CASE FOR BUILDING A DEMENTIA-CAPABLE SYSTEM OF CARE

Alzheimer's Disease: A Public Health Concern

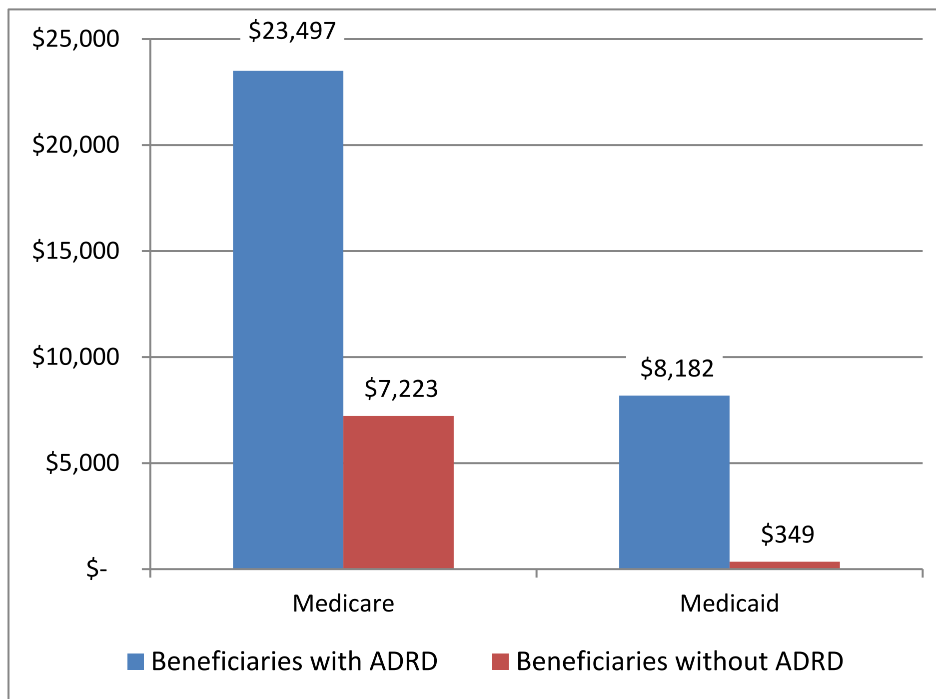
Alzheimer's disease currently afflicts 5.4 million Americans and over 600,000 Californians.[1] With the aging of the baby boomers, these numbers will double in less than twenty years and triple by mid-century. Hispanics and African Americans are one and a half to two times as likely to have Alzheimer's disease and other dementias.[2] Alzheimer's and other dementias have enormous health and economic consequences for patients, their family caregivers, and society.

California's Population of Duals with Alzheimer's Disease and Related Disorders

Prevalence estimates for those 65 years and older range from a baseline of 11% within the general population to 23% for dually-eligible individuals.[3] [4] This discrepancy likely reflects the complex health care needs of the dually eligible population and the fact that those with multiple chronic conditions, such as diabetes and hypertension, are at greater risk of developing dementia. Applying this higher prevalence rate to the California Department of Health Care Services' number of dually-eligible Californians, it is estimated that over 198,000 of dual eligible beneficiaries in California, and 71,000 in Los Angeles County alone, have Alzheimer's disease or a related dementia.[5] [6]

Cost and Quality of Care

The costs of care for people with dementia are high for all payers, including Medicare, Medicaid, and private insurers.[7] [8] [9] [10] [11] [12] This is due, in part, to the fact that dementia significantly increases the likelihood for hospitalization and length of hospital stays, compared to people with the same serious medical conditions, but without dementia.[13] Dementia is also an independent risk factor for nursing home admission in community-dwelling older adults, even when controlling for numerous co-morbidities.[14] In addition, many people with dementia have multiple coexisting conditions: 60% have hypertension, 26% have coronary heart disease, 25% have stroke, and 23% have diabetes.[15] A recent study found that people with cognitive impairment and three additional chronic health conditions cost Medicare an average of $50,000 per year.[16] As a result, beneficiaries with moderate to severe cognitive impairment, as shown in the chart below, cost Medicare three times more than other beneficiaries in the same age group; this difference is driven primarily by hospitalizations. They cost Medicaid nineteen times more than other enrollees of the same age, largely due to nursing home utilization.[17]



*Patients with dementia **cost Medicare 3X** more than other beneficiaries in the same age group, primarily because of hospitalizations, and they **cost Medicaid 23X** more, primarily because of nursing home placement.*

Source: Alzheimer's Association. 2017 Alzheimer's Disease Facts and Figures. Alzheimer's Dement 2017;13:325-373.

Complicating the picture for health plans is the fact that only fifty percent of people with a dementia receive a diagnosis, and only fifty percent of those people have that diagnosis recorded in the medical chart.[18]

All of these factors combine to mean:

- All plans serving older adults will have patients with dementia among their client population
- Many of these individuals will not enter the health plan's system with an accurate diagnosis and therefore[19]:
    - They do not receive appropriate care for their cognitive symptoms
    - They do not receive appropriate care for their behavioral symptoms and may be prescribed non-preferred and potentially dangerous anti-psychotic medications
    - They do not manage their co-morbid chronic conditions well and may suffer undue burden from these conditions
    - Their family/friend caregivers are not identified, assessed and supported so that they can maintain the patient in the preferred home and community settings

Indicators of a Dementia-Capable System of Care

For the reasons above, plans should take the necessary steps to build a dementia-capable system. Examples of system change indicators for a dementia-capable system of care include:

- Adapted health risk assessment/other assessments to include cognitive impairment

- Adoption of a validated cognitive screening tool such as the AD8
- Integration of cognitive assessment into e-medical record
- Protocol if cognitive screen is positive
- Ability to identify family/friend caregiver
- Family/friend caregiver assessment adopted
- Respite benefit provided by health plan
- Adoption of standardized care plans
- Workflow processes established for use of Dementia Care Specialist
- Integration of family/friend caregiver education
- Adoption of *ALZ Direct Connect* Referral Program
- Provision of dementia-specific professional training programs and technical assistance

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