



The Episcopal Diocese of Olympia

The Episcopal Church in Western Washington

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WA Cares Fund – Long Term Care Benefits

Washington State adopts a mandated payroll tax to pay for long term care benefits

WA Cares Fund

Washington state is the first in the nation to adopt a state-run long-term services and support (LTSS) trust program, known as the WA Cares Fund. The Washington State Legislature passed legislation and in 2019 Governor Inslee signed [SB1323](#) amending [RCW 50B.04](#) to provide for this program. The intent of the LTSS is to begin to address the potential long-term care needs of Washington residents. Each year more and more people over the age of 65 will need some sort of support service.

What is long-term care? What is long term-care insurance?

Long-term care includes a variety of services designed to meet a person's health or personal care needs during a short or long period of time. These services assist people unable to perform everyday activities on their own, such as bathing, dressing, and cooking meals. Long-term care insurance provides the means to cover part or all of the cost for such services.

How will this program be funded?

1. Starting 1/1/2022 all W-2 employees in Washington will begin paying a payroll tax of \$0.58 per \$100 of earnings.
2. Based on the mid-point of E on our clergy salary scale - \$80,928 in annual earnings, the tax would be \$469 per year (\$80,928 x 0.0058).
3. The tax is paid through the payroll tax system.
4. The tax is paid entirely by employee contributions; no employer contributions are required.

What benefits does the WA Cares Fund provide?

1. Beginning January 2025 each eligible person can access services and support.
2. Under the LTSS program, eligible individuals can receive up to \$100 per day, with a lifetime maximum of \$36,500.
3. The benefit will be adjusted annually for inflation based on changes in the Washington Consumer Price Index (CPI).
4. Benefits may be used to pay a wide variety of services:

- a. Professional personal care in the home, assisted living facility, adult family home or nursing home;
- b. adaptive equipment and technology such as hearing devices and medication reminder devices;
- c. home safety evaluations;
- d. wheelchair ramps;
- e. care transition coordination;
- f. home-delivered meals;
- g. rides to doctor appointments;
- h. caregiver support and dementia education.

Eligibility:

1. Benefits are scheduled to begin on 1/1/2025.
2. To qualify for benefits, individuals must have worked and contributed to the trust for:
 - a. At least 10 years at any point in their life without a break of 5 or more years within those 10 years, OR
 - b. Three of the last six years **and** at least 500 hours worked per year during those three years.
3. Individuals must need assistance with at least 3 activities of daily living such as: medication management, personal hygiene, eating, toileting, transfer assistance, body care, bathing, ambulation/mobility, dressing.
4. Must be at least 18 years of age.
5. Must be a current resident of Washington state. Benefits are not portable and cannot be used while residing in another state.
6. Self-employed and independent contractors may opt-in to the Trust.

Can I opt out of this new payroll tax?

Employees who have their own long-term care insurance policy in place before November 1, 2021, may apply for an exemption from WA Cares coverage. If approved, the exemption will mean that the individual is not required to pay premiums and will be permanently excluded from WA Cares benefits. If an exemption application is approved the individual is permanently disqualified from WA Care; individuals may never re-enroll and will be prohibited from receiving WA Cares benefits. The window to apply for an exemption is October 1-December 31, 2021. Also, please note that you may also be exempt from this program if you have a qualified life insurance policy or annuity that includes supplemental coverage for long-term care expenses. Please check with your life insurance carrier to see if your plan qualifies. Not sure if you want to give up your WA Cares benefits – [learn more here](#).