Weekly Checkup

The Costly Future of Dementia Care

JOHN WALKER | JANUARY 17, 2025

Health journal Nature Medicine this week published the results of a new study that concluded the lifetime risk of developing dementia after the age of 55 is 42 percent – compared to the previous but less representative estimate of 33 percent for males between 65 and 100 – **suggesting that the number of Americans who develop dementia each year will double from roughly 500,000 in 2020 to approximately 1 million by 2060.** As the U.S. median age and overall life expectancy continue to increase, this growing number of adults with dementia will impose greater burdens on the U.S. health care system. Beyond the health considerations, **let's discuss the future financial implications presented by this new study.**

Long-term dementia care is considerably more expensive than many other forms of care: The average total lifetime cost of care for a patient with dementia is roughly $415,936, nearly double that of patients receiving other types of care. What's more, **the cost of dementia care is considerably higher than other forms of elderly patient care because dementia patients often require near round-the-clock attention and can live, on average, three to 10 years following a diagnosis.** Roughly 70 percent (north of $290,000) of the total cost of dementia care is currently absorbed by family caregivers through unpaid caregiving and out-of-pocket expenses such as home health support and medications.

Yet while family caregivers currently absorb a significant portion of dementia care costs, their ability to do so will likely diminish as the U.S. median age increases. Based on current Census Data, the United States' median age is between 38.9 and 39.3 years, but is expected to reach around 53.6 by 2060. In other words, **the future will feature a United States with more old people – and a greater proportion of them – facing a higher rate of dementia than previously anticipated.** All told, by 2060, the United States is estimated to have approximately 12 million dementia cases. And, **as the number of Americans with dementia increases, there will be fewer family caregivers around to take care of**

them. As a result, **many of these dementia patients will be forced to turn to Medicare and Medicaid to offset the cost of their care, likely placing a considerable additional burden on programs that already are on an unsustainable and worsening fiscal path.**

Three things can be taken from this new study on dementia: The future United States will be less young and less healthy – and its already strained health programs will have even less room to address these growing challenges.