

## LONG TERM CARE INSURANCE – PUD & WA CARES FUND PROGRAMS FREQUENTLY ASKED QUESTIONS

### ***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. The program will be funded by a mandatory payroll tax by workers in Washington, beginning in Jan. 1, 2022. This program is required by state law and is administered by the state. For questions, contact the Washington State Employment Security Department (ESD) at <http://www.wacaresfund.wa.gov/>.

### ***When can people access the fund?***

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.

### ***What's Chelan PUD's role in the WA Cares Fund?***

Although this program is administered by the state, all employers in Washington are required to collect the mandatory payroll deduction from employees and forward these funds to the State of Washington. The state program and its requirements are set by the state; the PUD simply collects the funds.

### ***Are employees required to participate in the WA Cares Fund?***

Yes, all employees of Washington state are required to pay this mandatory payroll deduction. Employees that have long-term care insurance prior to November 1, 2021, may apply for an exemption.

### ***How do I calculate the amount of the state's 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.

### ***How do employees get an exemption from paying into the WA Cares Fund?***

Employees may choose to “opt-out” of this new mandatory deduction if they have a long-term care insurance policy, such as the Chelan PUD long-term care insurance. They need to apply for and be approved for an exemption by the state. Employees must have purchased their policy before November 1, 2021, to qualify and must apply for an exemption to the Washington ESD between Oct. 1, 2021 – Dec. 31, 2022. **Exemptions are for life. That means an employee will never have access to the WA Cares Fund benefit once the employee has been exempted.** We expect the state to provide more information about the exemption application process later this summer.

### ***What are the lifetime limits for both the PUD long-term care and the WA Cares Fund?***

The PUD's program provides a lifetime maximum benefit of \$48,000 (no adjustments for inflation) and the WA Cares Fund provides a maximum benefit of \$36,500 (includes inflation adjustments).

***How can I research the District’s plan and coverage examples?***

The District covers employee long-term care insurance through Unum Life Insurance. More information about the program can be found through this link on our HR benefits page:  
[www.unuminfo.com/Chelanpud/index.aspx](http://www.unuminfo.com/Chelanpud/index.aspx)

***How can I add a family member to the District’s long-term insurance plan?***

Employees can visit the Unum website, at [www.unuminfo.com/Chelanpud/index.aspx](http://www.unuminfo.com/Chelanpud/index.aspx). They can use the calculator to estimate family rates and then can access an enrollment form. If employees are adding family members so that the family member can apply for a state exemption, they should apply as soon as possible to meet the 11/1/21 insurance date – meaning the insurance needs to be effective 10/1/21. If an applicant has medical conditions, additional medical information from a physician may also be required, which could add time to the enrollment process.

***How does the state ESD determine eligibility to receive long-term care services and support?***

The ESD will determine all eligibility and entitlements for 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.

***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.

***I see Long-Term Care and Long-Term Disability on my paycheck – what is the difference?***

Long-term Care Insurance provides you with financial assistance for things like home health care and long-term facility costs. This benefit shows under Employer Paid Benefits because it is provided by the District at no cost to you. Long-Term Disability provides replacement income for you if you become disabled and can no longer perform the essential functions of your position. You pay the cost of this benefit after taxes in order to avoid paying taxes on LTD income, should you ever need it.

***What are additional resources I can access to learn about long term care insurance?***

Unum website: [www.unuminfo.com/Chelanpud/index.aspx](http://www.unuminfo.com/Chelanpud/index.aspx)

State website: <http://www.wacaresfund.wa.gov>

Federal website: [www.longtermcare.gov](http://www.longtermcare.gov)