



WA CARES BASICS

What Workers Need
to Know

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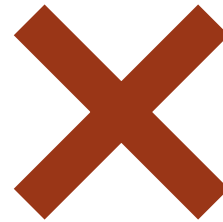
Washington State
Health Care Authority



Defining long-term care and caregiving



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

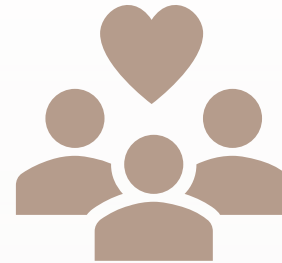


not medical care

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



Sun-Hee and Yunhee

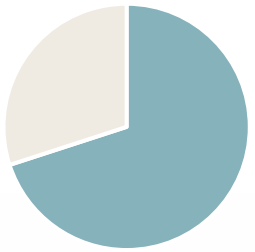
Sun-Hee and Yunhee are sisters and nurses living in the Puget Sound area and caring for their mom, who is experiencing cognitive decline.

Both sisters have stepped away from their careers to spend more time caring for their mom. They cook her Korean food and help her take her medication, grocery shop, clean her apartment, and keep a daily routine.



“ There's nothing I wouldn't do for her. She was there for us when we were growing up. She sacrificed for us, and I want to do that for her.

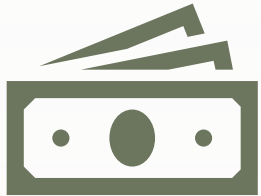
Long-term care is predictable and expensive



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

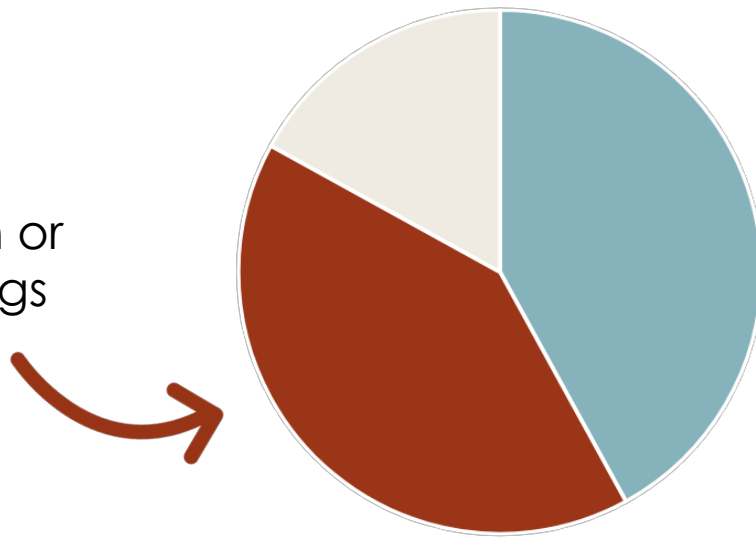
Most don't have a way to pay

\$56,000/year

Median household income for Washington seniors

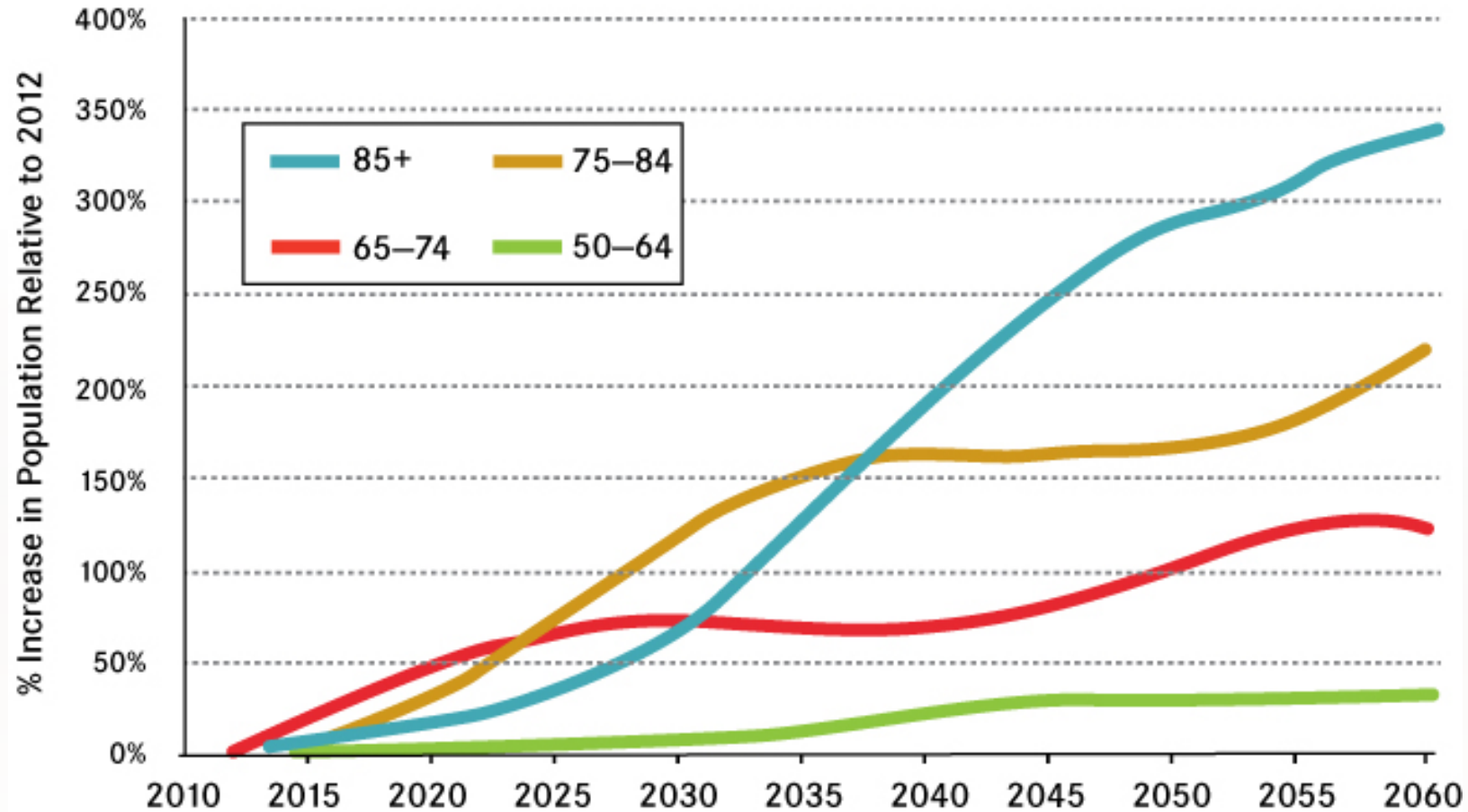
AMONG WASHINGTON WORKERS AGE 55-64

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



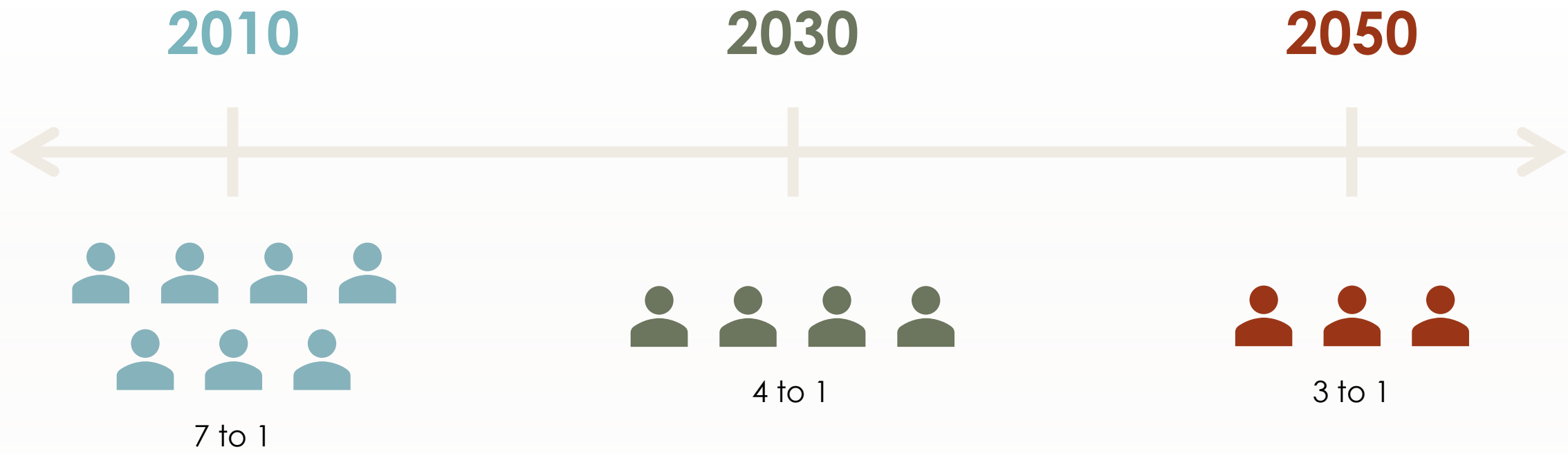
Another **42%**
have no pension & only
enough 401 (k)/IRA savings
to replace 10% of their
pre-retirement income

Our population is aging rapidly

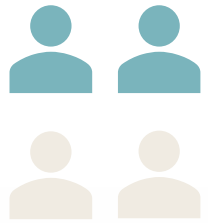


Families are increasingly unable to meet care needs

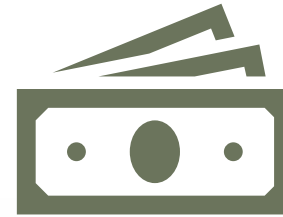
Number of potential family caregivers for each person who needs care



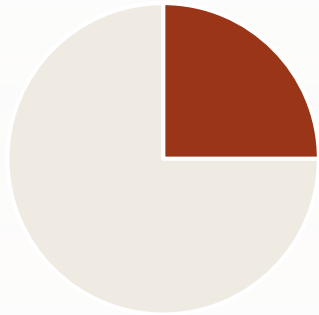
Family caregiving isn't free



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

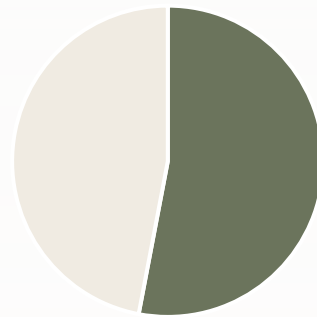
61%

report caregiving responsibilities impacted their job



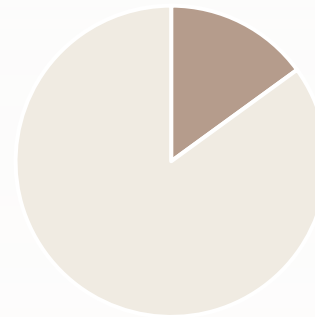
53%

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



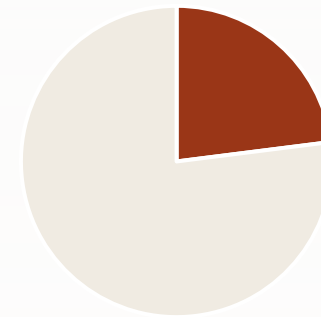
15%

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**

**\$10.4
billion**

Washington's budget
for long-term care
(23-25 biennium)

8.9%

of state budget spent on
long-term care
(23-25 biennium)

Program timeline

Years of research found a program like WA Cares that covers everyone is the **only way to provide affordable coverage for all.**

2014

Research on policy options for long-term care

2019

Legislature passes LTSS Trust Act & governor signs into law

2021

Legislature improves coverage for adults with disabilities that onset prior to age 18

2022

Legislature adds pathway to partial benefits for near-retirees; establishes voluntary exemptions for certain groups

2023

July 1
Workers begin contributing

2026

July 1
Benefits become available for qualified, eligible individuals



WA Cares Fund can help

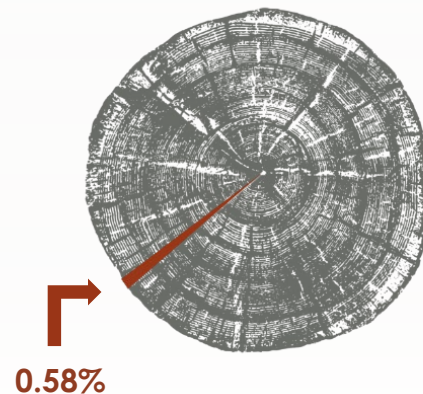
- Earned benefit
- Self-funded by worker contributions
- Works like an insurance program
- Only contribute while you're working
- Everyone covered at same rate regardless of pre-existing conditions
- No copays, no deductibles, and you never have to file a claim

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

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

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

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

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

Who contributes to WA Cares

Automatically not included

- Workers whose work is not localized in WA **not included** (same definition as Paid Family and Medical Leave)
- Federal employees **not included**
- Employees of tribal businesses only included **if tribe opts in**
- Self-employed individuals only included **if they opt in**

Must apply to ESD for an exemption

Exemption type	Availability	Permanent?
Workers who live out of state	Ongoing	✗
Workers on non-immigrant visas	Ongoing	✗
Spouses & domestic partners of active-duty U.S. armed forces	Ongoing	✗
Veterans with 70%+ service-connected disability	Ongoing	✓
Workers who had private long-term care insurance by 11/1/21	**No longer available**	✓

Visit wacaresfund.wa.gov/exemptions for details

Self-employed elective coverage

Eligible for elective coverage:

- Sole proprietors
- Joint venturers or members of a partnership
- Members of a limited liability company (LLC)
- Independent contractors
- Otherwise in business for yourself

Opt into WA Cares and protect yourself!

- Get the same affordable benefits available to other Washington workers
- Contribute 0.58% of:
 - Your net earnings
 - Gross wages, if any, paid to you from your business entity
- Must work 500 hours per year to earn benefits (to calculate, divide gross annual wages by current minimum wage)
- Applications became available July 1, 2023
- Learn more at wacaresfund.wa.gov/opt-in

Role of your employer and ESD

Your employer

- Collect premiums from employee wages starting **July 1, 2023** for all workers who have not provided confirmation that they are exempt
- Track employee exemptions and keep approved exemption letters from ESD on file
- Report wages and remit premiums to ESD starting in **October 2023**

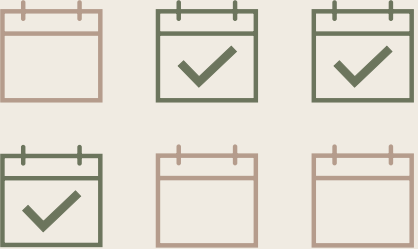
Employment Security Department

- Process exemption and elective coverage applications
- Provide exemption approval letter for workers to give their employer
 - Private insurance exemption letters provided prior to 2023 are still valid
 - Workers can download letter from Secure Access Washington account used to submit their application

Qualifying for benefits

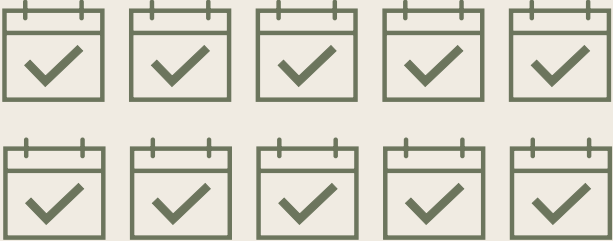
Early access to full benefit

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



FOR NEAR-RETIRES

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

Paying a family caregiver	\$31,300
10 hours/week for 2 years	
Care supplies	\$2,200
2 years of incontinence supplies	

Total **\$33,500**



Home accessibility

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

Total **\$26,800**



Temporary support & services

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

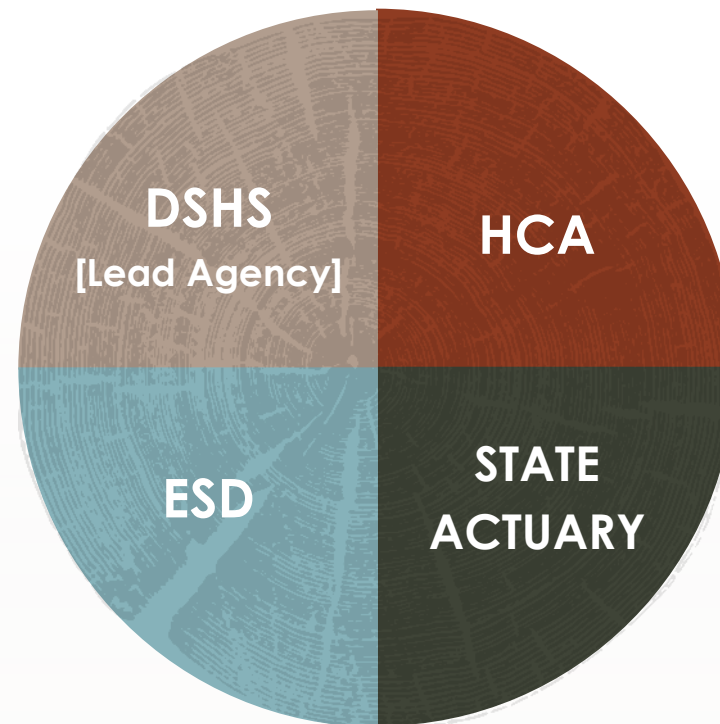
Total **\$34,600**

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

Cross agency responsibilities

- Process applications
- Perform care needs assessments & determine eligibility
- Manage providers

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- Collect premiums and wage reports
 - Determine vesting status
 - Process exemptions
 - Process requests from self-employed individuals opting in



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- Pay providers
 - Track benefit usage

-
- Provide actuarial analysis to assess ongoing Trust Fund solvency

What's next for WA Cares

Commission recommendations

- WA Cares oversight body, LTSS Trust Commission, made recommendations to legislature in 2023 and 2024
- Recommendations include:
 - **Benefit portability:** Allow anyone who leaves state after contributing for 3+ years to elect portable benefits coverage; make benefits available to those workers if they need care after moving out of state
 - **Supplemental private insurance:** Create market for private long-term care policies that work seamlessly with WA Cares
- Learn more about recommendations at wacaresfund.wa.gov/commission

Initiatives & legislation

- Our role: Implement program as outlined in current law
- Will adjust our implementation if changes are made
- Not our role to speak to details of initiatives or proposed legislation
- Find info on initiatives, including initiative language and process, at sos.wa.gov/elections/initiatives
- Find info on bills, including status and language, at app.leg.wa.gov/billinfo

Questions & answers



Benefits for your family & community



Care for you

to help you stay in your own home for longer as you age



Financial support

by keeping benefits workers earn in their family or community



Care for loved ones

who can make you a paid caregiver or get other services to ease impact of care needs



Affordable coverage

for the majority of families who can't afford private long-term care insurance



Resources for your workplace

to help your coworkers stay in their jobs & care for their families



Lower costs

of long-term care spending we all pay through sales & other taxes



Thank you

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