



Legislative Fiscal Bureau

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TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: 2017 Assembly Bill 632: Grants for Alzheimer's Disease and Dementia Awareness

Assembly Bill 632 (AB 632), which would fund grants for Alzheimer's disease and dementia awareness programs, was introduced and referred to the Assembly Committee on Mental Health on November 10, 2017. The Committee held a public hearing on the bill on December 12, 2017. On January 9, 2018, the Committee recommended adoption of Assembly Amendment 1 by a vote of 12 to 0, and recommended the bill for passage, as amended, on a vote of 12 to 0. On January 25, 2018, the bill was referred to the Joint Committee on Finance.

Senate Bill 527 (SB 527), a companion bill to AB 632, was introduced on November 8, 2017, and referred to the Senate Committee on Workforce Development, Military Affairs and Senior Issues. The Committee held a public hearing on the bill on January 10, 2018.

BACKGROUND

Dementia refers to a set of symptoms of cognitive decline resulting from brain cell death caused by disease and injury to the brain. Symptoms may include declines in memory, judgment, perception, and reasoning, as well as other cognitive abilities. Different causes of dementia symptoms exist, the most prominent being Alzheimer's disease, for which there is currently no cure.

The Department of Health Services (DHS) indicates that the population in Wisconsin is aging at a rapid rate, with rates above average in rural areas. Between 2015 and 2040, DHS estimates that the number of Wisconsin residents ages 65 and older will grow by 640,000, an increase of 72%. This expected growth rate is also reflected in the projected increases in dementia prevalence since, according to the Alzheimer's Association, approximately 96% of individuals with Alzheimer's disease are over the age of 65. In 2016, an estimated 115,000 individuals in Wisconsin were living with Alzheimer's disease or a related dementia. However, national projections from the

Alzheimer's Association estimate Wisconsin's growth rate for individuals with Alzheimer's and related dementias to be 18.2% over the next ten years, and double by 2040.

In addition to disproportionately affecting individuals over the age of 65, the Alzheimer's Association notes that Alzheimer's disease disproportionately impacts some racial and ethnic groups. Specifically, when compared to older whites, African-Americans are about twice as likely and Hispanics are about one and one-half times as likely to have Alzheimer's disease or other dementias.

In 2014, DHS created the initial dementia care system redesign plan. The plan is intended to address gaps in the care delivery infrastructure and expand community and crisis services for people with dementia. DHS identified five main focus areas of the plan: (1) facility-based long-term care; (2) crisis system; (3) dementia care guiding principles training; (4) research and data collection; and (5) community awareness and services. DHS intends to update that plan in 2018 and implement the revised plan over five years, starting in 2019.

Of particular relevance to AB 632, the plan included strategies to: increase understanding and awareness of dementia, expand early identification and intervention, and provide support for family caregivers as part of its focus on community awareness and services. Written testimony submitted for the public hearing on AB 632 by the bill's author identified similar goals as those outlined in the plan, although specifically targeting rural and underserved urban areas.

The U.S. Department of Health and Human Services (DHHS) national plan to address Alzheimer's disease also includes the goal of increasing understanding and awareness of Alzheimer's disease among the public. DHHS notes that increased awareness is necessary to engage stakeholders on all levels to combat public misperceptions about diagnosis and clinical management since these issues can lead to delayed diagnosis, and to individuals with the disease and their caregivers feeling isolated and stigmatized.

The Alzheimer's Association notes that early detection of dementia allows individuals to work with their doctors to determine what lifestyle changes they can make or what options may be available to address the progression of the disease or ease symptoms; as well as participation in making health care and financial decisions and plans for the future, which may help avoid crisis situations. Early detection also allows an individual and their families to familiarize themselves with available resources prior to needing them in a more stressful situation after the disease has progressed.

The final goal of the DHS state plan focuses on enhanced support for family caregivers. According to the Alzheimer's Association, 83% of care provided to people with dementia living in the community is provided by unpaid caregivers, most often family members. DHS notes that increased awareness focused on family caregivers allows families to learn about caregiving, as well as arranging for support and respite care. Further, according to one review, programs such as the Memory Care Connections program, which aim to educate caregivers and develop individualized support plans, enable the caregiver to provide care at home an average of 18 months longer than those who do not have similar supports.

The State currently provides some funding for Alzheimer's related services. Specifically, DHS Division of Public Health allocates \$131,400 GPR annually in grant funding for Alzheimer's treatment education from an ongoing appropriation. The University of Wisconsin - Madison is currently the sole recipient of this funding, which is used to provide training and technical assistance to the staff of county departments and to other providers of services to persons with Alzheimer's disease.

In addition, DHS may allocate up to \$2,558,900 GPR annually to provide services to persons with Alzheimer's disease and their caregivers, enabling the person with Alzheimer's disease to remain a member of the household. Of this available funding, DHS distributed \$1,560,800 to 39 counties as an allocation under community aids, and \$998,100 to area agencies on aging in 33 counties as a non-community aids allocation in calendar year 2017.

Finally, 2017 Act 59 provided \$893,000 (\$760,000 GPR and \$133,000 FED) for 19 dementia care specialists in 2017-18 and \$2,256,000 (\$1,920,000 GPR and \$336,000 FED) for 24 dementia care specialists annually, starting in 2018-19. Dementia care specialists are non-state employees who work at aging and disability resource centers and provide cognitive screenings, programs for individuals with dementia and their families and caregivers, referrals to other resources, and community outreach and consultations with other professionals.

SUMMARY OF BILL

As introduced, AB 632 would provide one-time funding of \$500,000 GPR in 2017-18 for DHS to award as grants in the 2017-19 biennium to increase awareness of Alzheimer's disease and dementia in rural and underserved urban areas. The grant funding would be budgeted in a current DHS appropriation that supports grants for community programs.

The bill would take effect on the day after publication. The provisions that would authorize DHS to spend funds for the Alzheimer's and dementia awareness grants would be repealed effective July 1, 2019.

SUMMARY OF ASSEMBLY AMENDMENT 1

AA 1 would budget the \$500,000 GPR funding increase in an appropriation that currently funds general aids and local assistance administered by the Division of Public Health, rather than the grants for community programs appropriation.

This change reflects that the grant funding would be administered by the DHS Bureau of Aging and Disability Resources, which was transferred to the Division of Public Health from the former Division of Long-Term Care Services under 2017 Wisconsin Act 59 (the 2017-19 biennial budget act).

FISCAL EFFECT

The bill would provide \$500,000 GPR on a one-time basis in fiscal year 2017-18.

In its fiscal note to the bill, DHS estimated that it would incur one-time staff-time costs, equivalent to 0.25 LTE program and policy analyst - advanced position, to administer the grant program. This would entail creating a request for proposals, evaluating proposals offered by applicants, communicating decisions, and providing technical assistance to grantees. DHS estimates that salary, fringe, supplies, and allocated services for the position would have a one-time cost of \$16,500 GPR in 2017-18. Since AB 362 would not provide any additional funding or position authority to support these anticipated staff-time costs, they would be absorbed by the Division of Public Health.

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