the greatest increase from 2000-2004—58.3 percent.

Even though deaths attributed to Alzheimer's disease are increasing, the number does not fully capture the disease's public health impact. Death certificates substantially under-report Alzheimer's disease as a cause of death because most individuals also have other serious coexisting medical conditions, such as heart disease or stroke. Also, Alzheimer's disease is still under-diagnosed, so the certifying physician may not be aware the individual had the disease.



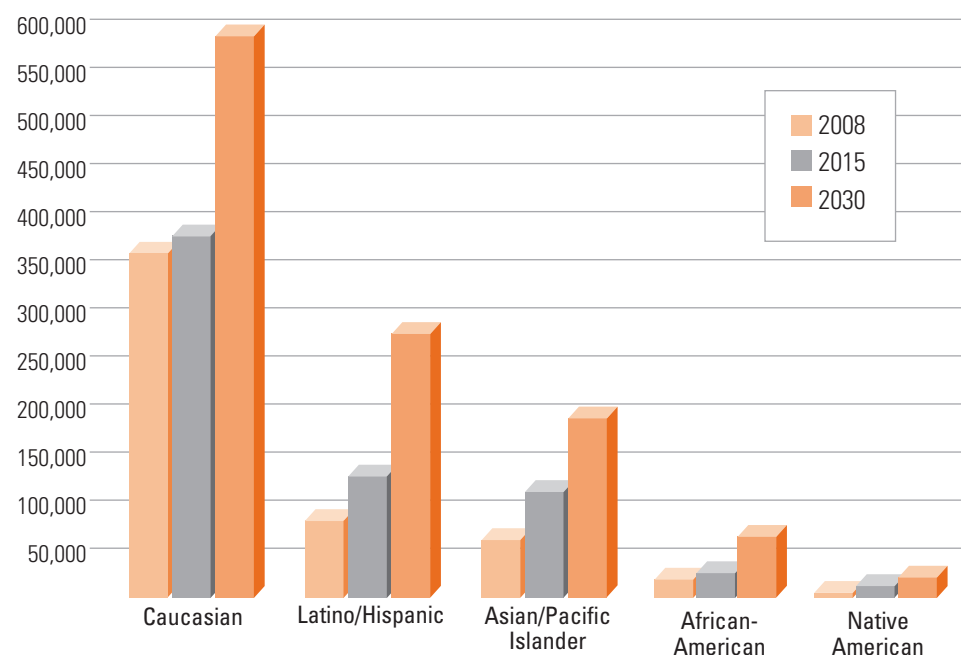
1.1 million Californians providing unpaid care for people with Alzheimer's

Most people with dementia live at home, usually with help from family and friends. Women tend to shoulder the vast majority of caregiving—75% are women. The number of Alzheimer's family caregivers will also double by 2030.

The nature of the disease means that, in many cases, those caring for someone with Alzheimer's disease will spend many years providing increasing levels of supervision and personal care. Caregivers of people with severe memory problems/dementia spend an average of 54 hours per week providing care as compared to 31 hours spent by caregivers of people without memory problems. There is substantial evidence that caregiving can exact a toll on the caregiver's emotional and physical health.

Caregiving negatively impacts the individual's ability to work outside the home. Disproportionately high percentages of these caregivers report being forced to miss work (21%), reduce their work hours (8%), quit their jobs (11%) or change jobs (4%) due to caregiving demands.

Estimated Number of Californians 55+ with Alzheimer's Disease by Race/Ethnicity; 2008, 2015, 2030



If family caregivers were not available, what would it cost to substitute paid care services?

Families provide almost three-quarters of the value of informal (unpaid) and formal care for individuals living with Alzheimer's disease in the community and in facilities—\$72.7 billion out of an estimated total cost of \$104 billion.

Impact on Caregivers of Individuals with Severe Memory Problems/Dementia Compared to Caregivers of Individuals with Problems Other Than Memory/Dementia

IMPACT ON CAREGIVER	Person receiving care has:	
	Severe Memory Problems/Dementia	Problems Other Than Memory/Dementia
Emotionally stressful	44%	26%
Sleep interrupted	32%	22%
Physical strain	24%	13%
Financial hardship	19%	11%
Excellent or very good health	36%	44%

Source: Scharlach, A., Sirotnik, B., Bockman, S., Neiman, M., Ruiz, C., & Dal Santo, T. (2003). *A Profile of Family Caregivers: Results of the California Statewide Survey of Caregivers*. Center for the Advanced Study of Aging Services, University of California, Berkeley.