

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Budget Committee

**BILL:** CS/SB 316

**INTRODUCER:** Children, Families, and Elder Affairs Committee and Senator Wise

**SUBJECT:** Alzheimer’s Disease

**DATE:** February 21, 2012      **REVISED:** \_\_\_\_\_

|    | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION           |
|----|---------|----------------|-----------|------------------|
| 1. | Daniell | Farmer         | CF        | <b>Fav/CS</b>    |
| 2. | Brown   | Hendon         | BHA       | <b>Favorable</b> |
| 3. | Brown   | Rhodes         | BC        | <b>Favorable</b> |
| 4. |         |                |           |                  |
| 5. |         |                |           |                  |
| 6. |         |                |           |                  |

**Please see Section VIII. for Additional Information:**

A. COMMITTEE SUBSTITUTE.....  Statement of Substantial Changes

B. AMENDMENTS.....  Technical amendments were recommended

Amendments were recommended

Significant amendments were recommended

**I. Summary:**

This bill directs the Department of Elder Affairs (DOEA or “the department”) to establish a public education program relating to screening for memory impairment. The bill also creates the memory-impairment screening grant program and authorizes DOEA to award grants in support of programs which provide information and education on the importance of memory screening as well as memory screening services. The bill establishes criteria for selecting grant recipients and requires that the department give preference to entities meeting certain requirements. Each grantee must submit an annual evaluation of its activities to the department. Additionally, DOEA must submit an annual report to the President of the Senate and the Speaker of the House of Representatives documenting the activities authorized by the bill.

Additionally, the bill makes technical changes relating to staff training requirements for persons assisting those with Alzheimer’s disease.

The bill does not have a direct fiscal impact on government.

The bill amends the following sections of the Florida Statutes: 400.1755, 400.6045, and 429.178. This bill creates section 430.5025, Florida Statutes.

The bill has an effective date of July 1, 2012.

## II. Present Situation:

### Alzheimer's Disease

Alzheimer's disease is a progressive, degenerative disorder that attacks the brain's nerve cells and results in loss of memory, thinking, and language skills, and behavioral changes.<sup>1</sup> There are approximately 5.4 million Americans currently living with Alzheimer's disease, and that number is projected to rise to 16 million by 2050.<sup>2</sup> As the life expectancy for Americans has continued to rise, so has the number of new cases of Alzheimer's disease. For instance, in 2000 there were an estimated 411,000 new cases of Alzheimer's disease in the United States, and in 2010 that number was estimated to be 454,000 – a 10 percent increase.<sup>3</sup> That number is expected to rise to 959,000 new cases of Alzheimer's disease by 2050, a 130-percent increase from 2000.<sup>4</sup> Specifically in Florida, approximately 360,000 people age 65 or older had Alzheimer's disease in 2000 and in 2010, that number had risen to 450,000.

As the number of people with Alzheimer's disease increases, so does the cost of caring for these individuals. In 2011, the aggregate cost for health care, long-term care, and hospice for persons with Alzheimer's and other dementias was estimated to be \$183 billion. That number is projected to be \$1.1 trillion by 2050.<sup>5</sup> A major contributing factor to the cost of care for persons with Alzheimer's is that these individuals have more hospital stays, skilled nursing home stays, and home healthcare visits than older persons who do not have Alzheimer's. Research shows that 22 percent of individuals with Alzheimer's disease who have Medicare also have Medicaid coverage, which pays for nursing home care and other long-term care services.<sup>6</sup> The total Medicaid spending for people with Alzheimer's disease (and other dementia) was estimated to be \$37 billion in 2011.<sup>7</sup>

In addition to the cost of health care, there is a significant cost associated with unpaid caregivers. An unpaid caregiver is primarily a family member, but can also be other relatives or friends. Such caregivers often provide assistance with daily activities, such as shopping for groceries, preparing meals, bathing, dressing, grooming, assisting with mobility, helping the person take medications, making arrangements for medical care, and performing other household chores. Nationally, in 2010, nearly 15 million unpaid caregivers provided an estimated 17 billion hours of unpaid care, valued at \$202.6 billion.<sup>8</sup> In 2010, there were 960,037 caregivers in Florida with an estimated value of unpaid care reaching nearly \$13.5 million.<sup>9</sup>

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<sup>1</sup> Alzheimer's Foundation of America, *About Alzheimer's, Definition of Alzheimer's*, <http://www.alzfdn.org/AboutAlzheimers/definition.html> (last visited Aug. 2, 2011).

<sup>2</sup> Alzheimer's Assn., *Fact Sheet: 2011 Alzheimer's Disease Facts and Figures* (March 2011), available at [http://www.alz.org/documents\\_custom/2011\\_Facts\\_Figures\\_Fact\\_Sheet.pdf](http://www.alz.org/documents_custom/2011_Facts_Figures_Fact_Sheet.pdf) (last visited Aug. 3, 2011).

<sup>3</sup> Alzheimer's Assn., *2011 Alzheimer's Disease Facts and Figures*, 7 ALZHEIMER'S & DEMENTIA (Issue 2) at 17, available at [http://www.alz.org/downloads/Facts\\_Figures\\_2011.pdf](http://www.alz.org/downloads/Facts_Figures_2011.pdf) (last visited Oct. 27, 2011).

<sup>4</sup> *Id.*

<sup>5</sup> *Id.* at 35.

<sup>6</sup> *Id.*

<sup>7</sup> *Id.* at 44.

<sup>8</sup> This number was established by using an average of 21.9 hours of care a week with a value of \$11.93 per hour. *Id.* at 27.

<sup>9</sup> *Id.* at 32.

Alzheimer's disease is the nation's sixth leading cause of death with an average life expectancy of four to eight years after diagnosis.<sup>10</sup> In Florida, 4,644 people died of complications related to Alzheimer's disease in 2007.<sup>11</sup>

### **Memory Screening and Early Diagnosis**

Alzheimer's disease can only be confirmed by an autopsy; however, clinicians can attempt to diagnose the disease by taking a complete medical history and conducting lab tests, a physical exam, brain scans, and neuro-psychological tests that gauge memory, attention, language skills, and problem-solving abilities. Using these methods, clinicians are able to diagnose Alzheimer's disease with up to 90-percent accuracy.<sup>12</sup> Although there is no known cure for Alzheimer's disease, the U.S. Food and Drug Administration has approved a few medications that have been found to help control symptoms or slow the progression of the disease.<sup>13</sup> Thus, early detection of the disease enhances the possibility of effective treatment. Early diagnosis can also enable patients to participate in decisions regarding their care.

Memory screenings consist of a series of questions or tasks designed to test memory and other intellectual functions. They are not used to diagnose any particular illness, but can be very helpful in indicating whether an individual would benefit from further testing to identify Alzheimer's disease, related dementias, or other possible causes of symptoms which mimic Alzheimer's disease.<sup>14</sup> These screenings are typically provided by professionals such as social workers, pharmacists, nurses, and doctors.

### **Alzheimer's Disease Initiative**

The Alzheimer's Disease Initiative (ADI) was legislatively created in 1985 to provide a continuum of services to meet the changing needs of individuals with, and families affected by, Alzheimer's disease and related disorders. The Initiative has four objectives: (1) to provide supportive services; (2) to establish memory disorder clinics; (3) to provide model day care programs to test new care alternatives; and (4) to establish a research database and brain bank to support research.<sup>15</sup> There are 15 memory disorder clinics throughout the state, 13 of which are state funded.<sup>16</sup> The purpose of these clinics is to conduct research related to diagnostic technique, therapeutic interventions, and supportive services for persons with Alzheimer's disease and to develop caregiver-training materials.<sup>17</sup> According to ADI, the memory disorder clinics are required to:

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<sup>10</sup> *Id.* at 23.

<sup>11</sup> *Id.* at 22.

<sup>12</sup> Alzheimer's Foundation of America, *About Alzheimer's, Diagnosis*, <http://www.alzfdn.org/AboutAlzheimers/diagnosis.html> (last visited Aug. 2, 2011).

<sup>13</sup> To see a list of FDA approved medications, go to the Alzheimer's Foundation of America, *About Alzheimer's Treatment*, <http://www.alzfdn.org/AboutAlzheimers/treatment.html> (last visited Aug. 3, 2011).

<sup>14</sup> Alzheimer's Foundation of America, *Brain Health*, <http://www.alzfdn.org/BrainHealth/memoryscreenings.html> (last visited Oct. 24, 2011).

<sup>15</sup> Dep't of Elder Affairs, *Alzheimer's Disease Initiative*, <http://elderaffairs.state.fl.us/english/alz.php> (last visited Aug. 16, 2011).

<sup>16</sup> *Id.*

<sup>17</sup> Section 430.502(2), F.S.

- Provide services to persons suspected of having Alzheimer’s disease or other related dementia;
- Provide four hours of in-service training during the contract year to all ADI respite and model day care service providers and develop and disseminate training models to service providers and the Department of Elder Affairs;
- Develop training materials and educational opportunities for lay and professional caregivers and provide specialized training for caregivers and caregiver organizations;
- Conduct service-related applied research;
- Establish a minimum of one annual contact with each respite care and model day care service provider to discuss, plan, develop, and conduct service-related research projects; and
- Plan for the public dissemination of research findings through professional papers and to the general public.<sup>18</sup>

Multi-disciplinary teams provide comprehensive evaluations, treatment recommendations, long-term care strategies, and follow-up services to patients, caregivers, and families. The memory disorder clinics offer a full range of tests to determine whether thinking difficulties and symptoms of forgetfulness are a result of everyday life pressures, or the sign of a memory disorder. The memory disorder clinics offer free and confidential memory screenings, medical evaluations, follow-up resources, and educational material about memory concerns and successful aging. In addition, each November during “National Memory Screening Day,” the clinics participate in a collaborative effort with the Alzheimer’s Foundation of America to promote early detection of Alzheimer’s disease and related illnesses and to encourage appropriate intervention.<sup>19</sup>

Individuals diagnosed with or suspected of having Alzheimer’s disease are eligible for memory disorder clinic services. In fiscal year 2009-2010, Florida’s memory disorder clinics received nearly \$3 million in state funds and served just over 5,000 clients.<sup>20</sup>

### III. Effect of Proposed Changes:

This bill directs the Department of Elder Affairs (DOEA or department) to develop and implement a public education program relating to screening for memory impairment and the importance of early diagnosis and treatment of Alzheimer’s disease.

The bill also creates the memory-impairment screening grant program and authorizes DOEA to award grants to qualifying entities to support programs that provide information and education on the importance of memory screening for early diagnosis and treatment of Alzheimer’s disease and related disorders and that provide screenings for memory impairment. The bill defines the term “qualifying entities” as any “public or nonprofit private entities that provide services and

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<sup>18</sup> Dep’t of Elder Affairs, *Summary of Programs and Services*, 87-88 (Feb. 2011), available at [http://elderaffairs.state.fl.us/english/pubs/pubs/sops2011/Files/2011\\_SOPS\\_full%20web.pdf](http://elderaffairs.state.fl.us/english/pubs/pubs/sops2011/Files/2011_SOPS_full%20web.pdf) (last visited Aug. 16, 2011).

<sup>19</sup> Dep’t of Elder Affairs, *2012 Legislative Bill Analysis, SB 316* (Oct. 26, 2011) (on file with the Senate Committee on Children, Families, and Elder Affairs).

<sup>20</sup> *Summary of Programs and Services*, *supra* note 18, at 91.

care to individuals who have Alzheimer's disease or related disorders and their caregivers and families.”

The bill provides that DOEA shall give preference to applicants that:

- Have demonstrated experience in promoting public education and awareness of the importance of memory screening or providing memory-screening services;
- Have established arrangements with health care providers and other organizations to provide screenings for memory impairment in a manner that is convenient to individuals in the communities served by the applicants; and
- Provide matching funds.

The bill requires each entity that receives a grant to submit an annual evaluation to the department describing the activities carried out with the funds received and the long-term effectiveness of such activities in promoting early detection of memory impairment. Additionally, DOEA must submit an annual report to the President of the Senate and the Speaker of the House of Representatives describing the activities carried out, including provisions describing the extent to which the activities have affected the rate of screening for memory impairment and have improved outcomes for patients and caregivers.

The bill authorizes DOEA to set aside up to 15 percent of the total amount appropriated to the memory-impairment screening grant program for the fiscal year to provide technical assistance to the grantees.

The bill provides an implementation section, specifying that the public education program created by the bill shall operate within existing resources of DOEA and the memory-impairment screening grant program is contingent upon appropriation of state funds or the availability of private resources.

Finally, the bill makes technical changes relating to staff training requirements for persons assisting those with Alzheimer's disease.

The bill has an effective date of July 1, 2012.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

This bill will provide public and nonprofit private entities that provide services and care to individuals who have Alzheimer's disease or related disorders the opportunity to apply for a state grant to support the development, expansion, or operation of programs that provide screenings for memory impairment and information and education on the importance of memory screening.<sup>21</sup>

**C. Government Sector Impact:**

The bill does not have a direct fiscal impact on government. Two provisions could require resources:

- **Public Education:** The Department of Elder Affairs currently contracts with 13 memory disorder clinics to provide services to individuals with memory problems and to their families and caregivers. Accordingly, the department can develop and implement the public education program portion of this bill within existing resources.<sup>22</sup>
- **Grant Program:** The bill provides that implementation of the grant program is contingent upon an appropriation of state funds or the availability of private resources, which would require a specific appropriation for the department to award grants to entities as specified in the bill.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Additional Information:****A. Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)**CS by Children, Families, and Elder Affairs on November 3, 2011:**

The committee substitute specifically creates the memory-impairment screening grant program, which is to be administered by the Department of Elder Affairs (DOEA or department). The committee substitute also provides that an entity receiving a grant shall submit an evaluation to DOEA annually describing activities conducted with the funds.

<sup>21</sup> 2012 Legislative Bill Analysis, *supra* note 19.

<sup>22</sup> *Id.*

B. Amendments:

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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