

Alzheimer's Disease Caregiving: Personal and Societal Costs

The exact cost of Alzheimer's disease to patients, family members, the U.S. economy and society in general is difficult to calculate. Studies conducted on this topic have resulted in a wide range of data sets. The following, however attempts to highlight the magnitude of this disease's toll.

Cost to Society

- According to the Alzheimer's Association, Alzheimer's disease ranks behind only heart disease and cancer as the third-most-expensive illness in the United States, costing at least \$100 billion a year. This figure represents the estimated combined out-of-pocket expenses of the families of patients with Alzheimer's disease, as well as the costs absorbed the Medicare and Medicaid programs.

Cost to U.S. Business

- In 2002, Alzheimer's disease cost American business more than \$61 billion, due to:
 - Business contributions to health care treatment and health research involving Alzheimer's disease (\$24.46 billion)
 - Productivity losses to U.S. businesses associated with caregiver absenteeism (\$18 billion)
 - Replacement cost of caregiver workers leaving their employment (\$6.29 billion)
 - Expense of continuing insurance for workers on leave and fees paid to temporary-workers (\$1.92 billion)
 - Business taxes toward federal funding of research on Alzheimer's disease (\$176 million)

Cost to Alzheimer's Disease Caregivers

- Approximately 75 percent of home care is provided by families and friends; the remainder is administered by professionals, most of which is paid for by relatives.
- The average annual cost of care for an Alzheimer's disease patient depends on the stage of the illness and the setting in which the care is provided. Although more recent dollar figures are not available, the average costs in 1996 were:
 - Mild Alzheimer's – \$18,408
 - Moderate Alzheimer's – \$30,096
 - Severe Alzheimer's – \$36,132These dollar figures are from 1996 and the costs are probably higher today.
- The average lifetime cost of care for an Alzheimer's disease patient is estimated to be \$174,000.

Cost of Nursing Home Care

- In 2003 the average annual cost of nursing home care is nearly \$58,000 (or approximately \$159 per day).