

WA Cares Fund Toolkit | Frequently Asked Questions

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BASICS

What is long-term care?

Long-term care refers to services to help a person who cannot perform everyday tasks themselves. It is most often provided by family members, though it can also be provided by paid caregivers or in a residential care setting.

Long-term care includes a variety of services and supports, such as:

- Help bathing, dressing, or using the restroom
- Medication management
- Help with grocery shopping, cleaning, or other essential tasks

Long-term care is not medical care and does not include things like doctor visits and treatment for medical conditions.

What's the difference between long-term care and disability insurance?

Long-term care insurance benefits help pay for services needed by people who cannot perform everyday tasks themselves.

Disability insurance benefits cover part of a worker's income when they have an illness or injury and need to take time off from work because they're unable to do their job. Disability insurance can be short-term or long-term, depending on the length of time it is intended to provide benefits.

Many employees have access to disability insurance through their employer. Washington workers also have access to [Paid Family and Medical Leave](#) to get paid time off if they have a serious health condition that prevents them from working, need time off to care for a family member or welcome a new child, or for certain military-related events.

What is the WA Cares Fund?

The [WA Cares Fund](#) is a new program that gives working Washingtonians access to long-term care coverage when they need it. Workers contribute 0.58% of each paycheck during their working years to be able to access a \$36,500 lifetime benefit (adjusted annually for inflation) that can help pay for long-term care services when needed.

Workers begin contributing to WA Cares on July 1, 2023 and benefits become available July 1, 2026. In order to use your benefit, you must meet a contribution requirement as well as a care need requirement.

Why do we need WA Cares?

The WA Cares Fund is designed to provide affordable long-term care coverage to all Washingtonians. It's a modest but critical step to fix a long-standing problem with long-term care. While 70% of us will need long-term care in our lifetimes, most of us don't have a way to pay for it. Long-term care is expensive and the costs hit us when most of us are on a fixed income and can't afford it.

Having this coverage in place will prevent many of us from having to spend down our life savings and become impoverished to get access to Medicaid, which is the primary payer for long-term care now.

Having WA Cares coverage will also make it much less likely that our loved ones will have to sacrifice their own financial security to care for us as we age or if we suffer an accident or illness during our working years.

How was WA Cares created?

WA Cares Fund is the result of years of research on how to make long-term care affordable for everyone in Washington. Before developing the program, the state studied data and worked with experts to explore potential public and private solutions.

That research included that the only way to make long-term care insurance affordable for all Washingtonians is through a universal public long-term care program like WA Cares. The WA Cares Fund was designed to offer a modest benefit at an affordable cost. The legislature passed the [LTSS Trust Act](#) in 2019 to create WA Cares.

How do I learn more about WA Cares?

To stay up to date on program implementation, including any upcoming rule making, legislative changes or WA Cares Fund events, sign up for the [WA Cares mailing list](#).

If you have a question that isn't answered by the website or other WA Cares materials, you can [contact the WA Cares team](#) by email or phone for more information.

CONTRIBUTIONS

Who contributes to the WA Cares Fund?

Almost all workers in Washington will contribute to the WA Cares Fund, including part-time and temporary workers. There are some exceptions:

- Federal employees who work in Washington do not contribute to the program.
- Employees of [tribal businesses](#) only contribute if the tribe has chosen to opt in.

- People who are self-employed can choose to opt in and earn benefits.

Whether you contribute to WA Cares depends on whether your work is localized in Washington state. WA Cares uses the same localization definitions as the state's Paid Family and Medical Leave program (found in [RCW 50A.05.010](#)). If you are included in Paid Leave, you will also be included in WA Cares unless you have an approved exemption.

How much are contributions?

Working Washingtonians contribute 0.58% of each paycheck to the program. For example, a worker earning a typical wage of \$50,091 will contribute about \$24 a month. Over a 30-year career, this totals around \$8,700 to earn a \$36,500 benefit that grows over time.

You can find a calculator to estimate your own contribution on the WA Cares website.

Can people who are already retired contribute?

Only people who are working contribute to WA Cares. Some people who are retired from their career still work part-time, either as an employee or on a self-employed basis. If you are working more than 500 hours per year (about 10 hours per week) as an employee, you will be contributing and earning WA Cares benefits. If you are self-employed, you can choose to opt into WA Cares and earn benefits.

If you are already retired and no longer work at all, you won't be able to earn WA Cares benefits, but may be able to access other long-term care services. To learn more about services in your area, reach out to your local Area Agency on Aging (contact info at www.agingwashington.org).

Do part-time workers contribute?

Yes, part-time workers contribute to WA Cares. You only need to contribute 500 hours per year to earn a qualifying year for meeting contribution requirements, which is about 10 hours per week.

Do workers under 18 contribute?

Workers contribute to WA Cares regardless of age. Like all working Washingtonians, each year workers under 18 work at least 500 hours will earn them a qualifying year.

Once they turn 18, they can use benefits when they need them if they've contributed for at least three years out of the last six from the date of application for benefits or after contributing for 10 years.

How long will I contribute to WA Cares?

You contribute to WA Cares throughout your working years. Once you retire or if you become unemployed, contributions stop.

Can I contribute extra to WA Cares to get additional benefits?

No. WA Cares is a social insurance program like Social Security, not a savings account. Everyone who meets contribution requirements and has a care need gets access to the same lifetime benefit amount (\$36,500, adjusted annually for inflation). The only exception is near-retirees born before 1968, who earn partial benefits for each year they contribute.

WA Cares is working with the insurance industry to develop a market for supplemental private long-term care insurance policies. These policies would allow people who want more coverage to use their WA Cares benefit as the deductible for their private policy. The WA Cares oversight body, the LTSS Trust Commission, made recommendations to the legislature in its [January 1, 2023, report](#) about creating a market for supplemental private insurance. As more information becomes available, WA Cares will update the website and send a notification to the [WA Cares mailing list](#).

Will the premium rate go up over time?

By law, the premium rate cannot exceed 0.58%. The legislature would need to change the law to increase the premium rate. However, [actuarial analysis](#) completed in 2022 showed that under most scenarios, the WA Cares Fund is projected to be fully solvent through 2098 (the full period evaluated in the report) at the current premium rate.

What wages are used to calculate premiums?

Typically, these are your gross wages. The Employment Security Department (ESD) is using the same wage definition as they do for Paid Family and Medical Leave. However, unlike Paid Leave, the income to which WA Cares premiums are applied is not capped at the taxable maximum for Social Security.

You can find more detail in [WAC 192-510-025](#) and employers can use ESD's [premium calculator](#) to calculate premium amounts for both WA Cares and Paid Leave.

How will employers report premiums?

Employers will submit one report to the Employment Security Department (ESD) for both Paid Leave and WA Cares but make two separate payments — one for each program — because each program has a separate trust fund.

Employers will report WA Cares premiums for the first time during the Quarter 3 2023 reporting period, which takes place from October 1-31. A No Payroll report is required for any quarter where an employer has no payroll expenses.

Employers can find a checklist and details about the new reporting format on the [Paid Leave website](#).

Will employers collect premiums based on the first pay period after July 1, 2023, or for wages earned starting July 1, 2023?

Employers should deduct premiums from each paycheck an employee receives on or after July 1, 2023, regardless of when the hours were earned.

BENEFITS

What services are covered under WA Cares?

While WA Cares benefits can be used to pay for care in a residential setting like assisted living, they are primarily designed to cover services and supports to help you stay at home. This could include services like:

- Hiring a home care aide as your primary caregiver or as respite to so your unpaid family caregiver can take a break
- Paying a qualified family member (including a spouse) to provide care and getting them training they need to feel supported
- Making home modifications so you can get around better or purchasing a home safety evaluation so you can prevent avoidable falls
- Having meals delivered to your door
- Getting transportation to appointments and errands like grocery shopping
- Purchasing equipment, assistive devices, medication reminder devices

These are just some of the services WA Cares Fund will offer. Others include dementia supports, memory care, care transitions, personal emergency response systems, and more. Learn more about [benefits covered by WA Cares](#).

When will benefits be available?

Benefits will become available July 1, 2026, to people who have met contribution requirements and have a care need.

What requirements do I need to meet to access benefits?

To access benefits, you must have met contribution requirements and have a care need.

Starting July 1, 2023, any year that an individual works 500 or more hours and contributes will count as a qualifying year. There are three pathways to meet contribution requirements:

- To earn **lifetime access to the full benefit amount**, you will need to contribute for 10 qualifying years without a break of five or more consecutive years.

- If you haven't earned lifetime access yet but have a need for care during your career or soon after retiring, you can get **early access to the full benefit amount** if you have contributed at least 3 qualifying years out of the last 6 years at the time you need care.
- Near-retirees born before January 1, 1968, will earn **lifetime access to a partial benefit** (10% of the full benefit for each year they work 500 or more hours and contribute). Near-retirees can also access the full benefit amount by meeting requirements for one of the other pathways.

To meet the care need requirement, you must need assistance with at least three activities of daily living like eating, bathing or dressing. To use your benefit, you must also be at least 18 years old and live in Washington state.

Will WA Cares count qualifying years by calendar year or some other way?

The Employment Security Department (ESD) is working on administrative rules for WA Cares that will cover what counts as a qualifying year. More information will be posted on the WA Cares website once those rules have been finalized and you can [sign up for ESD rulemaking updates](#) if you'd like to stay informed in the meantime.

How will DSHS determine whether someone has a long-term care need?

The Department of Social and Health Services (DSHS) will ask questions about your activities of daily living and the support you need. If you need assistance with at least three activities of daily living, you will be eligible for benefits. This may be based on self-report and could be verified by a health professional.

The types of activities DSHS will ask you about are eating, bathing, walking or moving around in a wheelchair, getting in and out of a chair and your ability to move around once you are in bed, using the bathroom and managing your medications. DSHS will also ask about cognition and any memory/cognitive impairments that impact your daily life. Learn more about [activities of daily living](#).

How are benefits paid?

When it comes time to use your benefits, there are no copays, deductibles, or reimbursement claims needed. WA Cares will connect you with contracted providers for the services you want and pay them directly.

Why do I need to live in Washington to receive a benefit?

Washington is the first state in the nation to develop a way to make long-term care affordable for all workers as we age. The benefit is only usable within Washington

because all providers have to be contracted with the state and each state has different laws on what makes someone qualified to provide long-term care.

The WA Cares oversight body, the LTSS Trust Commission, recommended to the legislature in its [January 1, 2023, report](#) that WA Cares benefits be made portable for people who meet contribution requirements but move to another state before they need care. If the legislature makes changes to the law, WA Cares will update the website and send a notification to the [WA Cares mailing list](#).

How much is the benefit? Is it lifetime or annual?

The full benefit amount is \$36,500 and will be adjusted annually for inflation. Near-retirees born before January 1, 1968 can also earn partial benefits if they aren't able to meet contribution requirements for full benefits. The benefit amount is lifetime, not annual.

Does the benefit increase over time?

The benefit amount will be adjusted annually up to the rate of inflation starting in 2026. Even after you retire and stop contributing, your benefit amount will continue to be adjusted for inflation. A benefit council will determine the amount of the increase each year.

How long will the benefit amount last?

WA Cares is designed to help you stay in your home as long as possible, which most people with long-term care needs can do with the right support. A few hours of help each day with basic tasks like bathing, meal preparation and transportation can keep you living independently.

While the benefit won't cover 100% of care for everyone, it could cover around 20 hours per week of home care for about a year. This is the amount of in-home care the average Medicaid client receives right now.

About a third of people need care for a year or less, and for those people WA Cares may be able to cover all the care they need. For others, WA Cares provides families with immediate relief and time to plan for future care costs.

What is a benefit unit?

In a previous version of the law, there was a \$100 per day cap ("benefit unit") on the usage of WA Cares benefits. That cap was eliminated and no longer applies.

Is there a daily limit for benefits?

No. WA Cares Fund is a flexible benefit you can use to meet your care needs up to \$36,500 with no daily limit.

Can you give your benefit to a spouse or family member?

No. The lifetime benefit amount is available to eligible beneficiaries who have contributed to the fund and cannot be transferred to another family member. By all of us pooling a small amount of our paycheck into one fund (\$0.58 for every \$100 earned) throughout our careers, the program can remain affordable and cover more people in the long term. If WA Cares benefits were transferable to a spouse or family member, the premium would need to be much higher.

Can I withdraw money from WA Cares?

No. WA Cares is an insurance program, not a savings account. By all of us pooling a small amount of our paycheck into one fund throughout our careers, the program can provide access to long-term care for the people who need it. Everyone who meets contribution requirements and has a care need gets access to the same lifetime benefit amount (\$36,500, adjusted annually for inflation). The only exception is near-retirees born before 1968, who earn partial benefits for each year they contribute.

Can I still get benefits if I contribute to the fund but don't meet contribution requirements?

No. Because the WA Cares Fund is self-funded by worker contributions, benefits can only be paid to people who have paid in as workers for a number of years. You may be able to access other long-term care services and can reach out to your local Area Agency on Aging (contact info at www.agingwashington.org).

What is WA Cares doing to ensure there will be enough providers available to meet beneficiaries' needs?

The WA Cares Fund is taking several steps to ensure beneficiaries are still able to access supports and services despite the nationwide shortage of professional caregivers.

The program is structured to ensure benefits can be used for a wide range of services and supports beyond care from a professional caregiver. With WA Cares, you can make a family member – even a spouse – a paid caregiver. This will allow beneficiaries to tap into other sources of support, even when the number of professional caregivers available is limited. WA Cares benefits can also be used to buy assistive technology for things like medication reminders and fall detection that can help with some care needs.

WA Cares has a dedicated team focused on developing our provider network and recruiting providers to contract with the program. The team is working closely with the Area Agency on Aging staff responsible for local planning to support availability of long-term care services.

Beyond WA Cares, there are many efforts underway at the state and national level to address the workforce shortage through a wide range of strategies. In Washington, the Department of Social and Health Services' Workforce Development team supports caregiver training programs, develops resources for workforce retention and conducts outreach on careers in caregiving.

EXEMPTIONS

Who qualifies for an exemption?

There are several types of exemptions:

- **Workers who had private long-term care insurance before Nov. 1, 2021 were eligible to apply for a permanent exemption until Dec. 31, 2022.** The timeframe for applying for this type of exemption has closed. If you have an approved private insurance exemption, you will continue to be exempt permanently and (under current law) are not able to enroll in WA Cares.
- **Veterans with a 70% or higher service-connected disability can apply for a permanent exemption.** Applications for this type of exemption became available Jan. 1, 2022 and are available on an ongoing basis.
- **Some workers can apply for a conditional exemption.** If you live out of state, are a temporary worker with a non-immigrant visa, or are a spouse/registered domestic partner of an active-duty service member of the U.S. armed forces, you can apply for an exemption. Applications for these exemptions became available Jan. 1, 2022 and are available on an ongoing basis. You will qualify for these exemptions only as long as these circumstances apply and you must notify your employer and the Employment Security Department within 90 days if you no longer qualify.

What happens if I no longer qualify for my conditional exemption?

If your situation changes and you no longer qualify for a conditional exemption, you must notify both the Employment Security Department (ESD) and your employer(s) within 90 days. You will begin paying premiums and earning coverage for WA Cares Fund benefits the first day of the next quarter after your exemption is discontinued.

To notify ESD, you will need to log onto your WA Cares Exemption Account [via Secure Access Washington \(SAW\)](#) and submit a discontinuation request.

If you fail to notify ESD and your employer(s) within 90 days, you will be assessed the balance of your unpaid premiums with interest at the rate of 1% per month.

Can I choose to discontinue my conditional exemption even if I still qualify for it?

No. Once approved for a conditional exemption, you cannot choose to discontinue it. The exemption will only be discontinued once you no longer qualify.

How do I apply for an exemption?

The Employment Security Department is responsible for processing applications for those wishing to seek an exemption. The [exemption application](#) can be found on the WA Cares Fund website.

What documentation do I need to apply for my exemption?

The Employment Security Department will need to verify certain documents when you submit your exemption application. You can find a list of [required documentation by exemption type](#) on the WA Cares website.

How do I get help with my exemption application?

For questions about WA Cares exemptions, please call (833) 717- 2273 and select option 3 or fill out the [contact form](#) on the WA Cares website to get a response by email.

How do I check the status of my exemption application?

The status of your exemption application can be found on your WA Cares Exemption Account home page. You can access your WA Cares Exemption Account [via Secure Access Washington \(SAW\)](#).

If your application was successfully submitted, the status will say "Submitted". Once your application has been reviewed, the Employment Security Department will send you an email advising you that your status has changed. They will reach out to you if they need any additional information.

How long will it take to process my exemption?

The Employment Security Department (ESD) has staff dedicated to processing exemption applications and issuing approval letters. They process applications as they receive them.

When will the exemption go into effect?

Exemptions are effective the quarter following approval. The approval letter you'll receive from the Employment Security Department will include the date the exemption becomes effective. You must provide your approval letter to your employer to prevent premiums from being withheld.

Where do I find a copy of my exemption approval letter?

Within 48 hours of the Employment Security Department approving your application, a copy of your approval letter will be available on your WA Cares Exemption online account. You will be able to print and save the letter from your online account for your records. You can access your WA Cares Exemption Account [via Secure Access Washington \(SAW\)](#).

Can I still apply for a private long-term care insurance exemption?

No. Those who had private long-term care insurance on or before Nov. 1, 2021, were able to apply for an exemption from the WA Cares Fund from Oct. 1, 2021, until Dec. 31, 2022. This opt-out provision is no longer available.

Can I cancel my approved private long-term care insurance exemption?

Under current law, private insurance exemptions are permanent and cannot be canceled. The WA Cares oversight body, the LTSS Trust Commission, recommended to the legislature in its [January 1, 2023, report](#) that everyone who has a lifetime exemption be offered a one-time limited opportunity to permanently join the WA Cares Fund. If the legislature makes changes to the law, the Employment Security Department will communicate directly with customers to explain their options. WA Cares will also update the website and send a notification to the [WA Cares mailing list](#).

I have an approved private insurance exemption. Can I cancel my private insurance policy?

If you already have an approved exemption, it's up to you to decide whether to maintain or cancel your private long-term care policy. You should speak with your broker or agent who sold you the policy about options.

Can I get a refund for the private long-term care insurance policy I purchased?

Purchasing a private policy to qualify for a WA Cares exemption was a voluntary decision by individuals wishing to opt out of the program. If individuals have already received an approval letter from the Employment Security Department exempting them from the WA Cares program, their exemption is still approved and will still be effective once premium assessment begins on July 1, 2023.

The laws passed in 2022 did not change the requirements for private long-term care insurance and exemption status in RCW 50B.04.085. It is up to individuals to decide whether they wish to maintain or cancel their private long-term care policies. The laws

also did not provide for reimbursement of the cost of long-term care insurance voluntarily obtained by individuals.

The purchase of a private policy is between the customer and their private insurance provider. Customers should contact their insurance provider with questions.

SELF-EMPLOYED OPT-IN

How do self-employed people opt in?

If you're a self-employed earner, WA Cares is your key to long-term care coverage. The Employment Security Department (ESD) manages this process and provides information and application instructions on the [Self-Employed Opt-In](#) page.

How will ESD determine hours worked for self-employed people?

The Employment Security Department (ESD) will use the self-employed person's wages reported in a quarter and divide it by the state's minimum wage to presume the number of hours worked for the quarter being reported.

Example: For this example, the state's minimum wage is \$15.74 per hour in 2023. The self-employed person electing coverage reports \$10,000 in wages in a quarter. The department will divide \$10,000 by \$15.74 and presume the self-employed person worked 635 hours in that quarter. The department may require copies of tax returns, bank records, or any other documentation deemed necessary by the department to verify or determine the self-employed person's hours and wages.

Are business owners automatically included?

Business owners who are considered in a 'partnership', LLC, sole proprietors, or independent contractors are considered self-employed and will need to elect to participate.

Corporate officers of a corporation (including S-corps), even if they are the owner, are paid wages from the company they work for and are considered employees. Premiums are assessed on these employees.

