



## WA CARES BASICS: What Businesses Need to Know

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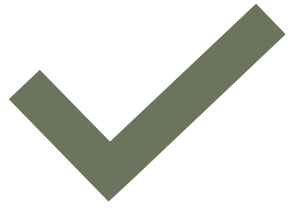
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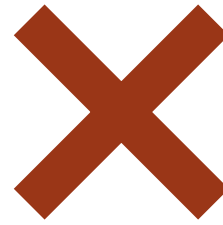


MAY 18, 2023

# Defining long-term care and caregiving



help with activities  
of daily living  
like bathing, eating & dressing



**not medical care**

like doctor visits & treatment for  
medical conditions



paid care from a  
**professional**



help from a  
**family member**  
or friend, often unpaid



services & supports provided  
**in your own home**



care provided  
**in a residential setting**  
like a nursing home or assisted living

# We all have care stories in our families



## KD

KD lives with mother-in-law Kathleen, who has multiple sclerosis and needs help with daily activities.

Kathleen gets in-home care from caregivers who help her bathe, dress, exercise and eat. They also provide her with companionship and help her get around the house using her wheelchair or walker.



“

The last thing you want people thinking about in their golden years is money.

# We all have care stories in our families



## Sally

Sally's partner Patty has Parkinson's disease. A caregiver visits their home for a few hours each day to help Patty eat, bathe and get around.

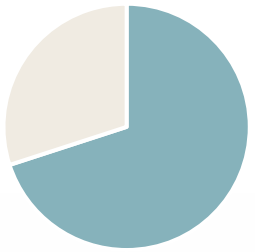
Having in-home care also means Sally can get a break to do things like grocery shopping or going for a walk with friends.



“

Having a caregiver helps with still being in a relationship, whether you're an adult child or a partner.

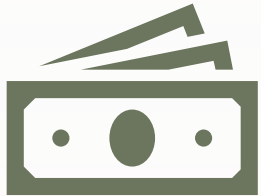
# Long-term care is predictable and expensive



**70% of us**  
will need long-term care



**not covered**  
by health insurance or Medicare



**\$35,880/year**  
for 20 hours of home care  
per week



Only covered by Medicaid  
once savings are spent down to  
**\$2,000**

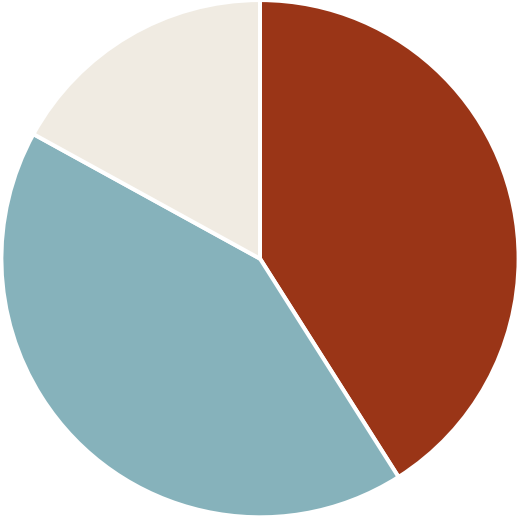
# Most don't have a way to pay

**\$56,000/year**

Median household income for Washington seniors

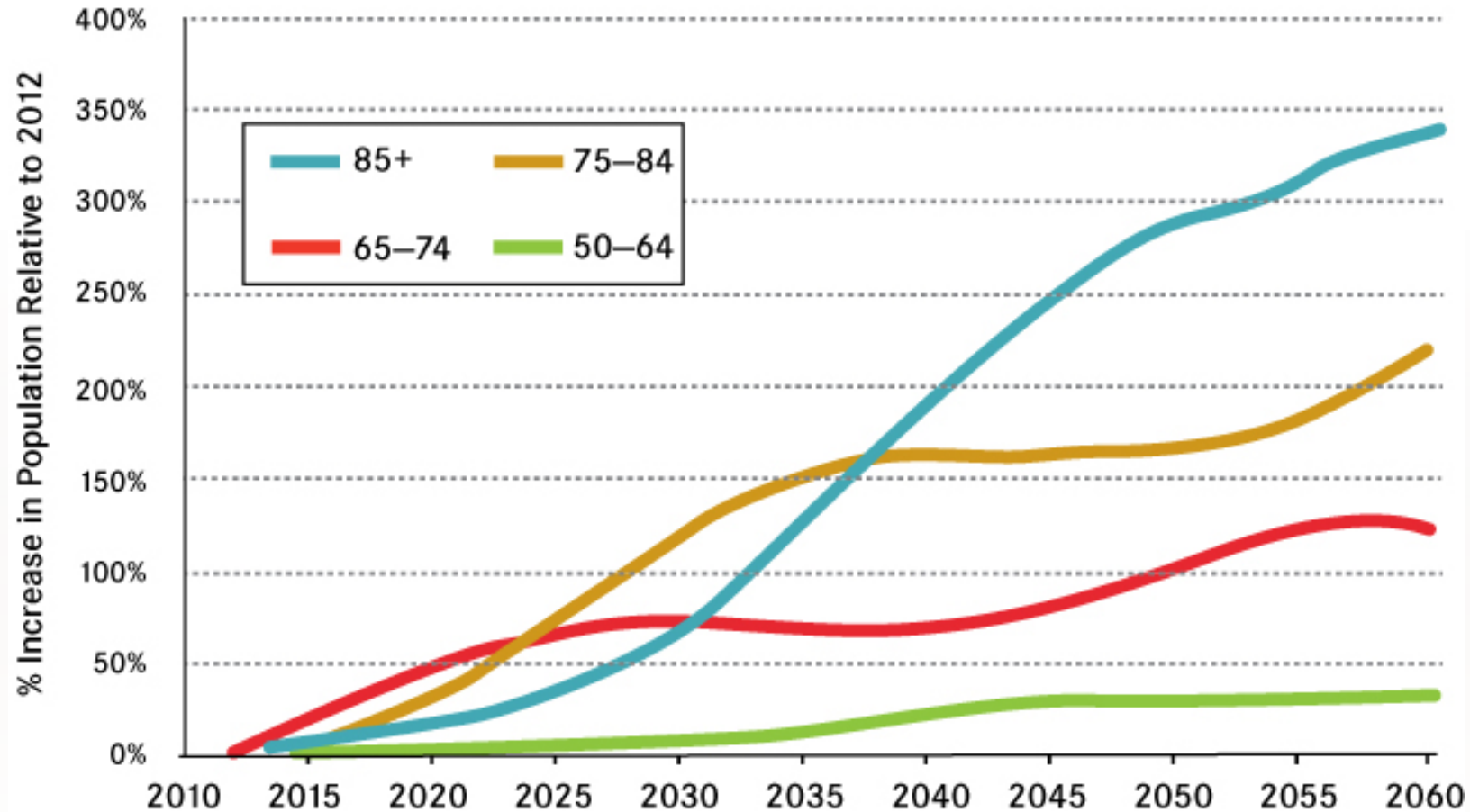
## AMONG WASHINGTON WORKERS AGE 55-64

**42%**  
have no pension & only  
enough 401 (k)/IRA savings  
to replace 10% of their pre-  
retirement income



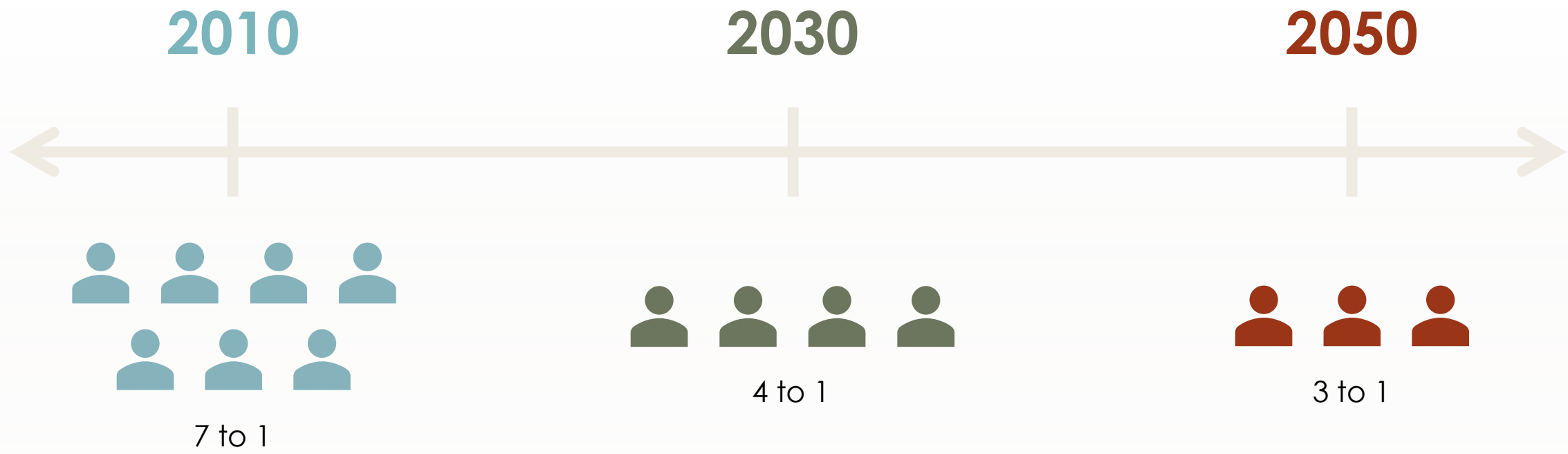
**41%**  
have no pension or  
401 (k)/IRA savings

# Our population is aging rapidly



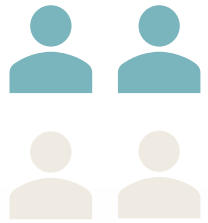
# Families are increasingly unable to meet care needs

Number of potential family caregivers for each person who needs care

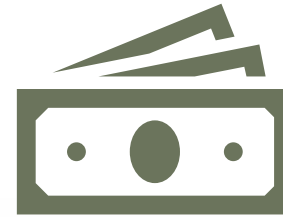




# Family caregiving isn't free



**Almost half**  
of family caregivers report a  
related financial setback



**\$303,880**  
average lost wages and  
benefits for caregivers 50+  
who leave workforce early



**25%**  
Average amount of their  
own income caregivers  
spend on related expenses



**2 in 3**  
working caregivers say a  
program that pays  
caregivers would help

# Businesses and workers are impacted

Job openings in WA grew from **165,000** in 2020 to **224,000** in 2021 while number of available workers stagnated

## AMONG WORKING CAREGIVERS

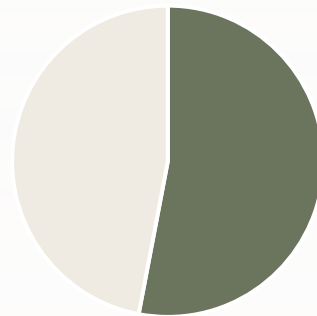
**61%**

report caregiving responsibilities impacted their job



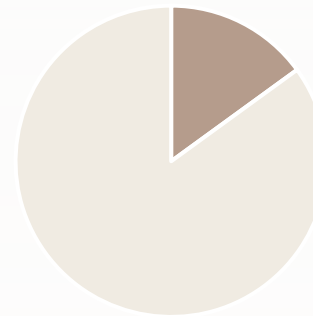
**53%**

Went in late, left early, took time off to provide care



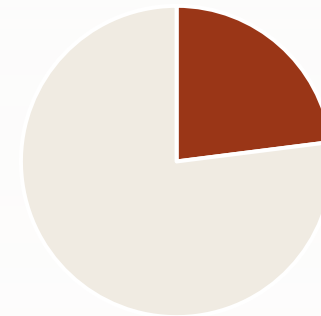
**15%**

Went from full-time work to part-time or reduced hours



**23%**

report their health has worsened since taking on the role



# We all pay the high costs of long-term care



Without WA Cares, long-term care costs – which we all pay through taxes on goods and services – would have **doubled in roughly two decades**

**\$5.2  
billion**

Washington's budget for long-term care per year (state and federal)

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**6.6%**

Long-term care spending as a percentage of the state budget

# WA Cares Fund can help

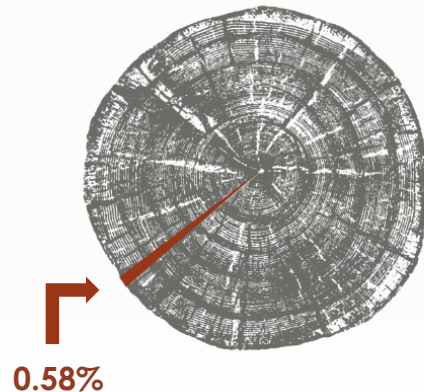
- Earned benefit
- Self-funded by worker contributions
- Works like an insurance program
- Only contribute while you're working
- Everyone covered at same rate regardless of pre-existing conditions
- No copays, no deductibles, and you never have to file a claim

## Typical Income:

\$50,091

## Typical Contribution:

\$291/year



## Contributions

0.58%

Amount workers  
contribute from wages



Contributions begin

## Benefits

\$36,500

Lifetime maximum benefit  
(adjusted annually up to  
inflation)



Benefits available

# Affordable contributions across your career

<b>\$35,000</b> annual salary	
<b>Each year</b>	\$203
<b>Over 10 years</b>	\$2,030
<b>Over 20 years</b>	\$4,060
<b>Over 30 years</b>	\$6,090

<b>\$50,000</b> annual salary	
<b>Each year</b>	\$290
<b>Over 10 years</b>	\$2,900
<b>Over 20 years</b>	\$5,800
<b>Over 30 years</b>	\$8,700

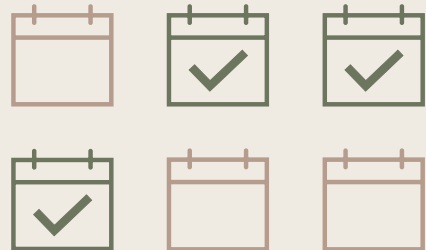
<b>\$75,000</b> annual salary	
<b>Each year</b>	\$435
<b>Over 10 years</b>	\$4,350
<b>Over 20 years</b>	\$8,700
<b>Over 30 years</b>	\$13,050

**\$36,500** benefit amount will be adjusted annually up to inflation.

# Qualifying for coverage

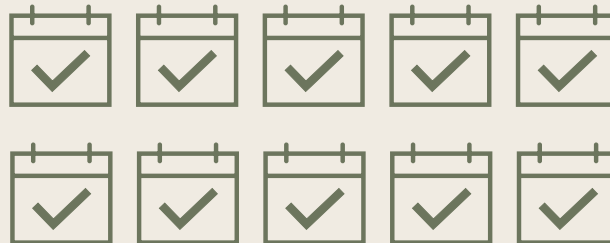
## Early access to full benefit

Contributed at least **3 of the last 6 years** at the time you apply for benefits



## Lifetime access to full benefit

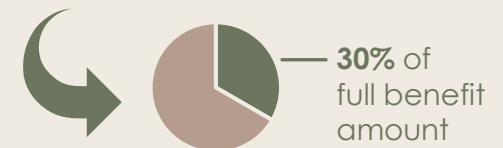
Contributed for a **total of 10 years** without a break of 5+ consecutive years



NEW FOR NEAR-RETIREES

## Lifetime access to partial benefit

People born before 1968 earn **10% of benefit amount** for each year worked



To earn benefits, must work at least 500 hours per year (about 10 hours per week)

# The benefit is flexible

Up to **\$36,500** for any combination of services and supports, including:



Professional care at home or in a facility



Adaptive equipment & technology like hearing or medication reminder devices



Training & paying family member or friend to be your caregiver



Home-delivered meals



Home safety evaluations & environmental modifications like wheelchair ramps



Support & respite for family caregivers



Transportation

Must need help with **3 activities of daily living** like bathing, dressing, eating, medication management

# How far will the benefit go?



## Family caregiver

<b>Paying a family caregiver</b>	\$31,300
10 hours/week for 2 years	
<b>Care supplies</b>	\$2,200
2-year diaper supply	

**Total** **\$33,500**



## Home accessibility

<b>Home safety renovations</b>	\$15,000
<b>Electric wheelchair or scooter</b>	\$2,600
<b>Weekly meal delivery</b>	\$9,200
7 meals/week for 3 years	

**Total** **\$26,800**



## Temporary support & services

<b>Part-time caregiver</b>	\$31,300
20 hours/week for 1 year	
<b>Transportation to appointments</b>	\$3,200
for 1 year	
<b>Crutches</b>	\$50

**Total** **\$34,600**

*Note: These are estimates and do not guarantee the cost of any services, which may vary based on your area and other factors.*

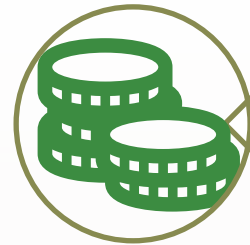


# Employer overview

- Employers don't contribute but will:
  - Maintain record of exempt employees.
  - Collect premiums beginning July 1, 2023.
  - Report employee hours and wages and remit premiums to ESD quarterly.
    - Definitions of employer, employee and remuneration are consistent with Paid Family & Medical Leave.
    - Definition of wages also applies, excluding the social security tax cap, which does not apply.



*Manage exemptions*



*Withhold premiums*



*Report & pay  
quarterly*

# Employee exemptions

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## Private insurance exemptions

- For people who had private long-term care insurance before Nov. 1, 2021.
  - Applications were accepted from Oct. 1, 2021, through Dec. 31, 2022.
- 
- Application no longer available but people who received an approval letter are still permanently exempt.

# Employee exemptions

## New exemption pathways

- As of Jan. 1, 2023, applications available on an ongoing basis for:
  - Veterans with a 70% or greater service-connected disability.
  - Non-immigrant visa holders.
  - Spouses & registered domestic partners of active-duty service members.
  - Out-of-state residents.
- Service-connected disability exemptions are permanent.

## Application process

- Gather required documentation.
- Create an exemptions account.
- Details and instructions available at [wacaresfund.wa.gov/exemptions](https://wacaresfund.wa.gov/exemptions).

Exemption applications submitted after **June 1, 2023** may not be approved and effective before premium collection begins July 1.

# Managing exemptions

- Employee's responsibility to apply and — if approved — to provide a copy of their approval letter to all current and future employers.
- Once notified of an employee's approved exemption, employers must:
  - Keep a copy of the employee's approval letter on file.
  - Not deduct WA Cares premiums from exempt workers.
- Employees aren't entitled to a refund of premiums withheld before their approved exemption was effective or before they provided their approval letter to their employer.

<<FIRST NAME>> <<LAST NAME>>  
<<ADDRESS>>  
<<CITY>>, <<STATE>> <<ZIP>>

<<MAILING DATE>>

Exemption ID: <<EXEMPTION ID>>

Dear <<FIRST NAME>> <<LAST NAME>>,

**We've approved your application to be exempted from the WA Cares Fund (WA Cares).**

Your permanent exemption takes effect on <<EFFECTIVE START DATE>>. Beginning on this date:

- You're exempt from paying the WA Cares premium.
- You'll never be eligible to receive WA Cares benefits.

#### **What to do next**

**You must give all current and future employers a copy of this letter to notify them you're exempt.** If you lose this letter, you can log in to your WA Cares exemption account and download a copy.

#### **Why it's important for you to give employers a copy of this letter**

**You are required to give your employer(s) a copy of this letter.** Until your employer(s) receives this letter, they will automatically deduct premiums from your pay. After receiving the letter, your employer(s) should stop deducting WA Cares premiums as of the day your exemption is effective. If, after receiving this letter, your employer(s) still deducts premiums then they are required to give you a refund. You are not entitled to a refund of any WA Cares premiums deducted before you notified your employer(s) or before the effective date of your exemption.

# Calculate your premiums

Select the correct year and then click "calculate".

Enter gross payroll  2023

## Paid Leave

If you have employees whose gross wages are over the Social Security wage cap, this calculator may overestimate your total Paid Leave premiums.

	Sum	Employer	Employee
Family Leave Premium	\$0.00	\$0.00	\$0.00
Medical Leave Premium	\$0.00	\$0.00	\$0.00
<b>Total Paid Leave Premium</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

## WA Cares

WA Cares premiums apply to wages paid starting July 1, 2023.

	Sum	Employer	Employee
WA Cares Premium	–	–	\$0.00
<b>Total WA Cares Premium</b>	<b>–</b>	<b>–</b>	<b>\$0.00</b>

# Premium withholding

- Withholding begins July 1, 2023.
- Premium is 0.58 percent of an employee's gross wages.
  - Social Security cap does not apply.

*Employee's gross wages X 0.0058 = premium withholding*

# Quarterly reporting

## Beginning Oct. 1, 2023

- Combined wage report for WA Cares and Paid Family & Medical Leave.
- Use existing Paid Leave employer account to file reports and make payments.

## Reporting requirements

- **General**
  - UBI
  - Business name
  - Total Paid Leave premiums collected
  - Total WA Cares premiums collected
- **For each employee**
  - SSN or ITIN
  - First and last name
  - WA Cares exemption status
  - Wages paid & associated hours worked

**NOTE: New requirements to add employee's date of birth to the wage report and to report in quarters where an employer had no payroll. Effective for reporting beginning Q3 2023.**

# Filing methods

## Manual

- Individually enter up to 50 employees.

## File upload

- .csv file; Template available online.

Employment Security Department  
WASHINGTON STATE

Hi, Jane\_Doe | Return To SAW

Home \$ Payments Manage Account Wage Reporting More Add/Switch Account

Employer Legal Entity Name: Test Business 757650778 CORP  
Customer ID: C757650778

1 Select Filing Method 2 Provide Wage Details 3 Confirmation

Reporting Period

Year\* Select One  
Quarter\* Select One

Reporting Option and Filing Method

Report Quarterly  
File your quarterly wage report for Paid Leave and WA Cares.  
For additional instructions and template please visit [paidleave.wa.gov/reporting](http://paidleave.wa.gov/reporting).

Which report would you like to file?\*

I have NO payroll to report.  
Select to file if you had no payroll expenses.

I have payroll to report via File Upload.  
Select to file all your employee's wage details by uploading a .CSV or .bt file.

I have payroll to report via Manual Entry.  
Select to file your employee's wage details manually. Limited to 50 employees.

Cancel Next



Employer Legal Entity Name	Customer ID
Test Business 757650778 CORP	C757650778

### Pay Your Premiums

You must make two premium payments – one for each program.

Paid Leave and WA Cares premiums are held in separate trust funds at different banks. If you combine your payments or send them to the wrong bank, there will be a delay crediting your payment to your account. Payments are due by the last day of the month after each completed calendar quarter.

Please allow 3-5 business days for your account balance to update.



Paid Leave Amount Due ⓘ \$ 1,678.93

Pay Paid Leave Premiums



WA Cares Amount Due ⓘ \$ 0.00

Pay WA Cares Premiums

If you believe there is an error in your premium calculation or current balance, please call the Customer Care Team at 833-717-2273 or email us at [paidleave@esd.wa.gov](mailto:paidleave@esd.wa.gov).

Home

# Payments

## One report, two payments

- Payments for Paid Leave and WA Cares are separate.

## Payment options

- Check/money order, ACH, credit card



# Employer webinars

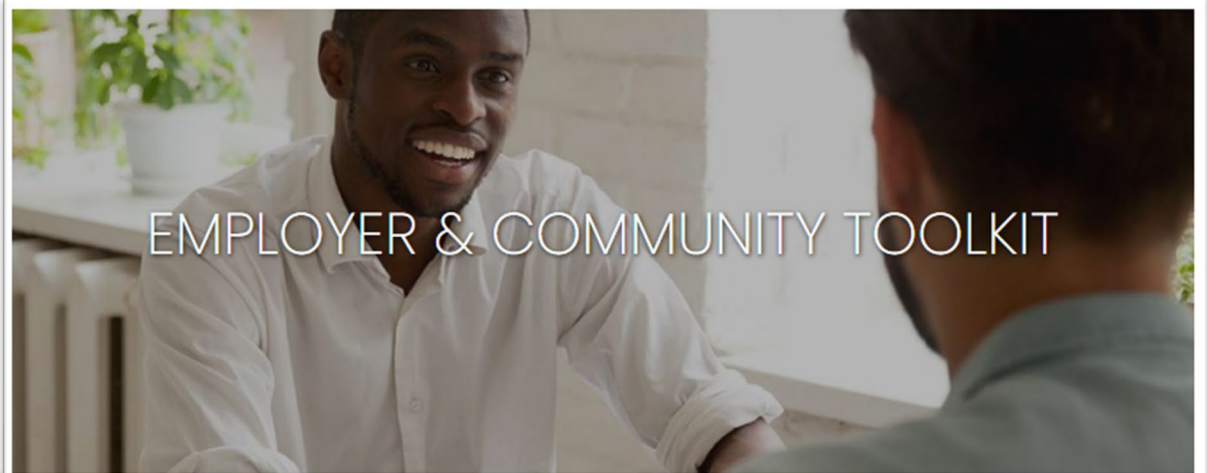
More info & registration details coming soon in the Employer Newsletter.

<b>May</b>	Calculating and withholding premiums
<b>May</b>	Wage reporting and premium payments overview
<b>June</b>	In-depth reporting
<b>June</b>	Self-employed elective coverage
<b>July</b>	Calculating and withholding premiums
<b>July</b>	Wage reporting and premium payments overview
<b>August</b>	Employer account management
<b>September*</b>	Employer overview
<b>September*</b>	Employer overview
<b>October</b>	Calculating and withholding premiums
<b>October</b>	Wage reporting and premium payments overview
<b>November</b>	Self-employed elective coverage

# Employer & community toolkit

Materials for employers, business and professional organizations, community groups and anyone who wants to communicate about the WA Cares Fund

[wacaresfund.wa.gov/toolkit](http://wacaresfund.wa.gov/toolkit)



## DESIGNED MATERIALS

### Fact Sheet

This one-page fact sheet provides basic information on the WA Cares Fund.

[English \(PDF\)](#)

[Khmer \(PDF\)](#)

[Lao \(PDF\)](#)

[Russian \(PDF\)](#)

[Spanish \(PDF\)](#)

[Sim](#)

[Vietnamese \(PDF\)](#)

### Infographic

This infographic provides an overview of program basics.

[English \(JPG\)](#)

These toolkit materials are intended for employers, business and professional organizations, community groups and anyone who wants to communicate about the WA Cares Fund.

## QUICK LINKS

- [Resources for employers](#)
- [Resources for community & professional organizations](#)
- [Designed materials](#)
- [Videos](#)
- [Email updates](#)
- [Need more?](#)

# For employers

- **Calendar & recommendations** for communicating with workers about WA Cares
- **Paycheck insert** to share in print or electronically
- **Frequently asked questions (FAQs)** for answering employee questions
- **Long content** for all-staff emails, mailing lists updates, intranet posts

**WA CARES FUND**

June 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 Provide pay stub insert	2	3
		6	7	8	9	10
		13	14	15	16	17
		20	21	22	23	24
		27	28	29	30	

## A LONG-TERM CARE FUND FOR EVERYONE

### 7 in 10 of Us Will Need Long-Term Care. Are You Prepared?

Most of us will need long-term care but don't have a way to pay for it. WA Cares Fund is a first-in-the-nation program that ensures working Washingtonians can access affordable long-term care coverage.

WA Cares covers services and supports to help you stay at home, like training and paying a family caregiver, professional in-home care, home safety modifications, home-delivered meals, transportation and more. WA Cares benefits can also be used to pay for care in a residential setting like a nursing home.

Workers will begin contributing to the WA Cares Fund on **July 1, 2023**.

**PRESENTATIONS**  
Request a presentation for staff from the WA Cares team

**ADDITIONAL MATERIALS**  
Use social content & graphics in newsletter  
Provide fact sheet to any new employees

### How the fund works

#### Contributions

WA Cares Fund is a benefit you earn, like Social Security, to ensure all Washingtonians can access affordable long-term care.

WA Cares Fund benefits are funded entirely by worker premiums. By contributing a small amount from each paycheck during your working years, you can pay for long-term care when you need it.

Washington workers will contribute 0.58% of each paycheck to WA Cares, or about \$24/month for the typical worker.

#### Eligibility

To be eligible to receive the benefit, you must meet contribution requirements and need help with activities of daily living.

You earn lifetime access to benefits by contributing at least 10 years (without a break of 5+ years). You can also access benefits if you contributed 3 of the past 6 years at the time you apply. People born before 1968 earn lifetime access to 10% of the full benefit amount for each year they contribute.

Learn more at [wacaresfund.wa.gov](http://wacaresfund.wa.gov)

### What you need to know about WA Cares

#### How it works

The [WA Cares Fund](#) is a new program that gives working Washingtonians access to long-term care coverage when they need it.

WA Cares is self-funded by worker contributions and investment earnings on those contributions. Working Washingtonians earn \$36,500 in lifetime long-term care insurance coverage (adjusted annually for inflation) by contributing 0.58% of their wages in premiums during their working years.

You will only contribute to WA Cares Fund while you're working. Once you retire or if you leave the workforce temporarily, contributions stop.

Workers begin contributing to WA Cares on July 1, 2023. The typical (median) earner will contribute about \$24/month. You can [estimate your own contribution](#) using a calculator on the WA Cares Fund website.

# For community & professional organizations

- **Social content**  
for social media posts or other materials like newsletters that need short summaries
- **Social graphics**  
to use with social content or any other materials
- **Written care stories**  
to help illustrate the type of services WA Cares will provide



**Meeting WA Cares Contribution Requirements**

Contribute at least 500 hours per year for:

3 OF THE LAST 6 YEARS AT TIME YOU NEED CARE	OR	10 YEARS WITHOUT A BREAK OF 5+ YEARS	OR	AT LEAST ONE YEAR IF BORN BEFORE 1968
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**WA Cares contributions  
begin July 1, 2023**

# Designed materials

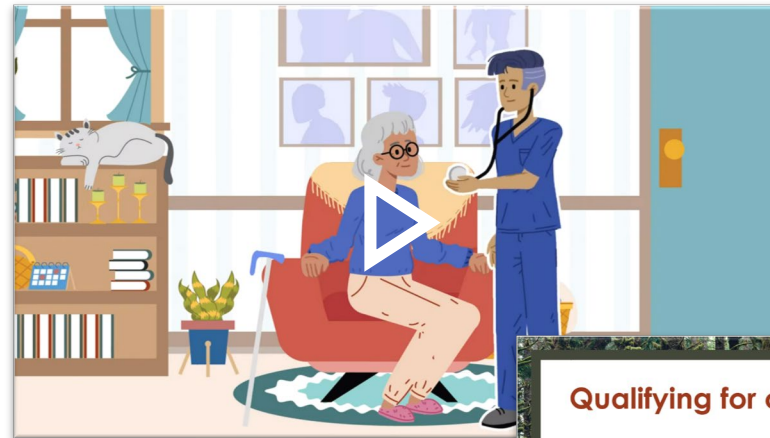
- **Fact sheet**  
with one-page summary of how the program works
- **Infographic**  
with visual overview of program basics
- **Poster**  
with program information and contact info

The image displays three promotional materials for the WA Cares Fund:

- Fact Sheet (Top):** Titled "A LONG-TERM CARE FUND FOR EVERYONE." It features a photo of a smiling couple. The main heading is "7 in 10 Will Need Long-Term Care. Are You Prepared?". The text states: "Most of us will need long-term care but don't have a way to pay for it. WA Cares Fund is a new state program that makes long-term care insurance affordable for all Washingtonians for the first time. With WA Cares Fund, you can receive long-term care services and supports worth up to \$36,500 (adjusted annually for inflation) over your lifetime." It includes a circular gauge showing 70% and lists "Median WA Earnings \$52,075/year" and "Median Contribution \$302/year".
- Infographic (Middle):** Features a photo of a man with a beard and glasses. The headline reads "LET'S BE THE STATE WHERE WE ALL AGE WITH GRACE". Below it, it says "WA Cares is the state's new universal long-term care fund." and "7 in 10 of us will need long-term care but most of us don't have a way to pay for it. WA Cares Fund helps ensure that all Washingtonians can afford long-term care when we need it." It lists "WA Cares Preserves Your Savings", "WA Cares Lets You Choose", and "WA Cares Protects Your Family". Contact information includes "wacaresfund.wa.gov" and "wacaresfund@dshs.wa.gov".
- Poster (Right):** Titled "WA CARES FUND IS EARNED BENEFIT YOU AGE INDEPENDENTLY". It features a circular gauge showing 70% and the text "7 in 10 of us will need long-term care". It lists "2022 Program Improvements" such as "Near-retirees earn partial benefits for each year they work" and "Workers who live out of state can opt out". It also lists "WA Cares Helps Cover" services like "Bathing", "Meal delivery", "Dressing", "Home modifications", "Transportation", "Paying a family caregiver", "Mobility support", and "Home care aide". It includes a "Earning Your Benefits" section with a timeline for "JAN 2023" (Voluntary exemption applications open), "JULY 2023" (Contributions begin), and "JULY 2026" (Benefits available).

# Videos

- **Animated explainers** covering different areas of the program
- **Program overview videos** about why WA Cares is needed and how it works
- **Care stories** to illustrate the services WA Cares will provide
- **Webinar recordings** with detailed explanations of the program



### Qualifying for coverage


**NEW FOR NEAR-RETIRES**

Early access to full benefit	Lifetime access to full benefit	Lifetime access to partial benefit
Contributed at least <b>3 of the last 6 years</b> at the time you apply for benefits	Contributed for a <b>total of 5 years</b> with a balance of 5+ contributions in five years	People born before 1968 earn <b>10% of benefit amount</b> for each year worked
		Must work at least 500 hours per year (about 10 hours per week)



# Email updates

- **WA Cares mailing list** with monthly updates, event announcements, notifications when new resources are available
- **ESD employer newsletter** for monthly updates on WA Cares, along with other programs like Paid Leave and Unemployment Insurance




**WA CARES FUND**

**Join us January 18 for WA Cares Basics webinar!**

This July, workers begin contributing to the [WA Cares Fund](#), a new program that will give working Washingtonians affordable access to long-term care coverage. Workers will contribute 0.58% of each paycheck during their working years to access a \$36,500 lifetime benefit (adjusted annually for inflation) when they need long-term care.

While WA Cares benefits can be used to pay for care in a residential setting like a nursing home, they can also cover services and supports to help you stay at home – things like training and paying a family caregiver, paying a professional in-home caregiver, home safety modifications, home-delivered meals, transportation, and assistive technology like medication reminder devices.

To learn more about long-term care and the WA Cares Fund, join us for a webinar on WA Cares Basics: What Workers Need to Know on **Wednesday, January 18 from 12-1 p.m.**



**Employer Newsletter**

March 2023 | Issue 32

**WA Cares: Find the resources you need**  
Newly published toolkit now available

WA Cares has designed [a new toolkit](#) to help you prepare your employees for the launch of the WA Cares Fund in July 2023. Your workers may reach out to you with a range of questions, and this toolkit equips you with the answers.

The toolkit contains information you can include in staff messages each month between now and July. It also includes graphics, videos, FAQs and even a calendar that recommends how and when to use the materials.

Want more WA Cares information sent straight to your email? [Sign up for our mailing list!](#)

# Questions & answers







# Thank you

Find webinar materials at [wacaresfund.wa.gov/webinars](https://wacaresfund.wa.gov/webinars)

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