

FACTSHEET

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alzimpact.org

Costs of Alzheimer's to Medicare and Medicaid

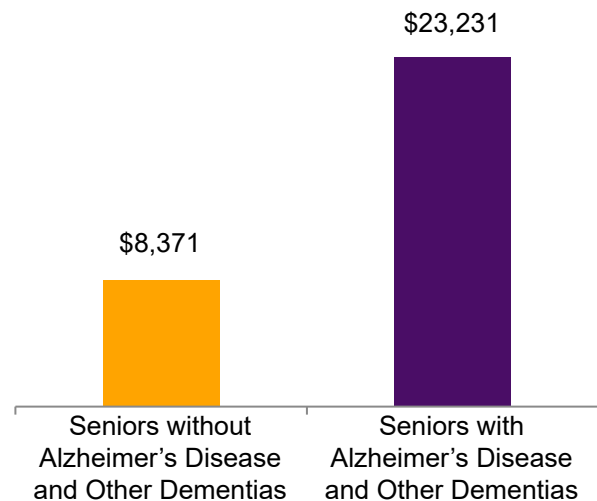
Alzheimer's is one of the most expensive diseases in America.

- In 2026, the direct costs to American society of caring for those with Alzheimer's and other dementias will total an estimated \$409 billion.
- A study found that in the last five years of life, the costs of a person with dementia, on average, total more than \$428,000 (in 2025 dollars). This is compared with \$273,000 for individuals without dementia — a 57% difference.

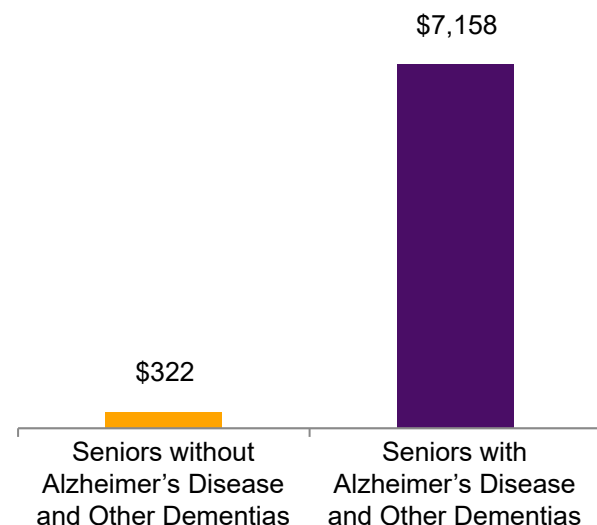
Most of these costs are borne by Medicare and Medicaid.

- In 2026, Medicare and Medicaid will spend an estimated \$263 billion caring for those with Alzheimer's and other dementias — 64% of total costs.
 - An estimated \$186 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 2026.
 - Federal and state governments combined will spend an estimated \$77 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 2026.
- 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 \$642 billion (in 2026 dollars).

- In 2050, Medicare spending on people with Alzheimer's will total a projected \$453 billion — an increase of 144% 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 146% between now and 2050, and costs are projected to reach \$189 billion in 2050.

Alzheimer's Prevalence and Costs to Medicare and Medicaid

