



WA Cares FundSM

Washington state enacts first public long-term care insurance program



The WA Cares FundSM creates a publicly funded long-term care benefit for Washingtonians that provides a basic level of long-term care protection for working residents.

What we know

- The program is funded through a payroll tax.
- Based on current expectations, employees are required to contribute 58 cents per every \$100 of income through a payroll deduction.
- Once vested, total lifetime benefits are \$36,500/person that is adjusted for inflation.
- LTC benefits are only available to eligible participants in the state of Washington and are not transferable.
- Individuals that own a private long-term care insurance policy are able to permanently opt out of the program by applying for an exemption with the Employment Security Department (WA ESD)
- To qualify for an exemption, the policy must be purchased by November 1, 2021, and the policyholder must apply for the exemption from October 1, 2021 to December 31, 2022.

When it's effective

- The tax will be collected beginning January 1, 2022, unless the employee has opted out.
- Benefits become available to eligible employees and retirees starting in 2025.

Who it impacts

- All Washington workers.
- An option to participate is available for self-employed workers.
- Note that employers are not required to make contributions.
- Residents that move out of state for longer than five years will forfeit benefits and premiums.

How it works

- Employees pay a tax that a trust fund invests and distributes after employees are vested and qualified.
- The vesting period for benefits includes those that have paid the tax for either:
 - Three of the past six years at the time of claim, or
 - Ten years without a break of five or more years
- Care providers must be listed on a Department of Social and Health Services approved list.
- To qualify, once vested, residents must require assistance with three Activities of Daily Living (ADL),* which include:

 Medication management	 Personal hygiene	 Eating	 Toileting	 Cognitive impairment
 Transfer assistance	 Body care	 Bathing	 Ambulation/ mobility	 Dressing

To learn more, please contact our business partner:

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Long-term care insurance coverage contains benefits, exclusions, limitations, eligibility requirements and specific terms and conditions under which the insurance coverage may be continued in-force or discontinued. Not all insurance policies and types of coverage may be available in your state.

For use with the general public.