

# WA Cares Fund<sup>SM</sup>

## Washington state enacts first public long-term care insurance program

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The WA Cares Fund<sup>SM</sup> 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.
- Washington workers will 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.
- Starting January 1, 2023, Washington workers can be eligible for exemptions from WA Cares if they:
  - Live outside of Washington
  - Are the spouse or registered domestic partner of an active-duty service member of the United States armed forces.
  - Have nonimmigrant work visas.
  - Are veterans with a 70% service-connected disability rating or higher.
- Those who had private long-term care insurance on or before Nov. 1, 2021, were able to apply for an exemption from the WA Cares Fund from Oct. 1, 2021, until Dec. 31, 2022. This opt-out provision is no longer available.

### When it's effective

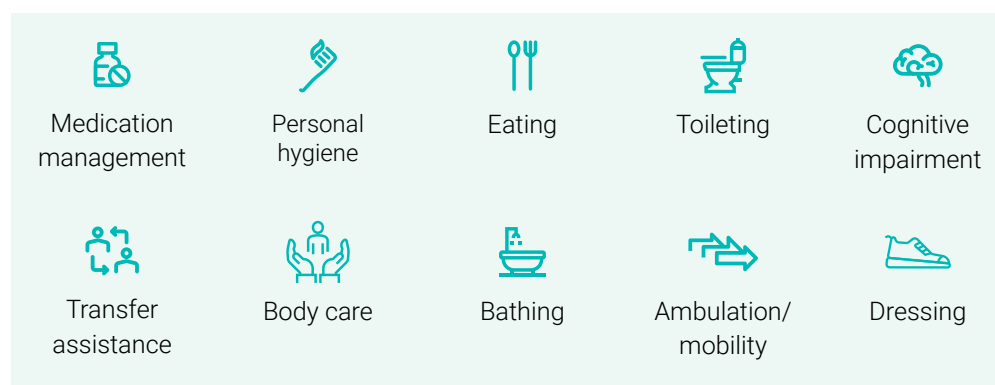
- The tax will be collected beginning July 1, 2023, unless the employee has opted out.
- Benefits become available to eligible employees and retirees starting in July 2026.

### 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 full benefits includes those that have paid the tax for either:
  - Three of the past six years, 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:



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