

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.

ACKNOWLEDGMENTS: N/A

CITATION: Jun, Hankyung; Zehao Shi; Soeren Mattke (2022). Projected Savings to Ontario's Provincial Budget from Reduced Long-Term Care Home Utilization Due to a Disease-Modifying Alzheimer's Treatment. *Canadian Health Policy*, SEP 2022. ISSN 2562-9492, <https://doi.org/10.54194/VCID2992>, www.canadianhealthpolicy.com

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DISCLAIMER: N/A

DISCLOSURE: The work was funded by a contract from the Alzheimer's Society of Ontario to the University of Southern California. The sponsor provided comments on a draft of the paper, but the authors had full control of design, analysis, final manuscript, and decision to submit. Soeren Mattke serves on the board of directors of Senscio Systems, Inc., and the scientific advisory board of AiCure

Technologies, and Boston Millennia Partners. He has received consulting fees from Biogen, C2N, Eisai, Novartis, and Genentech/Roche. Hankyung Jun and Zehao Shi report no potential conflicts.

OPEN ACCESS: Not sponsored.

REVIEW: This article was subject to double blind review.

SUBMITTED: 19 JUL 2022 | **PUBLISHED:** 14 SEP 2022