
Dementia treatment in U.S. to cost \$379 billion to \$511 billion a year by 2040

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If one of your relatives or friends or acquaintances has dementia, you know how stressful, and expensive it can be to treat and support someone with the disease, which sometimes requires years of full-time nursing home care and/or unpaid care by relatives.

A [study](#) published this week in the *New England Journal of Medicine* asserts that the cost of care for people with dementia "represents a substantial financial burden on society, one that is similar to the financial burden of heart disease and cancer."

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Those numbers were based on an estimated prevalence of dementia among Americans over age 70 of 14.7% in 2010, and an annual estimated cost per patient of between \$31,000 and \$70,000.

More specifically, the yearly cost per person was either \$56,290 (95% confidence interval (CI), \$42,746 to \$69,834) or \$41,689 (95% CI, \$31,017 to \$52,362), depending on the method used to value unpaid care, according to the study.

The researchers studied 856 people from the population of 10,903 that participated in the long-term, nationwide Health and Retirement Study (HRS). They were diagnosed on the basis of a 3- to 4-hour in-home cognitive exam and a review by an expert panel.

The cost estimates were based on self-reports of out-of-pocket spending, the use of nursing home care, and Medicare claims data. Unpaid care provided by family members and others was valued at the cost of equivalent formal care or by an estimate of the lost wages of the informal caregivers.

According to a report in the *New York Times* today, "The RAND results show that nearly 15% of people aged 71 or older, about 3.8 million people, have dementia. By 2040, the authors said, that number will balloon to 9.1 million people.

"The study found that direct health care expenses for dementia, including nursing home care, were \$109 billion in 2010. For heart disease, those costs totaled \$102 billion; for cancer, \$77 billion.

"Researchers project that the total costs of dementia care will more than double by 2040, to a range of \$379 billion to \$511 billion, from \$159 billion to \$215 billion in 2010. Because the population will also increase..., the burden of cost per capita will not grow quite as fast, but will still be nearly 80% more in

2040.”

The RAND authors included Michael D. Hurd, Ph.D., Paco Martorell, Ph.D., Adeline Delavande, Ph.D., Kathleen J. Mullen, Ph.D., and Kenneth M. Langa, M.D., Ph.D. The National Institute on Aging contributed to the study’s cost.

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