

Projected Ontario budget savings from reduced long-term care utilization due to a disease-modifying Alzheimer's treatment

Description

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ABSTRACT

Background: A disease-modifying Alzheimer's treatment could provide savings to provincial budgets resulting from a decreased need for admission to long-term care homes. The magnitude of those potential savings is currently unknown. Method: We project savings to Ontario's budget from 2023 to 2043 using a Markov model. Result: A treatment that reduces disease progression rates by 40%, would avoid 60,830 years of long-term care home use resulting in \$6.1 billion savings assuming current diagnostic technology and capacity. The savings amount to a 22% relative reduction of cost for treatment eligible patients and 4.06% of overall provincial spending on long-term care homes over the 20-year horizon. Cumulative savings could increase to \$8.9 billion with improved triage of patients in primary care settings and to \$9.9 billion with removal of all constraints in the capacity for diagnosis and treatment of patients. Conclusion: Access to a disease-modifying Alzheimer's treatment could create savings for the Ontario government by delaying people from progressing into long-term care homes, which might offset a substantial part of the treatment cost. An additional benefit would be lower demand for overburdened long-term care systems and less need to hold patients in hospital while waiting for a long-term care bed. Better diagnostic technology could allow larger savings to be realized sooner.

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