

# Hidden financial dimensions affect people with cognitive decline and their care partners, report says

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In planning for older adulthood, many people both fear and consistently underestimate the risk of Alzheimer's disease and related dementias

(ADRD) and the tremendous impact these conditions can have on their finances. More than half of those now in or approaching older adulthood report ADRD as the condition they fear most—greater than more common but treatable conditions such as cancers, strokes, and heart disease. Alzheimer's disease and other forms of cognitive decline are at this time incurable, progressive, and terminal. Nonetheless, people underestimate the costs associated with care of these conditions on the family and particularly on care partners—namely the family members, friends, neighbors, and others providing unpaid care to people with ADRD.

"The Hidden Financial Dimensions of Cognitive Decline and Caregiving"—the fourth report in a series developed by The Gerontological Society of America and supported by Bank of America—differentiates Alzheimer's disease from cognitive decline and other types of dementia, documents the direct and indirect costs of ADRD on affected individuals and those providing largely unpaid care to them, and describes benefits of interventions at the individual, family, community, institutional and organizational, and policy levels. The literature on age- and disease-related cognitive decline is reviewed through the lens of the socio-ecological model (individual, interpersonal, organizational, community, and public policy levels).

"The hidden costs of ADRD are particularly difficult for communities of color and those adversely affected by social determinants of health," said Ishan C. Williams, Ph.D., FGSA, of the University of Virginia, who chaired the workgroup that oversaw content development for the new publication. "This report uses data to show how the onset of ADRD occurs at earlier ages among people of color, often causing them to leave the workforce and therefore have less wealth and fewer options for dealing with dementias and their costs. The [financial impact](#) on care partners is particularly severe—estimated at \$300,000 when loss of or reduction in employment is considered along with less wealth at

retirement, lower pensions and Social Security benefits, and other more obvious costs such as out-of-pocket expenses. As a society, we need to help people compensate for these economic and personal challenges."

Lorna Sabbia, Head of Retirement and Personal Wealth Solutions, Bank of America, said, "Today's longer lives mean more time for the people and pursuits we love, but also present complex new challenges at the intersection of health care and financial security. To protect both, we must bring greater focus to the immense, but often hidden, financial burden of Alzheimer's disease and dementia—one of the greatest threats in our aging world."

Over the past three years, The Gerontological Society of America and Bank of America have explored the increasingly long lifespans enjoyed by Americans through economic, fitness, diversity, and now cognitive health lenses. The 2018 report, "Longevity Economics: Leveraging the Advantages of an Aging Society," addressed the problems of systemic ageism and age discrimination and the need for policies and programs that recognize the reality of people living far past the historical retirement age of 65. In 2019, "Longevity Fitness: Financial and Health Dimensions Across the Life Course" detailed how people can thrive, not just survive, throughout longer lifespans by making changes in their lives aimed at maximizing social, health, and wealth equity. "The Impact of Diversity on Longevity Fitness: A Life-Course Perspective," released in 2020, documented the effects of inequities and explored the beneficial efforts of corporations and other employers to enhance diversity and inclusion by recognizing and addressing the deep cultural shifts occurring in the place, race, gender, and sexual orientation/identity aspects of life.

**More information:** Latest report: [www.geron.org/images/gsa/documents/ncial\\_dimensions.pdf](http://www.geron.org/images/gsa/documents/ncial_dimensions.pdf)

2020 report: [www.geron.org/images/gsa/docum ... Diversity\\_Report.pdf](http://www.geron.org/images/gsa/docum... Diversity_Report.pdf)

2019 report: [www.geron.org/images/gsa/docum ... ongevity\\_Fitness.pdf](http://www.geron.org/images/gsa/docum ... ongevity_Fitness.pdf)

2018 report: [www.geron.org/images/gsa/docum ... y-economics-2018.pdf](http://www.geron.org/images/gsa/docum ... y-economics-2018.pdf)

Provided by The Gerontological Society of America

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