WA CARES FUND FREQUENTLY ASKED QUESTIONS

The WA Cares Fund is a new mandatory long-term care insurance benefit for workers in Washington state, which will help pay for eligible long-term care related expenses. The program will be funded by a mandatory payroll tax by workers in Washington State beginning in January 2022. This program is required by state law and is administered by the State of Washington. For questions, contact the Washington State Employment Security Department (ESD) at http://www.wacaresfund.wa.gov/.

Q. What is the WA Cares Fund?
The WA Cares Fund is a new mandatory long-term care insurance benefit for workers in Washington state, which will help pay for eligible long-term care related expenses. Beginning in January 2025, eligible participants can begin to utilize the benefit. Under the WA Care Fund, individuals will have access to $100 per day, up to a lifetime benefit of $36,500 that will be adjusted annually for inflation.

Q. Who administers the WA Cares Fund?
The ESD, along with the Department of Social and Health Services (DSHS) administers all aspects of this new program.

Q. What is King County's role in the WA Cares Fund?
Although this program is administered by ESD, all employers in Washington are required to collect the mandatory payroll deduction from employees and forward these funds to the State of Washington.

Q. Are all employees required to participate in this new state-mandated program?
Yes, all employees of Washington state are required to pay this mandatory payroll deduction. The only exception is for employees who can demonstrate that they have other long-term care insurance.

Q. How do I get an exemption from paying this new state-mandated payroll deduction?
Employees may choose to "opt-out" of this new mandatory deduction by purchasing their own long-term care insurance policy and then applying for and being approved for an exemption by ESD. Employees must purchase their private policy before November 1, 2021, to qualify and must apply for an exemption to ESD between Oct. 1, 2021 – Dec. 31, 2022. After an employee provides the approved exemption to King County, the payroll deduction will stop at the beginning of the following quarter. Exemptions are for life. That means an employee will never have access to the WA Cares Fund benefit once the employee has been exempted.

Q. How does ESD determine eligibility to receive long-term care services and support?
The ESD will determine all eligibility and entitlements for these new benefits. To receive benefits a person must reside in Washington, need assistance with at least three activities of daily living (ADL's), and must have worked and contributed to the fund for:

- at least ten years at any point in their life without a break of five or more years within those ten, **or**
- three of the last six years at the time they apply for the benefit, **and**
- worked for at least 500 hours per year during those years.

Q. What are Activities of Daily Living (ADL)?
ADLs include medication management, personal hygiene, eating, toileting, cognitive functioning, transfer assistance, body care, bathing, ambulation/mobility, and dressing.

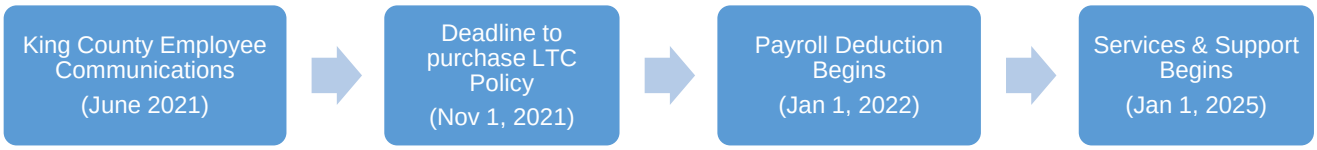
Q. How will this impact employees that plan to retire before 1/1/2025 or plan to retire outside the State of Washington?
The ESD is the best resource to answer these types of questions. It is King County's understanding that all employees, regardless of situation, will be required to pay these mandatory payroll deductions, and that you must be a current resident of Washington to receive the benefits.

Q. How do I calculate the amount of this new mandatory payroll deduction?
Washington workers will initially pay $0.58 per every $100 of income. There is no cap limiting the amount employees can pay in deductions and the amount of the deduction may increase over time.

Q. When does the mandatory payroll deduction begin?
The new deduction begins for all King County employees on January 1, 2022. The deduction will appear on the first paycheck received in 2022.

Q. When does the WA Cares Fund begin to provide long-term care services?
Eligible participants can begin to apply for benefits on January 1, 2025.

Q. What are the important timelines for this new program?



Q. Who should I contact with questions?
The best resource is the State of Washington's website: http://www.wacaresfund.wa.gov/.

Q. What things should I consider when deciding to purchase my own long-term care insurance versus paying payroll deductions for the WA Cares Fund?
King County cannot provide advice on purchasing your own private coverage, but here are some things to consider. Employees who are considering purchasing long-term care insurance can find a list of insurance companies approved to sell in Washington, along with other resources, on the Washington state Office of the Insurance Commissioner's Long-term care insurance web page. Additionally, the state is currently making rules as to which long-term care insurance arrangements will qualify to allow an employee to opt out of the program. Employees should refer to any state-adopted rules when considering purchasing alternative long-term care arrangements to determine if they qualify for the exemption.

Q. Will King County offer a long-term care insurance option for King County employees?
No, King County will not offer a private long-term care insurance option to employees. The Washington State Legislature did not finalize the November 1 deadline to opt out of the program until the end of the 2021 legislative session in April. As of August 1, the state still has not confirmed the rules regarding which private plan designs qualify for a program exemption. Due to this lack of clarity and limited time frame, King County will not offer a private insurance option. The Washington state Office of the Insurance Commissioner website lists private Long-term care insurance companies approved to sell in Washington state, which individuals can use to request quotes.