

# FACTSHEET

MAY 2025

alzimpact.org

## Costs of Alzheimer's to Medicare and Medicaid

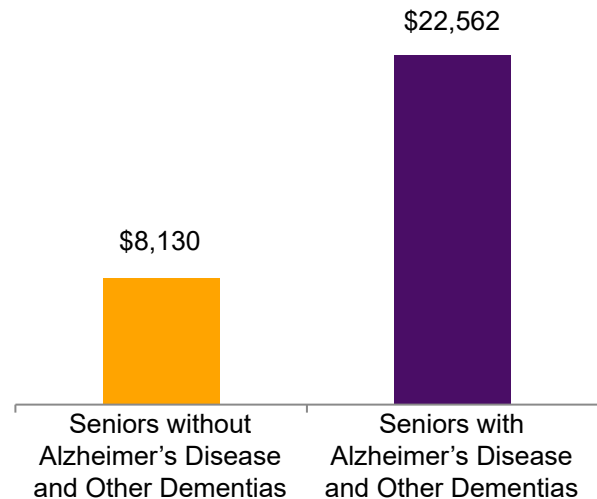
**Alzheimer's is one of the most expensive diseases in America, costing more than cancer and heart disease.**

- In 2025, the direct costs to American society of caring for those with Alzheimer's and other dementias will total an estimated \$384 billion.
- A study found that in the last five years of life, the costs of a person with dementia, on average, total more than \$415,000 (in 2024 dollars). This is compared with \$265,000 for individuals without dementia — a 57% difference.

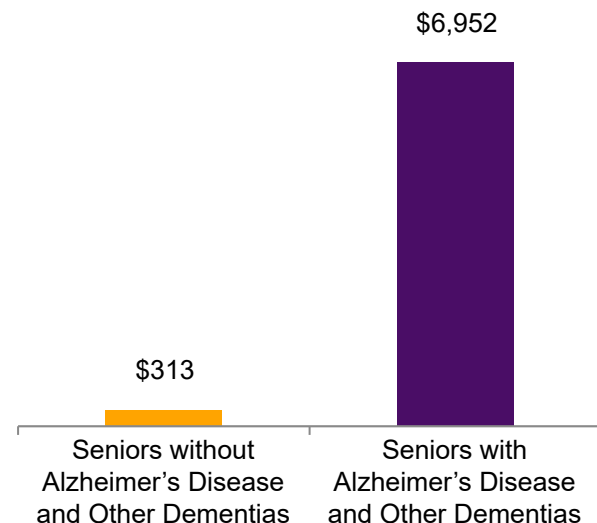
**Most of these costs are borne by Medicare and Medicaid.**

- In 2025, Medicare and Medicaid will spend an estimated \$246 billion caring for those with Alzheimer's and other dementias — 64% of total costs.
  - An estimated \$174 billion will be spent by the federal government under Medicare.
  - This means that more than 1 in every 7 Medicare dollars will be spent on someone with the disease in 2024.
  - Federal and state governments combined will spend an estimated \$72 billion under the Medicaid program caring for those with Alzheimer's and other dementias.
- Average per-person Medicare spending for seniors with Alzheimer's is 2.8 times higher than average per-person spending for all other seniors. Under Medicaid, spending is, on average, more than 22 times higher.

**Average Annual Per Person Medicare Spending**



**Average Annual Per Person Medicaid Spending**



**With the aging of the baby boomers, the number of Americans aged 65 and older with Alzheimer's is expected to dramatically escalate.**

- More than 7 million Americans aged 65 and older are living with Alzheimer's dementia in 2024.
- The number of Americans aged 65 and older is projected to grow from 58 million in 2022 to 82 million by 2050.
- The number of Americans living with Alzheimer's will nearly double by 2050 to 12.7 million if nothing changes.

**Costs will also expand in lockstep. By 2050, combined Medicare and Medicaid spending on people with Alzheimer's will skyrocket to \$644 billion (in 2025 dollars)**

- In 2050, Medicare spending on people with Alzheimer's will total a projected \$457 billion — an increase of 163% from today's spending levels. This will represent nearly 1 in every 3 dollars of total estimated Medicare spending.
- Medicaid spending on people with Alzheimer's will increase 159% between now and 2050, and costs are projected to reach \$187 billion in 2050.

### Alzheimer's Prevalence and Costs to Medicare and Medicaid

