



LTSS Trust Commission Meeting

May 1, 2024



Meeting Guidelines

Commission Members

- Please turn on video
- Stay muted unless talking
- Encourage active participation
- Raise hand to speak if necessary

Audience Members

- Opportunity to provide public comment later in the meeting

**WELCOME &
CALL TO ORDER**

Meeting Goals

- Listen to Understand Respectfully
- Approve Consent Agenda
- Receive Program Update
- Receive Finance Update
- Receive Update on Legislative Session
- Receive Update on Administrative and Resource Impacts
- Receive Update on Actuarial Analysis on 2124-XIL
- Receive OSA's Planned Work for 2024
- Review Commission Topics and Workgroups for 2024
- Report out from Minimums Provider Qualifications Workgroup
- Report out from Provider Payment Maximums Workgroup

Approve Consent Agenda

- 12/12/2023 Commission meeting minutes

WA Cares Fund Program Refresh

Andrea Meewes Sanchez, DSHS

WA Cares Fund Program Refresh

Program timeline

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

2024

Legislature makes benefits portable

2026

July 1
Benefits become available for qualified, eligible individuals

WA Cares Fund Program Refresh

Key program details per current statute (RCW 50B.04):

- **Premium rate** - \$0.58 cents for every \$100 earned
- **Lifetime benefit maximum** –\$36,500, adjusted annually up to inflation, paid directly to providers
- **Three pathways to qualified individual status**
 - Contribute 10 years without interruption of five or more consecutive years
 - Contribute 3 of the last 6 years from the date of application for benefits
 - For near-retirees (born before 1968): contribute at least one year, earning one-tenth of the lifetime benefit amount for each year contributed

A person must work 500 hours during a year to receive credit for a qualifying year

- **Eligible beneficiary**
 - A qualified individual who requires assistance with at least 3 activities of daily living (i.e., bathing, eating, ambulation, medication management, toilet use, transfer, etc.)
 - You can take your benefit with you if you leave the state

Program Update

Kristen Maki, DSHS

Andrea Meewes Sanchez, DSHS

April Amundson, ESD

TV, radio & digital outreach

FALL 2023

- **Goal:** Encourage long-term care planning among near-retirees
- **Audience:** Ages 50+ in Spokane and Yakima counties
- **Channels:** Broadcast and cable TV, radio
- **Results:**
 - More than 18,000 TV spots and 10,000 radio spots
 - More than 55 million total impressions

FEB-MARCH 2024

- **Goal:** Use care stories to illustrate the need for long-term care
- **Audience:** Ages 30+ in King, Snohomish, Pierce, Thurston and Clark counties
- **Channels:** Digital video/audio, social media, cable TV
- **Results:**
 - More than 20,000 clicks
 - Nearly 38 million total impressions

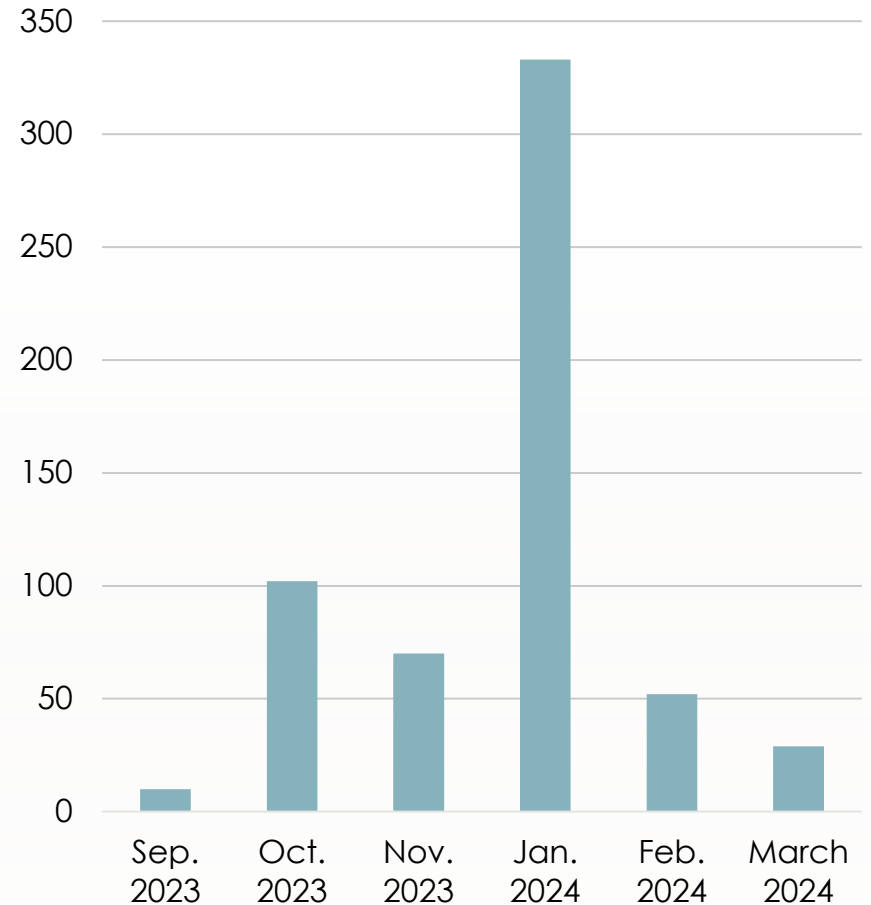
SUMMER/FALL 2024

- **Goals:** Use care story and FAQ videos to illustrate the need for long-term care, highlight portability change
- **Audience:** Ages 35+ in King, Snohomish, Pierce, Thurston, Clark and Spokane counties
- **Channels:** Broadcast and cable TV, digital video, banner graphics, social media

Public webinars

WA Cares Basics	WA Cares Conversations
<p>Quarterly webinars with DSHS and ESD presenters covering the need for long-term care, details of how the program works, audience Q&A</p> <ul style="list-style-type: none"> • September 2023 for workers (in Spanish) • November 2023 for self-employed workers • January 2024 for workers • April 2024 for workers • July 2024 for employers 	<p>Monthly webinars with a panel of experts covering a topic related to long-term care, brief overview of how the program works, audience Q&A</p> <ul style="list-style-type: none"> • October 2023: Long-Term Care Planning • November 2023: Talking With Loved Ones About Long-Term Care • February 2024: Caregiving in Rural Communities • March 2024: Supporting Workers with Disabilities • May 2024: Caring for Stroke Survivors • June 2024: Caregiving and Brain Health

Webinar attendees



Social media

ACTIVITIES

- Organic social media on Facebook, Instagram, LinkedIn, YouTube
- Cross-posting to DSHS social media
- Responding to comments and questions
- Boosting posts and working with partners to drive additional reach

TOP POST



WACARESFUND.WA.GOV
4 reasons for self-employed workers to opt into WA Cares | WA Cares Fund
Program News & Webinars 4 reasons for self-employed workers to opt into WA Cares January ...

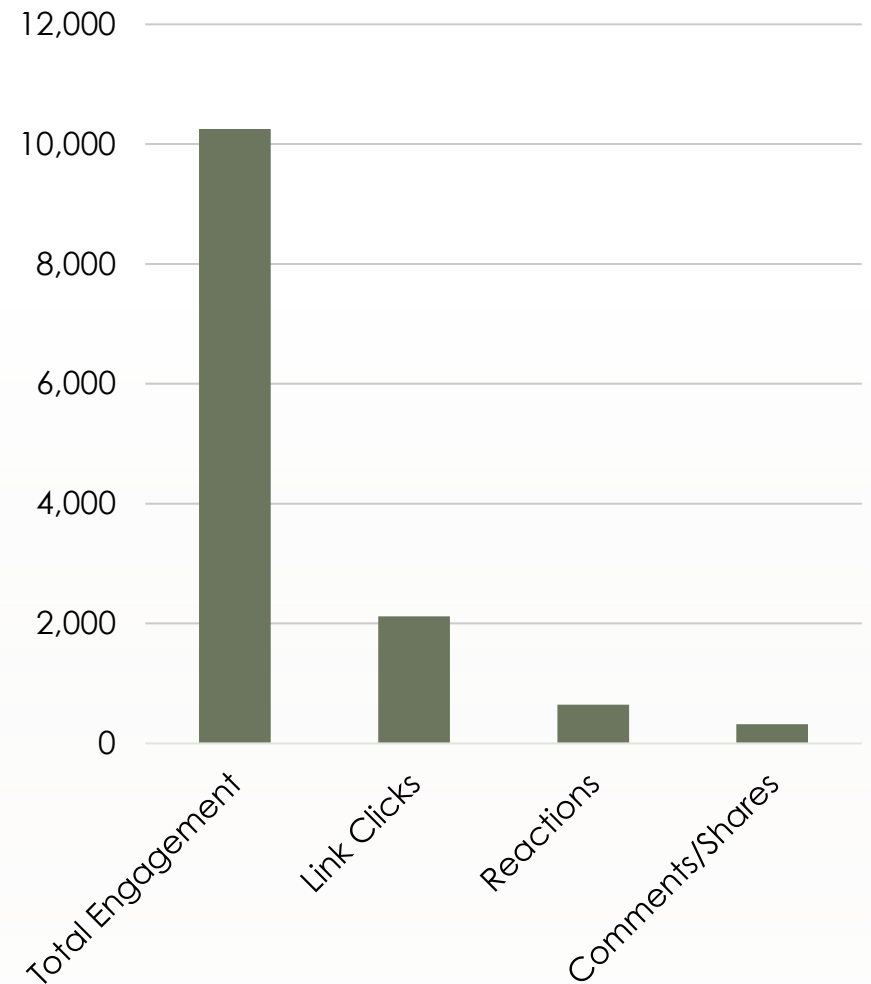
Self-employed workers can choose to opt into WA Cares.

While 70% of us will need long-term care in our lifetimes, most of us don't have a way to pay for it.

...

Read more about why self-employed workers should opt in:

Facebook Interactions

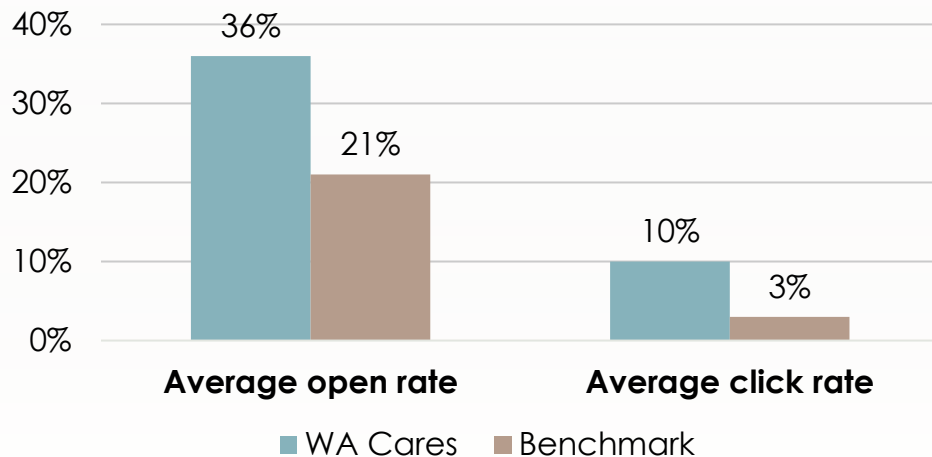


Newsletter & email updates

ACTIVITIES

- Publicly available mailing list
- More than 14,800 subscribers
- Monthly newsletter & additional notifications of events & resources
- User-selected topics like rulemaking

Newsletter metrics



March 2024 Monthly Newsletter



7 in 10 Washingtonians will need long-term care. "There is this whole area of long-term care that is not covered by health insurance, is not covered by Medicare." – Zyna, public health advocate. WA Cares Fund is an earned benefit to help you age independently. [Learn more.](#)

Do you have a care story?

Do you have personal or professional experience caring for an older adult who needs help with daily activities like eating, bathing, getting around the house, grocery shopping, and taking medication? The WA Cares Fund wants to hear

Website

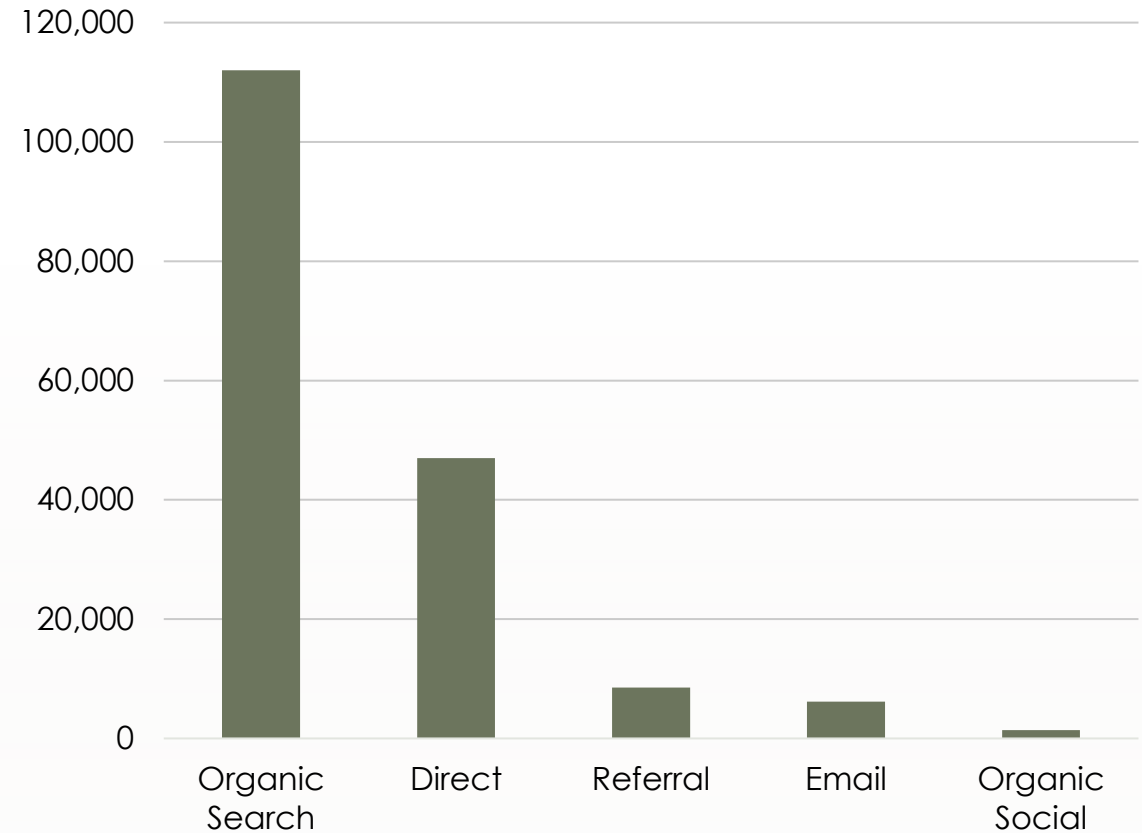
ACTIVITIES

- Monthly news articles
- Regularly updated content

KEY METRICS

- **35,000 monthly users** on average
- More than **268,000 pageviews** over the past 90 days

Engaged sessions by source



Partner outreach

AAA OUTREACH

- Working with Area Agencies on Aging throughout the state to integrate information on WA Cares into their existing outreach and identify new opportunities for WA Cares-specific outreach
- Each AAA has developed a customized outreach plan based on their region and their organization's specialties
- Builds on trust and partnerships already held by AAAs locally

PARTNER ROUNDTABLES

- Continuing to regularly convene partner roundtable meetings with business and community organizations throughout the state
- Opportunity for sharing information, answering questions and gathering feedback
- Held **9 roundtable meetings** in August/October last year with total of **132 participants**
- Held **8 roundtable** meetings in April
- More planned this summer and fall

Program Update

Medicaid & Medicare Savings Waiver

- Because of WA Cares, more people will avoid or delay spending down their assets and qualifying for Medicaid to pay for long-term care
- RCW 50B.04 directs DSHS to apply for a demonstration waiver from CMS to allow for the state to share in the savings generated in the federal match for Medicaid long-term services and supports and Medicare due to the operation of the program
- DSHS & HCA submitted a concept paper to CMS and discussions have begun focused on Medicaid savings through an 1115 Waiver
- Aiming to have a negotiated agreement with CMS by the end of 2024 if possible

Program Update

- DSHS filed notices to the public (CR-101) about rulemaking regarding the following areas:
 - General Provisions and Approved Services
 - Assessment and Service Delivery Process
 - Intake and Application Process
 - Provider Registration
- DSHS is conducting listening sessions which are open for the public to join
 - Information can be found on the [WA Cares Fund website](#).
- DSHS expects to file at least one CR-102 by late 2024.

Program Update

- ESD filed notices to the public (CR-101) about rulemaking regarding the following areas:
 - Implementing ESD's responsibilities for Portability (SHB 2467)
 - Qualified Individual Status
 - Verification of Information (for example wages or self-employment income)
 - Public Records Requests
- Working with cross agency partners for feedback.
- ESD anticipates rules to be final by the end of 2024. DSHS is conducting listening sessions which are open for the public to join
 - Information can be found on the [WA Cares Fund website](#).
- ESD has also filed a notice (CR-102) to address “cross-program payment allocation.”
 - Information can be found on the [ESD Rulemaking website](#).

Finance Update

Matt Smith, OSA

Jose Hernandez, ESD

Steve Zawoysky, ESD

Finance Update: Monitoring Early Experience

Presentation to: LTSS Trust Commission

Matthew M. Smith, State Actuary



Finance Update: Monitoring Early Experience

- As part of the Risk Management Framework (RMF), Phase 1 is largely focused on data collection, monitoring, and updating actuarial projections
- Actual experience will be used in future actuarial projections
- When comparing actual to assumed data, sustained deviations or significant short-term deviations could have long-term impacts
 - Depending on the source of the deviation, it could take years before there is sufficient credible experience to modify assumptions based on actual experience
 - This is consistent with Phase 1 of the RMF
- In the meantime, OSA and Milliman will be monitoring emerging experience and reporting on any impacts to long-term fund solvency

Questions? Please Contact: The Office of the State Actuary

leg.wa.gov/OSA; state.actuary@leg.wa.gov

360-786-6140, PO Box 40914, Olympia, WA 98504

Matthew M. Smith

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Thank You





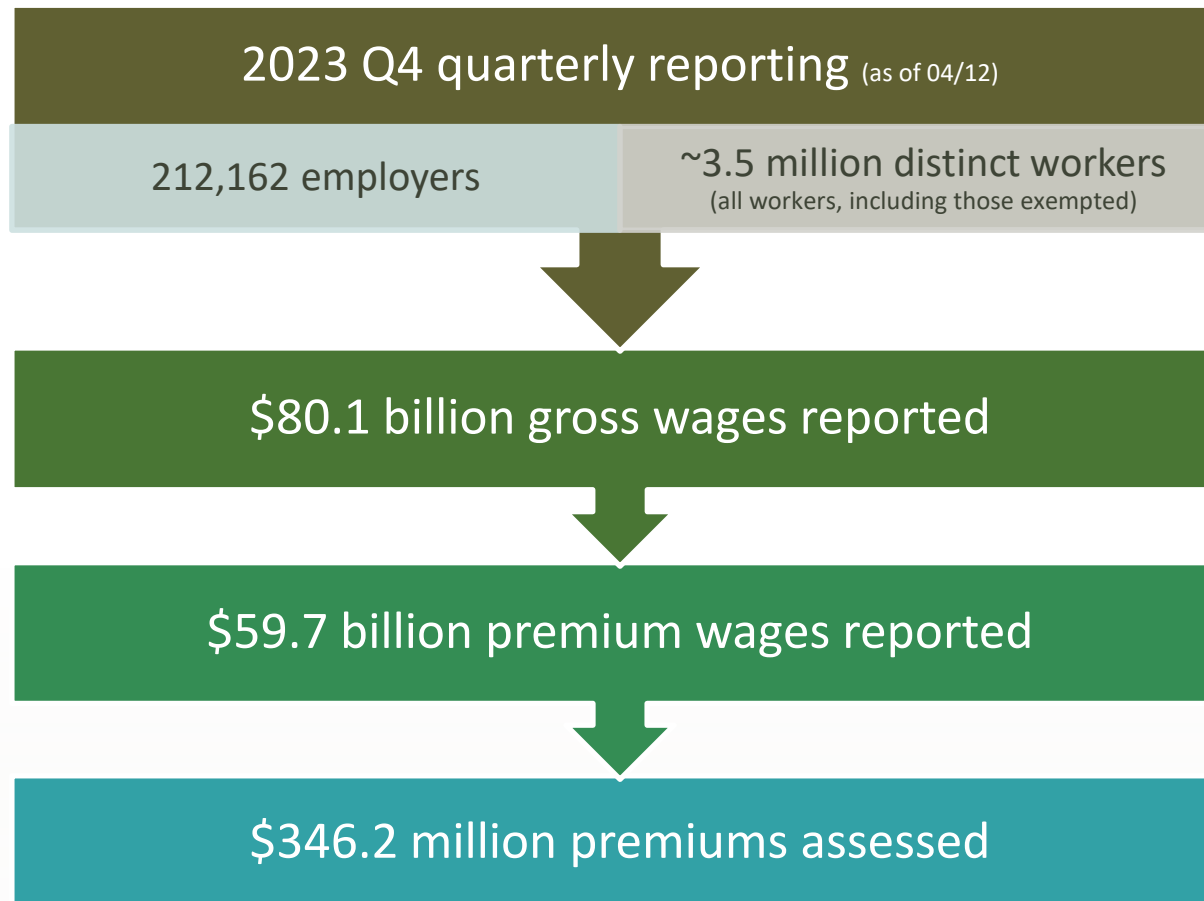
Quarterly Premiums, Covered Worker, and Finance update

Jose A Hernandez, Leave and Care Operations Research Specialist

Steve Zawoysky, Leave and Care Treasury Manager



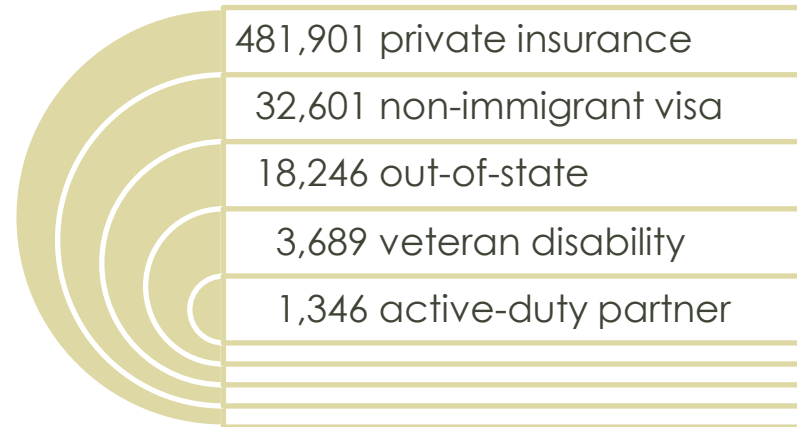
Quarterly Reporting and Covered Worker Update



Quarterly Reporting and Covered Worker Update

- Approved exemptions

- 2023 Q4: 534,088
- 2024 Q1: 537,783



481,901 private insurance
32,601 non-immigrant visa
18,246 out-of-state
3,689 veteran disability
1,346 active-duty partner

- Self-employed opt ins (total effective in quarter)

- 2023 Q4: 385
- 2024 Q1: 620

Quarterly Finance Update

- **Premium Remittance 1/1/2024 - 3/31/2024 of \$343.2 million includes:**
 - \$304.3 million in ACH electronic payments (89%)
 - \$30.6 million in checks sent to US Bank Lockbox (9%)
 - \$7.9 million in Inter-Agency Payments (2%)
 - \$247 thousand in checks sent directly to ESD (<1%)
 - \$225 thousand in credit card payments (<1%)
- **Account transfers and retention since 1/5/2024**
 - \$355.3 million transferred to State Investment Board
 - \$19.7 million retained for unexpended FY24 budget appropriations
- **WA Cares Fund Balance on 4/8/2024: \$ 26,004,062**

Legislative Session Update

Ben Veghte, DSHS

Legislative Session Update

SHB 2467

- Starting July 1, 2026, Washington workers can choose to continue participating in the WA Cares Fund if they move out of state.
- To become an out-of-state participant, workers must have contributed to WA Cares for at least three years (in which they worked at least 500 hours per year) and must opt-in within a year of leaving Washington.
- Benefits will become available for out-of-state participants starting in July 2030.
- DSHS will adopt rules that prohibit discrimination in WA Cares to apply to all state agencies, persons, and entities implementing the program. These prohibitions apply to both in-state and out-of-state participants as well as entities providing services to eligible beneficiaries outside Washington.

ESSB 5950

- DSHS received appropriation to integrate summary statement of earned benefits into Benefit Application Management System to give workers ability to know where they stand in terms of qualifying years and incorporate this into long-term care planning.

Administrative and Resource Impacts

ESD

Actuarial Analysis on 2124-XIL

Matt Smith, OSA

Actuarial Analysis on 2124-XII

Presentation to: LTSS Trust Commission

Matthew M. Smith, State Actuary



Background

- This presentation summarizes actuarial analysis we prepared for the legislature last session
- See our actuarial fiscal note on 2124-XIL for supporting analysis

Key Concept of Voluntary Programs

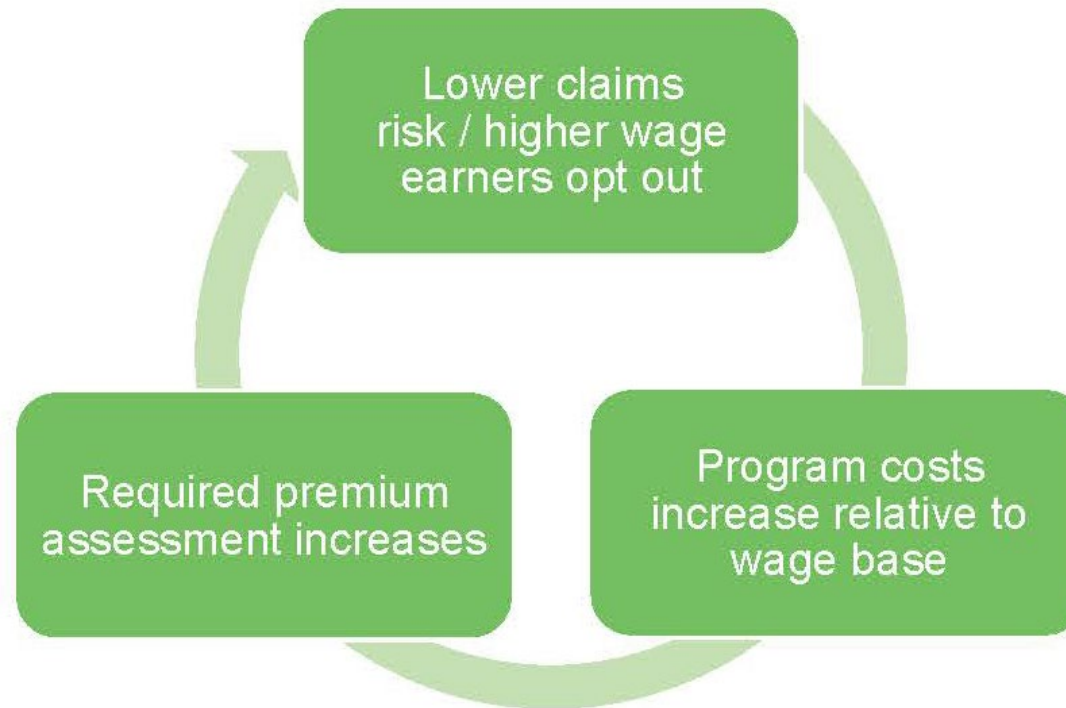


■ Adverse selection examples

- Health status – Those with anticipated LTSS needs are more likely to participate
- Wage level – Higher wage earners may be less likely to participate because premiums are assessed on all wages (with no cap) while benefit levels are the same for all participants

Adverse Selection Increases Program Risks

- Higher levels of adverse selection can lead to
 - Short-term solvency risk
 - Long-term affordability risk – insurance rate spiral



Note: Graphic is from [Milliman's WA Cares Fund Program Fully Voluntary Modeling](#).

Next Steps

- If necessary, we recommended integrating risk-management best practices from voluntary programs
- Risk-management practices cannot guarantee ongoing fund solvency
 - [SHB 2467](#) may prohibit certain risk management practices, e.g., underwriting, for voluntary programs
- Commission is considering the formation of a work group on contingency planning related to this issue

Questions? Please Contact: The Office of the State Actuary

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Matthew M. Smith

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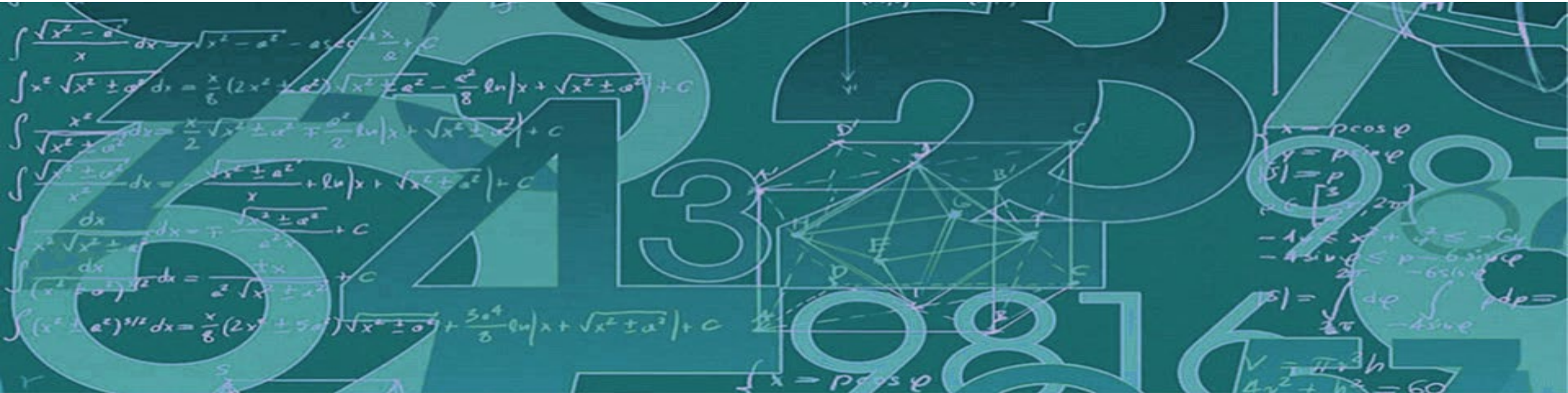
OSA's Planned Work for 2024

Matt Smith, OSA

OSA Workplan Update

Presentation to: LTSS Trust Commission

Matthew M. Smith, State Actuary

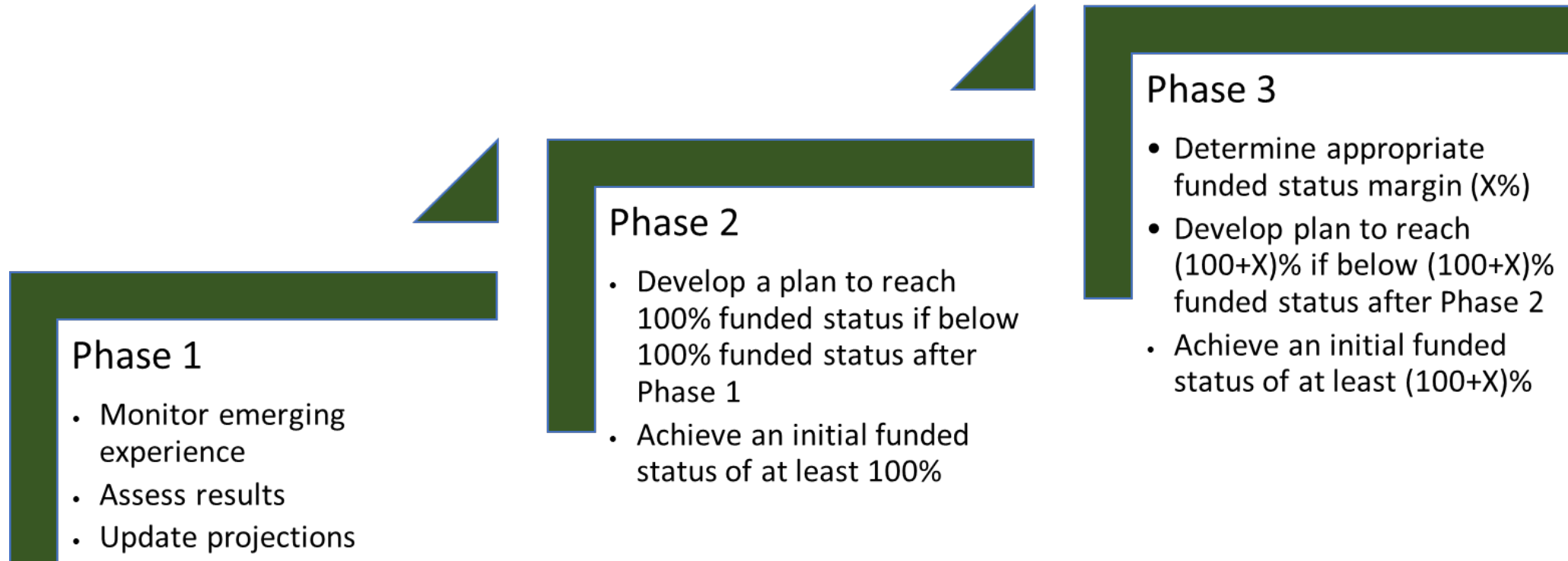


Recap of Recent Actuarial Analysis

- Milliman's [2022 WA Cares Fund Actuarial Study](#) published in fall 2022
- Actuarial analysis on proposed and recently enacted changes to the program
- Milliman's analysis and [OSA work products](#) support program solvency and LTSS Commission's [WA Cares Fund Risk Management Framework](#)

Recap of Risk Management Framework

- Funding goal: Provide secure and meaningful benefits at the lowest expected cost for beneficiaries now and in the future
- Program currently in Phase 1 of risk management glidepath
 - Phase 1 expected to last until at least 2028



Update on 2024 Annual Work Plan

- Anticipate sufficient budget for expected actuarial work
- Actuarial analysis to support the Commission and work group policy considerations during 2024 where applicable
- Milliman to study estimated Medicaid savings
- Updated baseline analysis by Milliman expected to be published in late fall
 - Will include 2024 session impacts, updated assumptions, and early premium collection
 - If I-2124 passes, subsequent analysis will be required
- Annual [OSA Report on WA Cares Fund Solvency](#)

Questions? Please Contact: The Office of the State Actuary

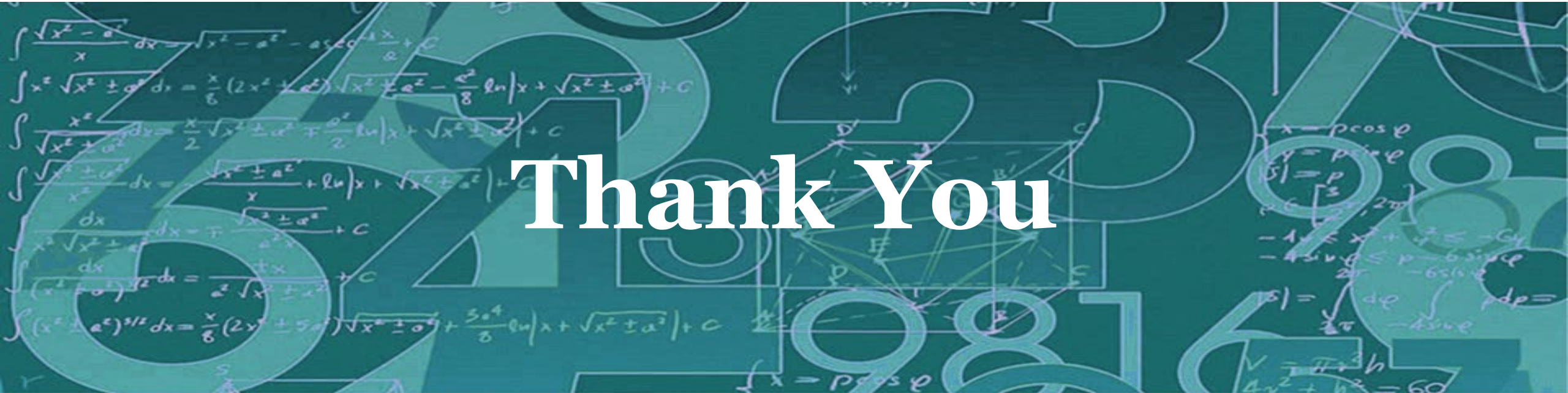
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Matthew M. Smith

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Thank You





**WA
CARES
FUND**

BREAK



Commission Topics and Workgroups for 2024

Ben Veghte, DSHS

Commission Topics and Workgroups for 2024

- Reconvening the Minimum Provider Qualifications Workgroup
- Provider Payment Maximums Workgroup
- Contingency Planning Workgroup

Report out from Minimum Provider Qualifications Workgroup

Andrea Meewes Sanchez, DSHS

Minimum Provider Qualifications Workgroup

- Stakeholder conversations are underway to discuss:
 - In-home Personal Care
 - Transportation
 - Adaptive Equipment and Technology
 - Environmental Modifications
- The workgroup is meeting to discuss feedback.

Report out from Provider Payment Maximums Workgroup

Andrea Meewes Sanchez, DSHS

Provider Payment Maximums Workgroup

Group 1	Group 2	Group 3	Group 4
<ul style="list-style-type: none">• Adult Family Home• Assisted Living• In-Home Personal Care• Nursing Home	<ul style="list-style-type: none">• Adaptive Equipment and Technology• Environmental Modifications• Home Delivered Meals• Personal Emergency Response Systems	<ul style="list-style-type: none">• Adult Day Services• Eligible Relative Care• Transportation• Respite for Family Caregivers	<ul style="list-style-type: none">• Care Transition Coordination• Dementia Support/Memory Care• Education and Consultation & Services that Assist Paid and Unpaid Caregivers• Home Safety Evaluation• Professional Services

Provider Payment Maximums Workgroup

- DSHS and Milliman have begun conducting a rates study to inform this work.
- DSHS has started hosting meetings with stakeholders and public open forums to gather feedback on the rates analysis.
- DSHS has been gathering feedback during these sessions to bring forward to the Commission workgroup.
- The work is being conducted in groups, starting with Group 1, which includes Adult Family Homes, Assisted Living, Nursing Homes, and In-Home Personal Care.

PUBLIC COMMENT

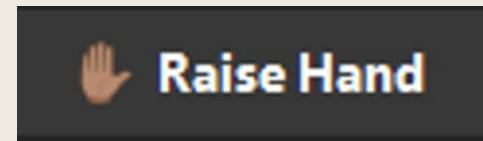
Submit written comments or questions to:
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For more information about the program, visit
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Sign up for Public Comment

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Attendees: click on the Raise Hand icon to sign up for public comment



Phone callers: press *9 to raise your electronic hand.

Then, when recognized, press *6 to unmute yourself

Review Agenda for July 10, 2024 Meeting

- Approve 5/1/2024 Commission meeting minutes
- Receive Program Update
- Receive Finance Update
- Report out from Minimum Provider Qualification Workgroup
- Report out from Provider Payment Maximums Workgroup

Wrap Up

- Action items review
- Adjourn

THANK YOU



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