



Keeping dementia front of mind: incidence and prevalence 2009-2050

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Final report by Access Economics Pty Limited for

Alzheimer's Australia

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Access to the full report and appendices

The full report and appendices can be downloaded from the Alzheimer's Australia website, found at www.alzheimers.org.au

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Foreword

Alzheimer's Australia commissioned *Keeping Dementia Front of Mind: Incidence and Prevalence 2009-2050* because planning dementia care for the future requires a solid evidence base.

The critical components of this evidence need to include the direct and indirect economic impacts of the prevalence and incidence of dementia, as well as the related disability burden and health and aged care costs. It must be understood that these figures do not include the much larger numbers of older adults with declining cognitive performance, not yet classifiable as dementia, which may have significant impact on their daily lives and need for support.

There were a number of other reasons for commissioning this report at this time.

First, the 2010 Budget will be a critical budget for people living with dementia. In May 2010, the Federal Government will announce their decisions on the future of *the Dementia Initiative – Making Dementia a National Health Priority* that was implemented with additional funding in the 2005 Budget. Planning for that Budget has already commenced within the Australian Government. There is bipartisan support to continue this Initiative. The key issue for consumers is to secure additional resources to build on what has been achieved in the last five years as a result of the Dementia Initiative.

Second, it is five years since Alzheimer's Australia last commissioned Access Economics to produce estimates and projections of the prevalence and incidence of dementia. Since that time, researchers have revised prevalence rates and the Australian Bureau of Statistics has produced new population forecasts.

Third, the National Health and Hospital Reform Commission have released their report making recommendations at the strategic level for change in the Australian health and hospital system. Alzheimer's Australia supports the general approach recommended but it is necessary to remind policy makers and political decision-makers that reforming structures will not, by itself, achieve the changes that are required to provide better health and community services for people living with dementia.

Lastly, there is a need to better define the numbers of people with dementia who have special challenges in accessing mainstream support including people from culturally and linguistically diverse backgrounds, Indigenous people and those who live outside metropolitan areas.

The companion document to this report, *Dementia: Facing the Epidemic*, sets out the priorities of people living with dementia. This publication will be released during Dementia Awareness Week in September this year.

Australia can take a great pride in being the first country in the world to make dementia a National Health Priority but much more remains to be done to improve outcomes for the 245,000 Australians with dementia and those who support them

Marc Budge
President, Alzheimer's Australia

Executive Summary

Access Economics was commissioned by Alzheimer's Australia to provide up-to-date estimates and projections of prevalence and incidence for people with dementia in Australia, states and territories segregated into Culturally and Linguistically Diverse (CALD) populations and non-CALD populations, as well as metropolitan and regional (rural and remote) areas. The latter splits were based on the Australian Bureau of Statistics (ABS) categories of 'capital cities' and 'balance of state'. The projections cover the period 2009 to 2050.

Chapter 1 presents background information on dementia and provides estimates of the incidence and prevalence rates for dementia in Australia for 2009. This includes:

- a definition of dementia and a discussion of dementia risk factors;
- a literature review on dementia incidence and prevalence rates relevant to the Australian population;
- an overview of issues surrounding dementia in CALD Australians; and
- an exploration of issues associated with accessibility to dementia care services for Australians in regional (rural and remote) areas.

Chapter 2 presents dementia incidence and prevalence projections, from 2009 to 2050, with a base case of current trends in physical inactivity but no further gains in hypertension management. Results are presented at national, state and territory levels, further broken down into capital cities and balance of state as well as CALD and non-CALD populations. The chapter also investigates 'high' and 'low' scenario analysis using alternative assumptions about expected change in physical activity and hypertension.

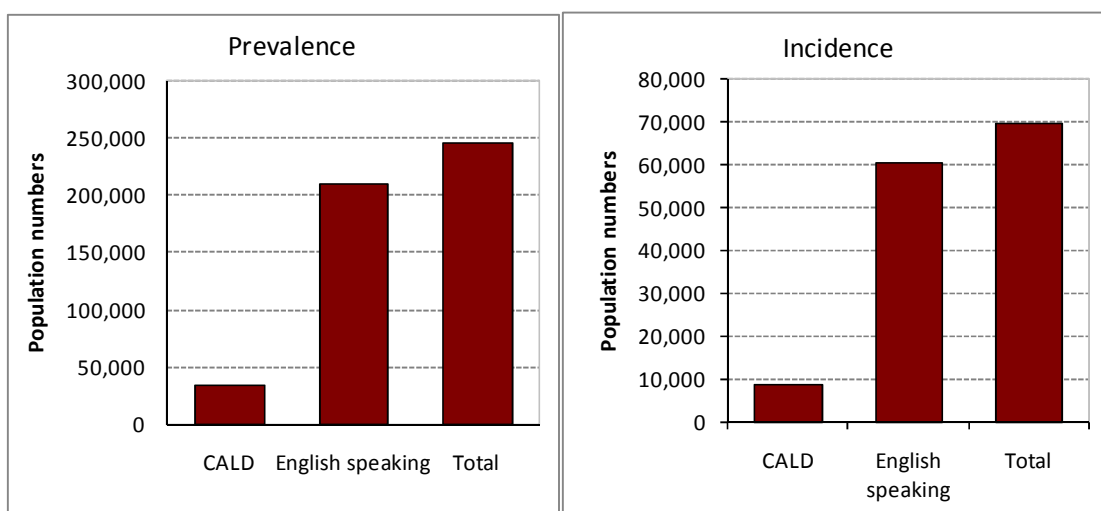
Chapter 3 discusses the implications of the dementia incidence and prevalence projections in the current Australian policy context. Appendices¹ provide detailed estimates of dementia incidence and prevalence, including by age and gender, for future planning purposes.

Findings and recommendations

The prevalence of dementia is projected to increase over four-fold from 245,400 people in 2009 to around 1.13 million people by 2050. There is some evidence to suggest that there are many more with cognitive impairment. A snapshot of dementia prevalence and incidence in 2009, and projections of dementia prevalence to 2050 (by state and territory) are shown in the following charts and tables.

¹ Appendices can be downloaded from the Alzheimer's Australia website, found at www.alzheimers.org.au.

Estimated prevalence and incidence of dementia in Australia 2009



Source: Access Economics calculations.

Projections of dementia prevalence (people)

	2010			2030			2050		
	Total	Capital	CALD	Total	Capital	CALD	Total	Capital	CALD
NSW	87,961	50,163	12,926	188,131	106,189	22,990	341,414	198,624	46,427
VIC	65,844	45,353	12,623	146,044	101,223	21,703	275,237	197,604	39,752
QLD	46,888	19,328	3,191	123,562	48,571	6,367	258,316	102,047	13,538
SA	23,102	17,076	3,035	46,381	33,159	4,216	80,774	57,599	6,499
WA	23,023	17,207	2,850	60,852	44,471	5,052	125,292	92,543	10,254
TAS	6,569	2,778	245	14,666	6,123	301	26,278	11,414	464
NT	791	496	208	2,992	2,135	450	6,371	4,705	1,086
ACT	3,111	3,111 ^(a)	476	8,918	8,918 ^(a)	789	17,008	17,008 ^(a)	1,563
AUST	257,275	155,435	35,549	591,531	350,349	61,855	1,130,691	681,350	119,582

Note: 'Capital' refers to capital cities (a) It is assumed that the whole of the ACT represents a capital city

Source: Access Economics calculations.

Projections of dementia incidence (people)

	2010			2030			2050		
	Total	Capital	CALD	Total	Capital	CALD	Total	Capital	CALD
NSW	25,669	14,724	3,302	59,566	33,724	6,291	116,346	116,346	13,579
VIC	19,356	13,348	3,255	46,395	32,171	6,035	94,114	67,384	11,840
QLD	13,769	5,723	848	39,193	15,448	1,771	87,664	34,614	4,000
SA	6,743	5,022	782	14,677	10,530	1,189	27,589	19,691	1,956
WA	6,798	5,111	753	19,296	14,132	1,400	42,753	31,529	3,036
TAS	1,871	800	62	4,579	1,918	83	8,872	3,850	139
NT	212	133	51	865	622	118	1,972	1,469	310
ACT	932	932 ^(a)	120	2,875	2,875 ^(a)	215	5,867	5,867 ^(a)	458
AUST	75,336	45,768	9,169	187,443	111,299	17,100	385,176	231,907	35,318

Note: 'Capital' refers to capital cities (a) It is assumed that the whole of the ACT represents a capital city

Source: Access Economics calculations.

In 2009, people with dementia represent 1.1% of the total population in capital cities (149,000 people) and 1.2% of the population in the balance of the states (97,000 people). By 2050, these proportions will increase to 2.9% in capital cities (681,000 people) and 3.8% in the balance of the states (449,000 people). In Tasmania and Queensland, there are already more people with dementia living in the balance of those states than living in Hobart and Brisbane. The faster ageing of regional Australia is important for dementia service delivery planning.

Of people with dementia in 2009, the majority speak English at home (211,000) compared to a non-English (CALD) language (35,000). The prevalence of people with dementia speaking English at home increases 4.8 times to 1.01 million in 2050, with those speaking a CALD language at home increasing 3.4 times to around 120,000 in 2050. The tripling in the absolute number of people with dementia who speak a CALD language at home represents a very significant increase in the future demand for CALD trained dementia care providers and culturally appropriate services.

Incidence of dementia is estimated to increase from 69,600 new cases in 2009 to 385,200 new cases in 2050.

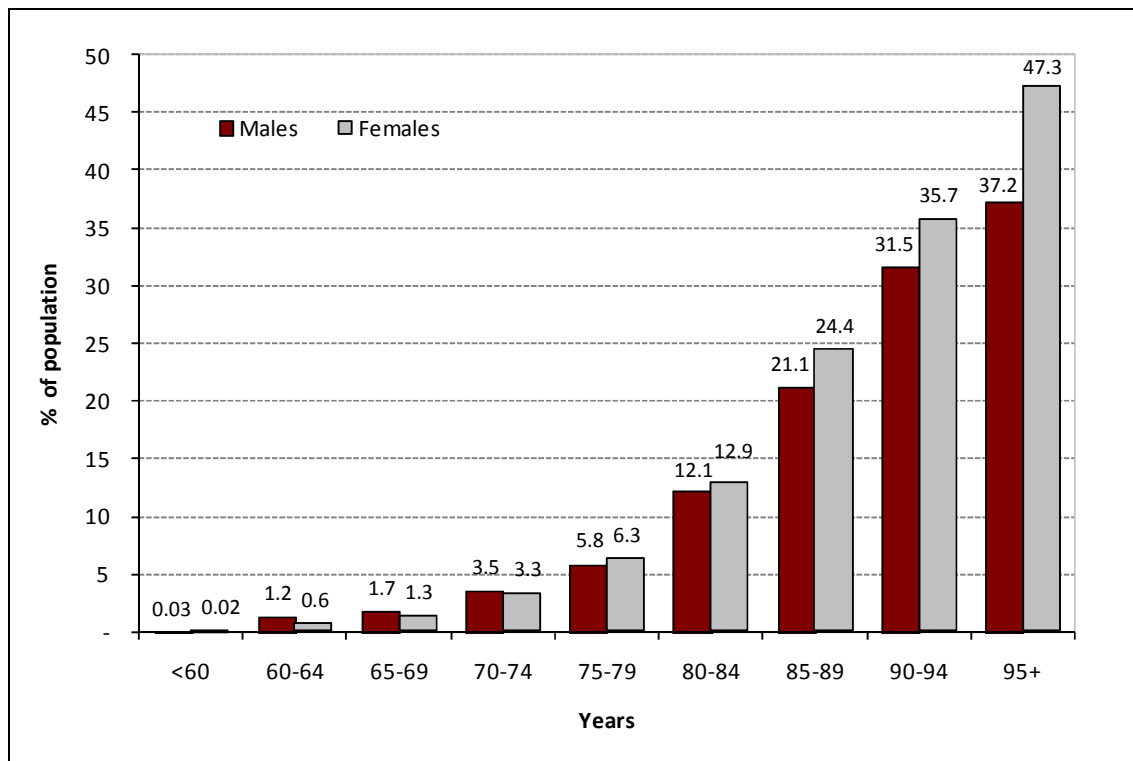
- In 2009, 42,000 of the new cases are in capital cities and 28,000 in the balance of states. By 2050, 232,000 will be in capital cities and 153,000 will be in the balance of the states.
- Of people with new cases of dementia in 2009, the majority speak English at home (61,000) compared to a CALD language (9,000). The number of people with new cases of dementia speaking English at home increases 5.8 times to 350,000 in 2050, with those speaking a CALD language at home increasing 4.0 times to around 35,000 by 2050.

If physical inactivity could be improved in the population from 70% to 50% from 2009 to 2050 there would be an estimated 5.7% fewer cases of dementia, while if improvements in hypertension could not be maintained an estimated increase in the prevalence of dementia of 5.6% would be expected. However, these projections have been made on the basis of changing one factor individually. It is expected that a much larger cumulative reduction would take place if more than one risk factor were reduced at the same time.

Dementia prevalence rates that underlie these projections are derived from the literature and shown in the chart below. Due to the lack of epidemiological data related to dementia in Australia, these rates have been based on international studies.

A significant area of further research should be to undertake epidemiological studies on the incidence and prevalence of all types of dementia among CALD and non-CALD populations in Australia, and younger onset dementia. This should also include an investigation of risks factors associated with dementia and the specific care needs required by these groups.

Estimated dementia prevalence rates in Australia 2009



Source: Access Economics calculations.

The year 2010 is significant as it marks the first of the baby-boomer generation turning 65 years of age. By 2020 there will be around 75,000 baby boomers with dementia.

With a higher retirement age of 67, it will also be the case that more people will be unable to remain in the workforce due to dementia onset, or due to the need to care for someone with the condition. Consequently, the already high productivity losses due to dementia are expected to grow, reflecting the increase in the pension age as well as population growth.

The baby boomer bulge in Australia's demographic profile means that the coming decade will see an acceleration of the impacts of ageing on dementia prevalence greater than previously seen in Australia's history. The rising prevalence of dementia will have dire consequences for our health care system and our quality of life, with the emphasis changing strikingly from cardiovascular disease and cancer to the neurodegenerative conditions, marking an important epidemiological transition. Access Economics' report *Making choices. Future dementia care:*

*projections, problems, and preferences*² has already highlighted the massive gap in the supply of dementia care services expected in the future.

Policy makers cannot ignore the huge impost that dementia imposes and will increasingly impose on Australian society.

There are currently around 245,000 people with dementia in Australia.

By mid-century, we will have over 1.13 million Australians with dementia.

Dementia is the leading single cause of disability in older Australians (aged 65 years or older) and is responsible for one year in every six years of disability burden for this group.

It is one of the fastest growing sources of major disease burden, overtaking coronary heart disease in its total wellbeing cost by 2023.

Dementia will become the third greatest source of health and residential aged care spending within about two decades. These costs alone will be around 1% of GDP.

By the 2060s, spending on dementia is set to outstrip that of any other health condition. It is projected to be \$83 billion (in 2006-07 dollars), and will represent around 11.0% of the entire health and residential aged care sector spending.

Given these compelling projections, strategies for managing the dementia epidemic must be kept front of mind, with priorities being for:

- prevention, research and early intervention;
- efficiently tailored services for quality care; and
- financial provisioning.

These priorities accord with the flavour and directions in the National Health and Hospital Reform Commission's (NHHRC's) final report. This report makes welcome recommendations including on facing inequities, prevention and early intervention, strengthened primary care, increasing choice in aged care services, end of life issues and the emphasis on health services research and knowledge translation.

However, despite its current and projected impact on a system under growing pressure, dementia is not mentioned in the Executive Summary. It is also not discussed in the body of the report in the context, for example, of tackling major equity issues and prevention including, the potential opportunities to reduce prevalence costs and burden through targeted early intervention approaches for those most at risk.

To ameliorate the current and projected impact of dementia, it will be important that:

- investment in dementia research and prevention is expanded and awareness of dementia risk reduction approaches is promoted;

² This report can be downloaded from Alzheimer's Australia web site, www.alzheimers.org.au.

- the Government's response to the NHHRC report specifically addresses dementia prevention and early intervention strategies;
- people with dementia and their families and carers have scope to choose between whether they receive care in the community or in a residential facility, with options to provide flexibility in tailoring a consumer-directed service package to best meet their needs;
- there is particular attention to planning for special needs groups:
 - for a CALD person with dementia and their carer, it may be important to have resources available in their own language and in their own home that are culturally appropriate;
 - for Indigenous Australians who have lived in communities it may be important to have care such that they can continue to be near or in their land and kinship group;
 - for people with younger onset dementia (YOD) it is important to have age-appropriate services; while
 - for someone with more severe behavioural and psychological symptoms it may be most important to access support and information to manage behaviours of concern and provide much-needed respite; and
- growth in private as well as public sector financial provisioning for aged care is facilitated. The right health financing model may depend on a parallel, complementary private savings mechanism such as dedicated Healthy Ageing Savings Accounts (HASAs) that are additional to superannuation and that complement private health insurance as well as complementing a means tested 'next generation' of Medicare safety nets.

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