

# Alzheimer's Disease and Related Dementias: A Payer's Perspective



*Martha Roherty*  
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# 2017 Top Priorities for Aging & Disability Agency Leadership





1. Ensuring Compliance with the Medicaid Home and Community-based Services Regulation
2. Adult Protective Services and Elder Justice
3. Improving Quality Across Programs
4. Managed Long-Term Services and Supports
5. Implementing the Long-term Care Ombudsman Regulation
6. Addressing Senior Hunger, Nutrition, and Food Insecurity
7. Services for Individuals with Alzheimer's and Related Dementia

# Federal Programs Supporting Alzheimer's Care

- **Medicare**—inpatient hospital care; some doctor's fees; some medical items; outpatient drugs; some home health under certain conditions but does NOT pay for person to assist with daily activities or long term nursing home care
- **Medicaid**—is based on both functional and financial eligibility and varies state by state. If eligible, Medicaid will pay for nursing home care and if qualified under HCBS waiver program—pay for services in home and community settings.
- **Older Americans Act**—everyone 60 and over is eligible but because of limited funding must meet targets.

# Average Cost of Care

## Annual Costs: National Median (2016)

Home Health Care 	Adult Day Health Care <sup>1</sup> 	Assisted Living Facility <sup>4</sup> 	Nursing Home Care 
<b>Homemaker Services<sup>2</sup></b>	<b>Adult Day Health Care<sup>1</sup></b>	<b>Assisted Living Facility<sup>4</sup></b>	<b>Semi-Private Room<sup>5</sup></b>
Cost <b>\$45,760</b>	Cost <b>\$17,680</b>	Cost <b>\$43,539</b>	Cost <b>\$82,125</b>
5-yr Annual Growth <sup>3</sup> <b>2%</b>	5-yr Annual Growth <sup>3</sup> <b>3%</b>	5-yr Annual Growth <sup>3</sup> <b>2%</b>	5-yr Annual Growth <sup>3</sup> <b>3%</b>
<b>Home Health Aide<sup>2</sup></b>			<b>Private Room<sup>5</sup></b>
Cost <b>\$46,332</b>			Cost <b>\$92,378</b>
5-yr Annual Growth <sup>3</sup> <b>1%</b>			5-yr Annual Growth <sup>3</sup> <b>4%</b>

Genworth 2016 Cost of Care Survey, conducted by CareScout<sup>®</sup>, April 2016

[View the survey methodology](#)

<sup>1</sup> Based on 5 days per week by 52 weeks

<sup>2</sup> Based on 44 hours per week by 52 weeks

<sup>3</sup> Represents the compound annual growth rate based on Genworth Cost of Care Survey

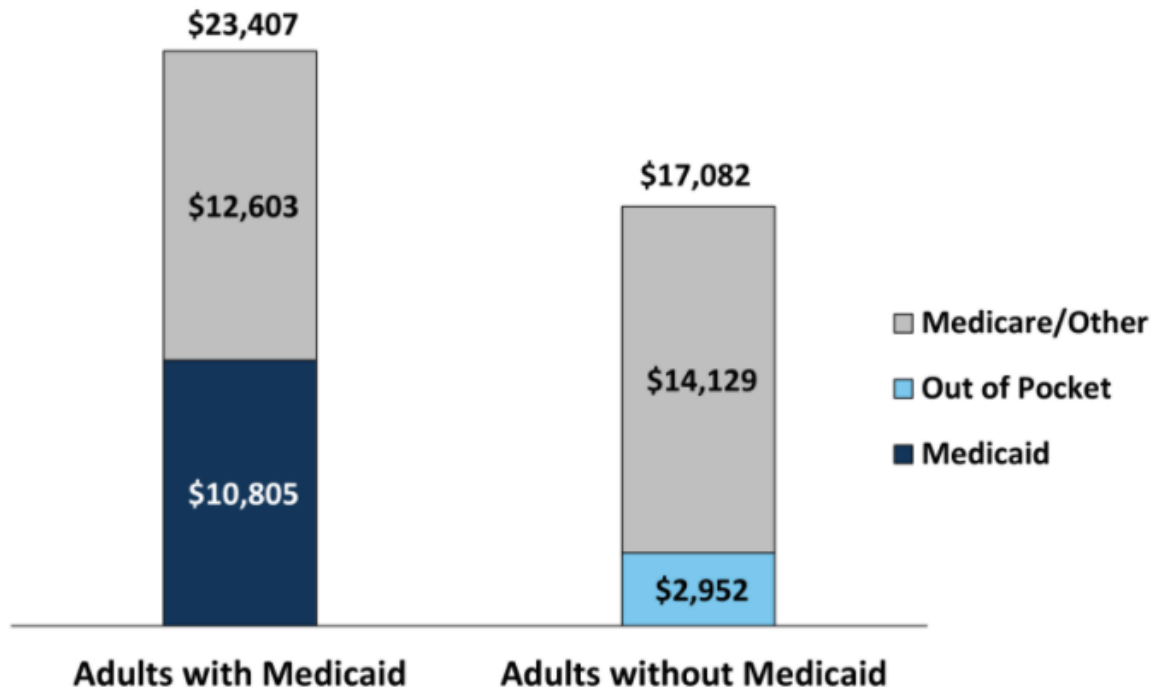
<sup>4</sup> Based on 12 months of care, private, one bedroom

<sup>5</sup> Based on 365 days of care

# Average Cost of Care

Figure 3

## Average Annual Per Capita Health Care Spending for Adults with Dementia in the Community, by Medicaid Coverage



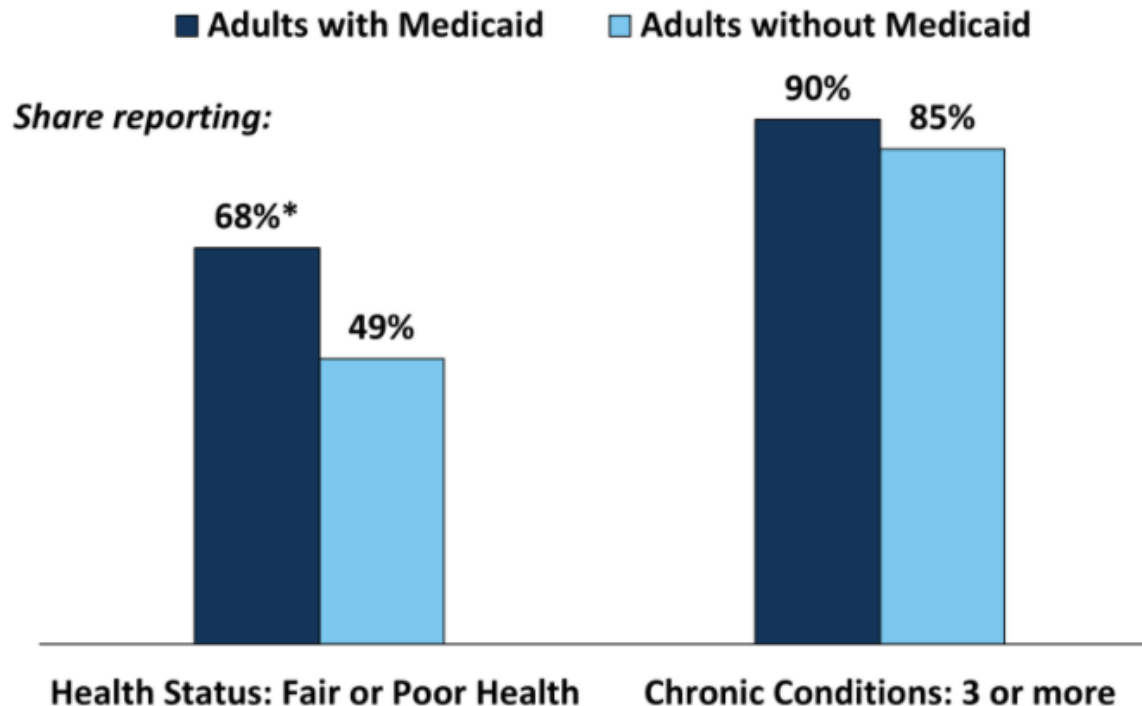
NOTE: The analysis excludes adults with partial-year Medicaid coverage and adults who reside in institutions. Dementia includes delirium, dementia, and amnesic and other cognitive disorders. Out of pocket spending for adults with Medicaid is included in Medicare/Other category because the standalone estimate does not meet standards for statistical reliability.

SOURCE: KCMU analysis of 2010-2012 pooled MEPS data.

# Average Cost of Care

Figure 2

## Health Characteristics of Adults with Dementia in the Community, by Medicaid Coverage Status



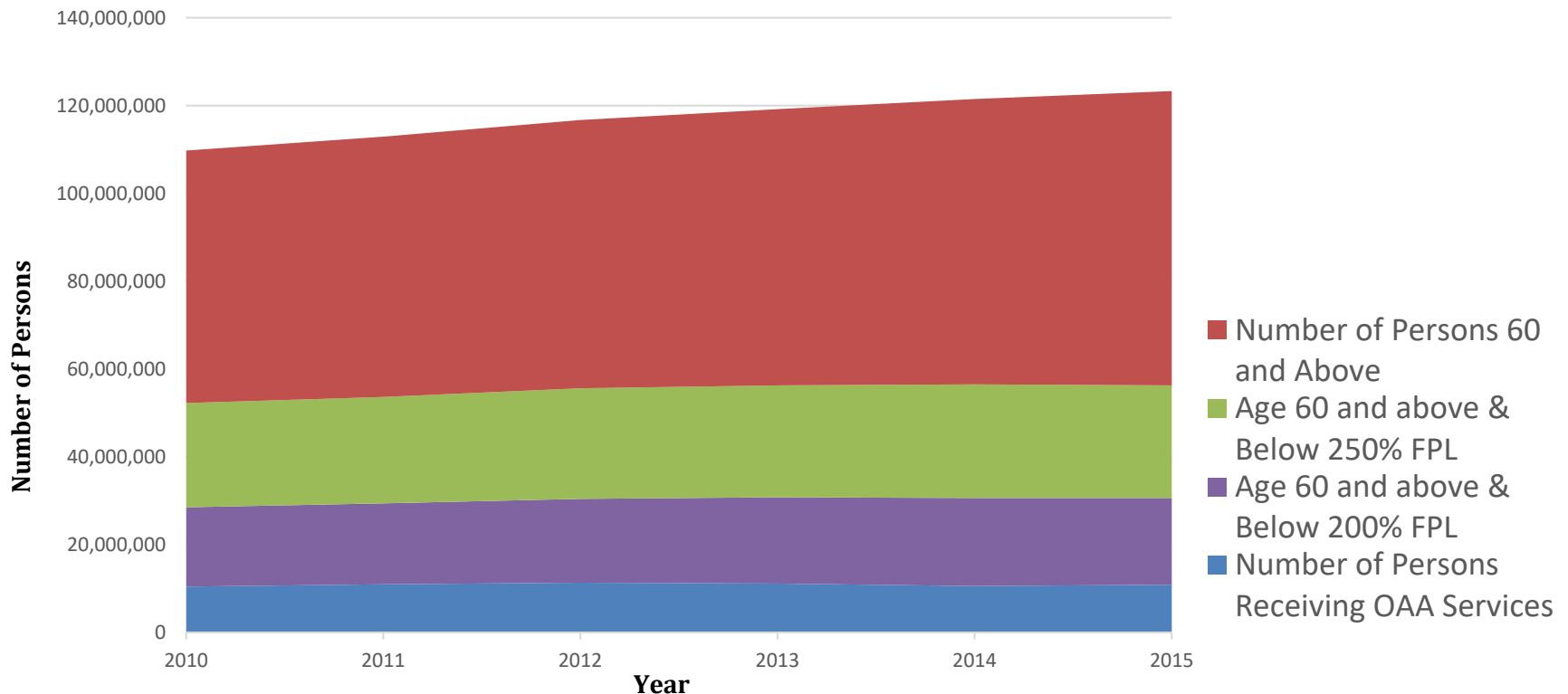
NOTE: The analysis excludes adults with partial-year Medicaid coverage and adults who reside in institutions. Dementia includes delirium, dementia, and amnesic and other cognitive disorders. \* Significantly different from adults without Medicaid at the  $p < 0.05$  level.

SOURCE: KCMU analysis of 2010-2012 pooled MEPS data.

# Examples of OAA Funded Services for Individuals with Dementia

- Adult Day Health/Adult Day Services
- Dementia Support Groups
- Case Management
- Congregate/Home Delivered Meals
- Family Caregiver Support
- Homemaker
- Independent Living
- Legal Assistance
- LIHEAP
- Personal Care
- Senior Centers
- Respite
- Information & Referral/Options Counseling

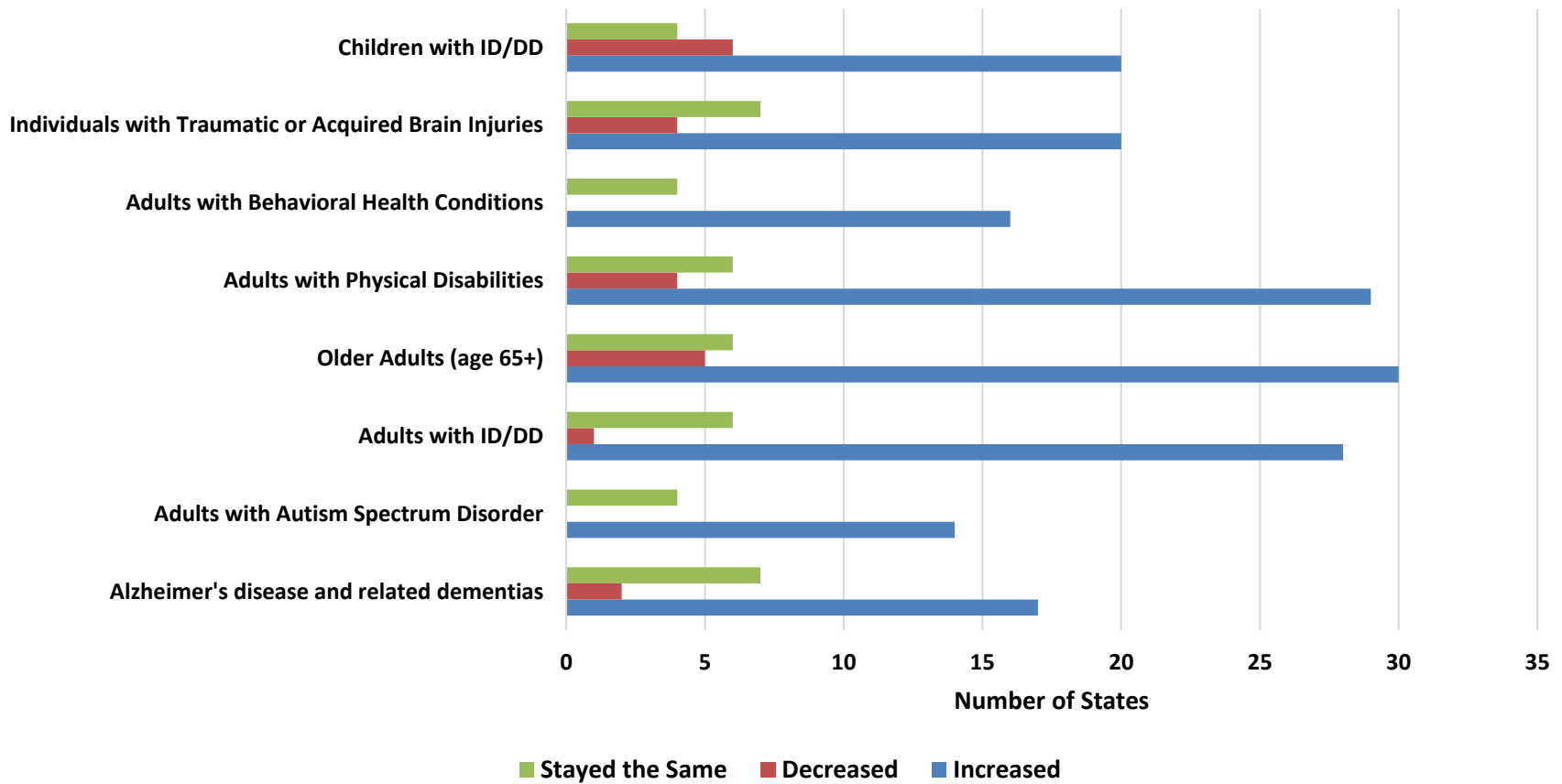
# Current OAA Clients & Potential Eligibles



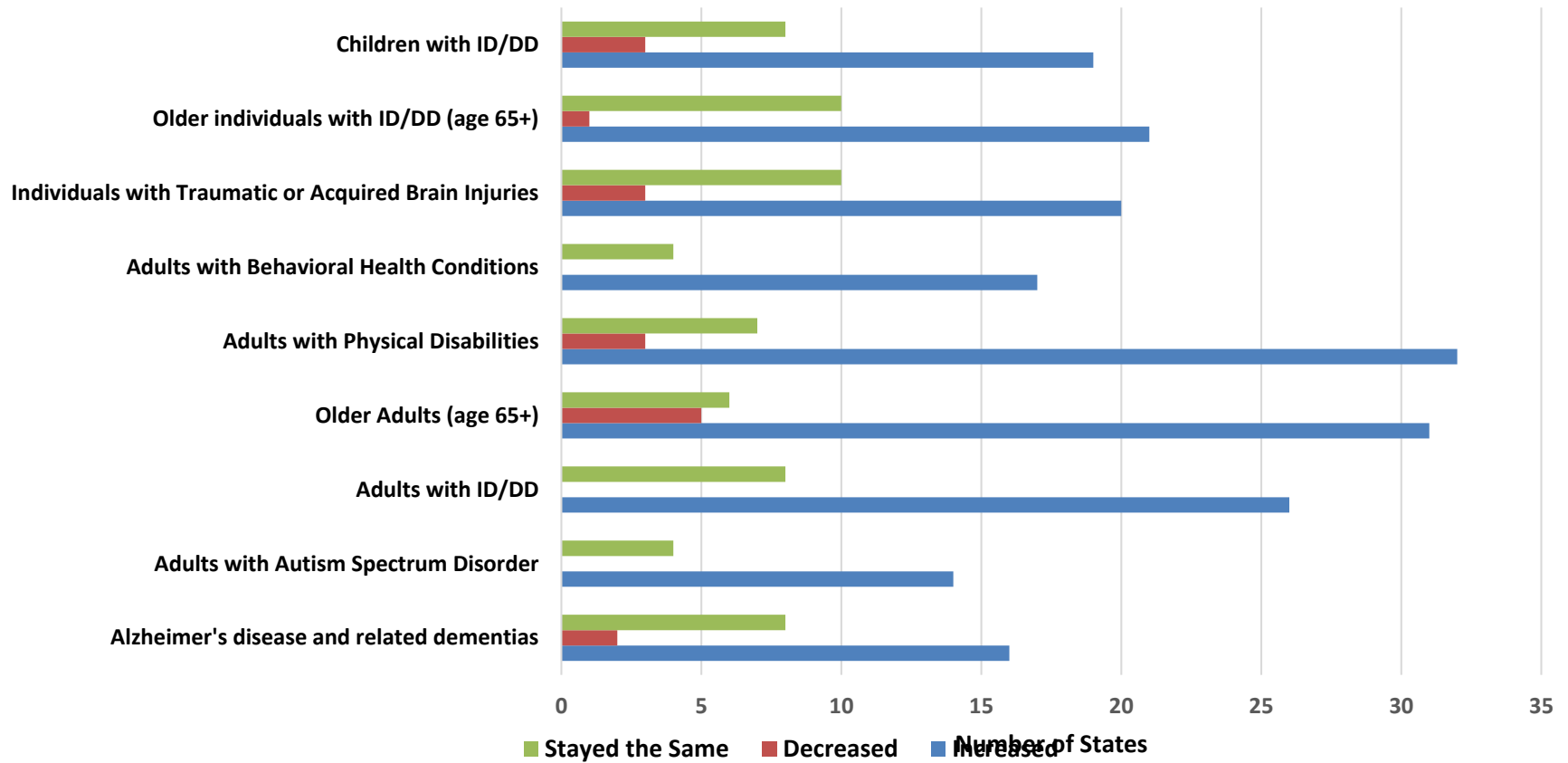
Source: NASUAD Analysis of U.S. Census (Current Population Survey) and AGID Data



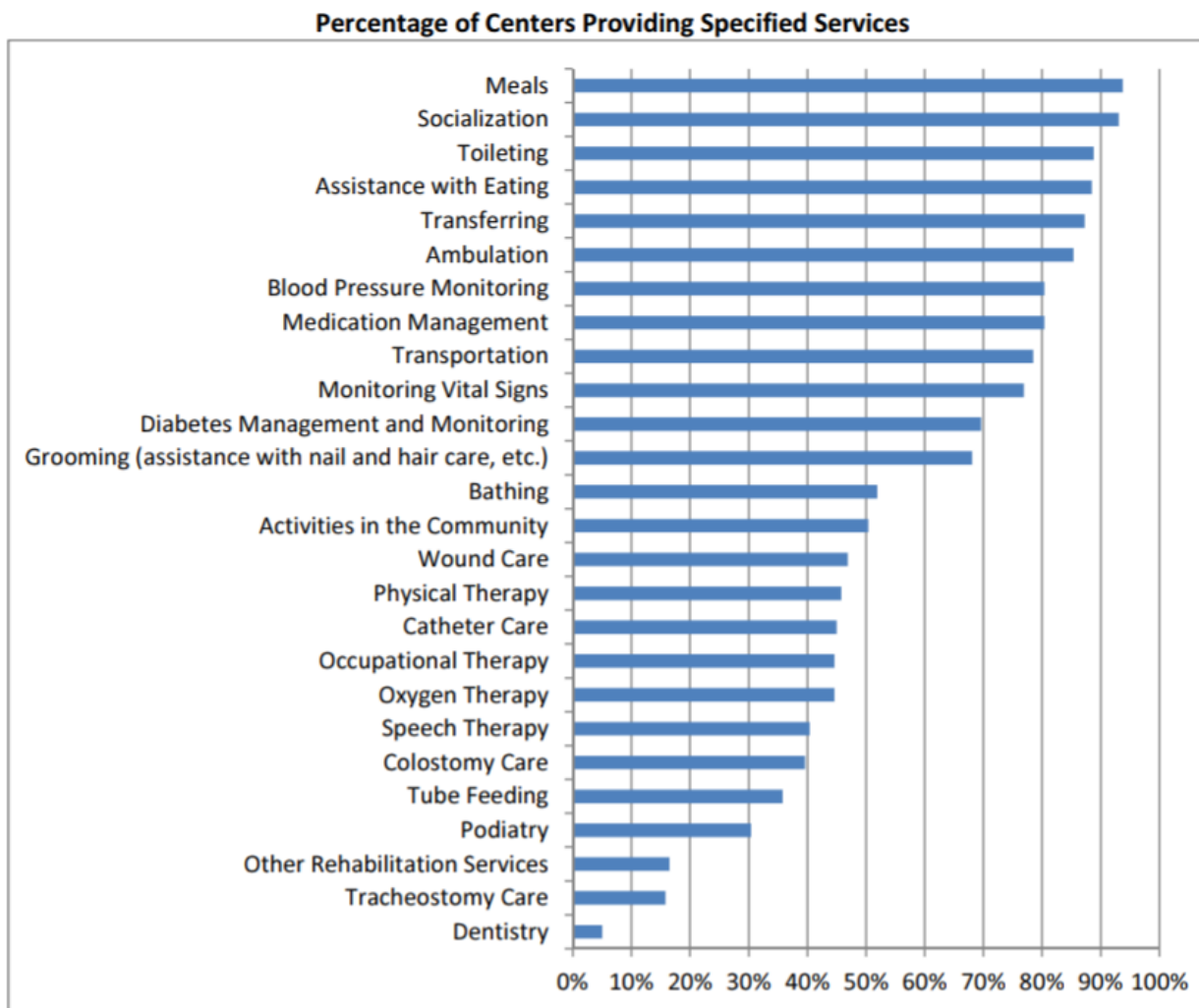
# Change in Medicaid HCBS Expenditures FY15-FY16 (for specific populations)



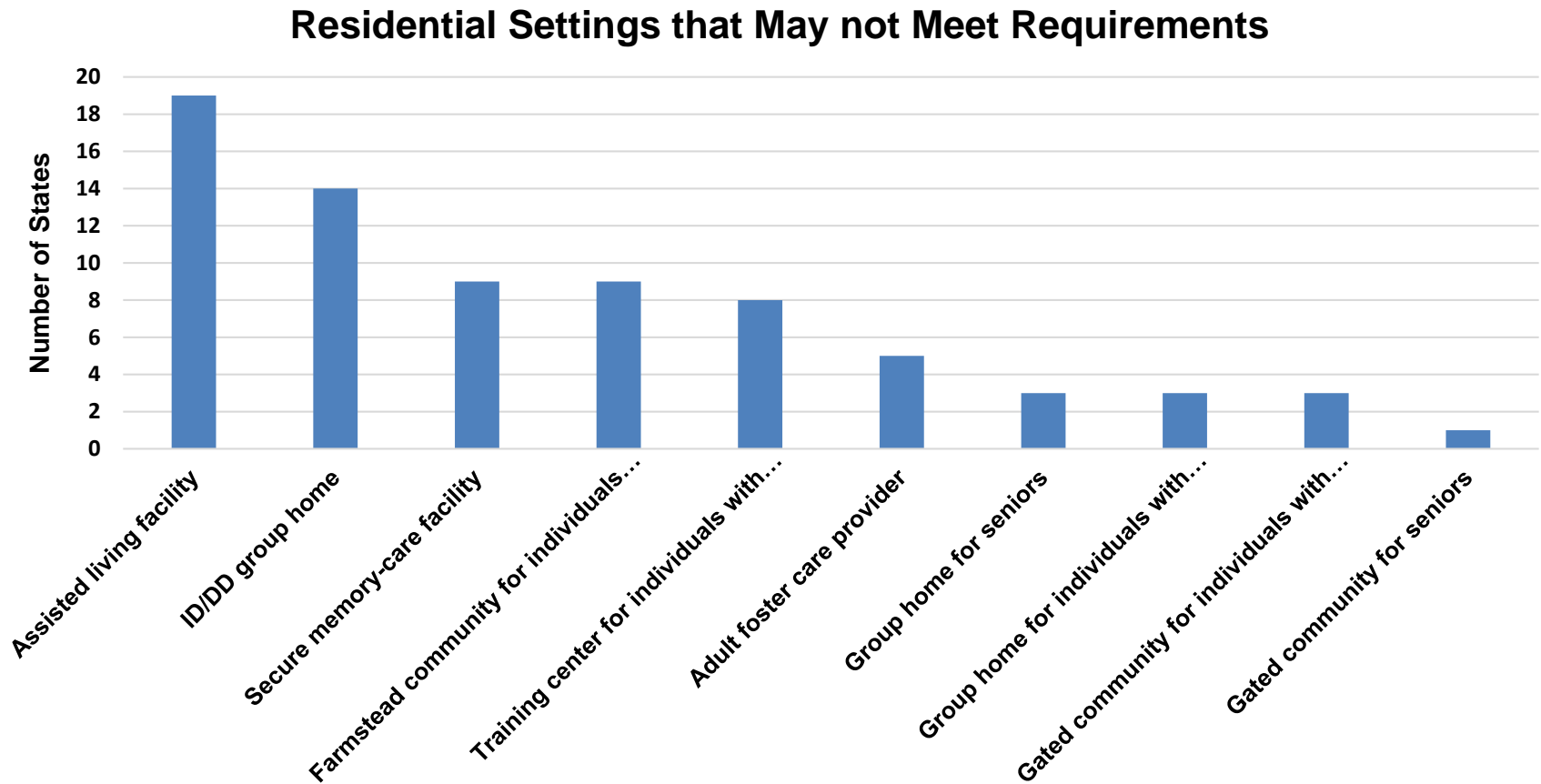
# Change in Medicaid HCBS Caseload FY15-FY16 (for specific populations)



# Adult Day Centers Provide Medical Services



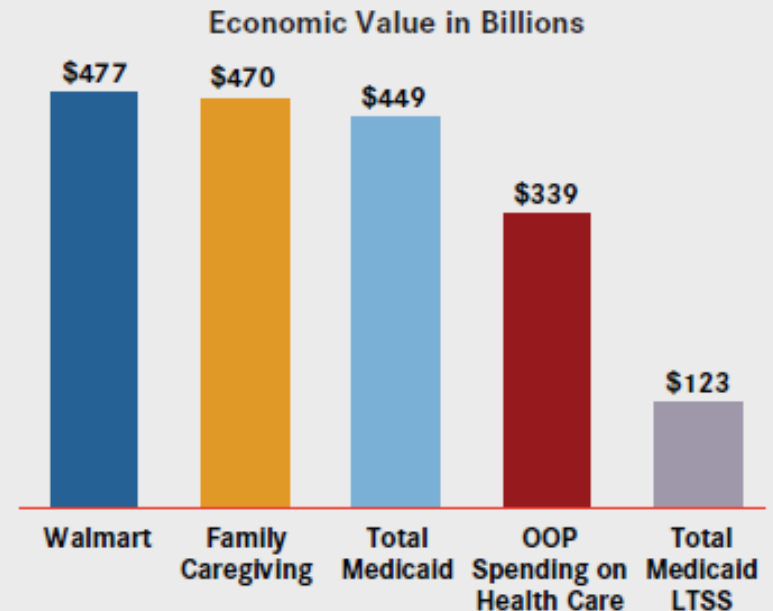
# Residential Settings that May not Meet Requirements



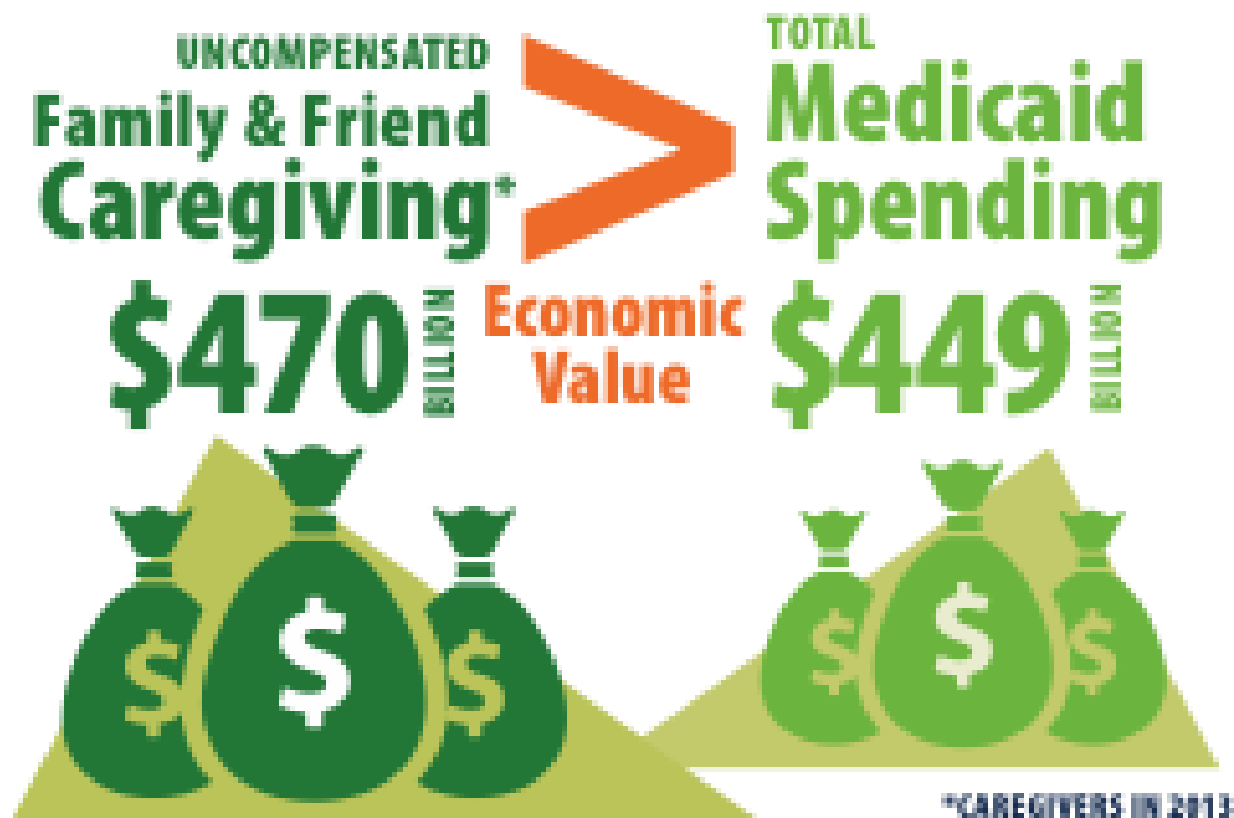
# Importance of Caregiving



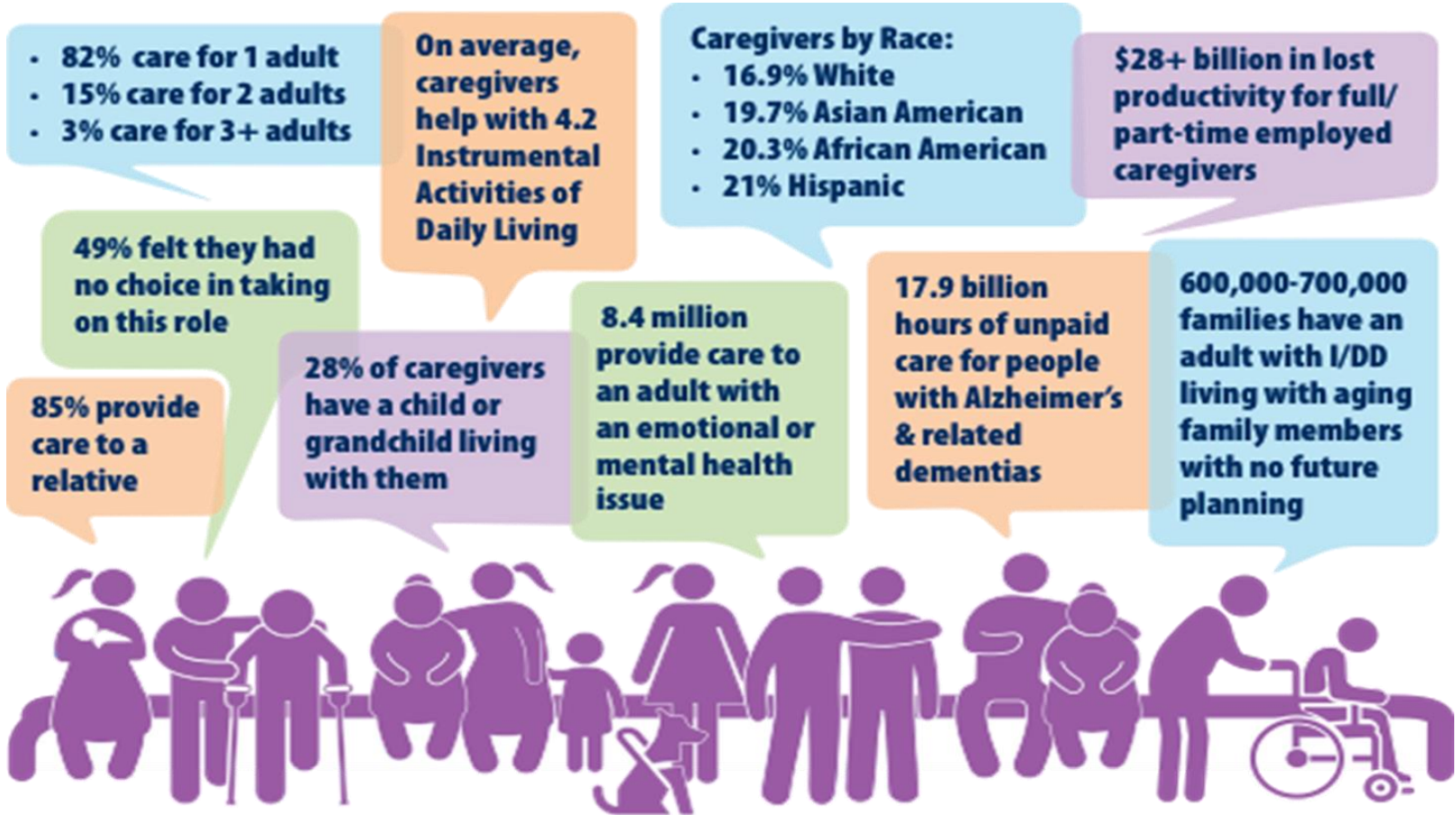
The economic value of family caregiving is as big as the world's largest company, and bigger than Medicaid and out-of-pocket (OOP) spending on health care.



# The Growing Value of Caregiving



# Profile of Caregivers in America



For more information, please  
visit: **[www.nasuada.org](http://www.nasuada.org)**

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