



WA CARES FUND: FREQUENTLY ASKED QUESTIONS

The WA Cares Fund is the next step in social safety programs that make long-term care affordable for you and your family. Workers contribute about 58 cents for every \$100 earned and, when vested, can access the benefit. It is a lot like Social Security—everyone pays so that everyone who needs this benefit can access it.

Washington is the first state in the nation to develop a way to make long-term care affordable for all workers as we age.

Unfortunately, there has been a lot of misinformation and confusion about the program, so here are answers to the questions we have been receiving over phone and email:

Why do we need the WA Cares Fund?

The Fund was created to address an alarming gap in long-term care coverage. Before this summer, **less than 10 percent of Washingtonians had private long-term care policies**. Medicare does not cover long-term care, which forces people to spend down their life savings to qualify for Medicaid. Medicaid long-term services and supports represent 6.3 percent of the state budget and will continue to grow as our population ages. We all pay for these services now through regressive taxes like the sales tax.

The WA Cares Fund addresses this issue by ensuring families have affordable care to help their loved ones eat, bathe, dress, and manage their daily lives. **WA Cares will help families with these costs** without having to spend down their savings to receive Medicaid-funded services.

How does WA Cares compare to private long-term care coverage?

WA Cares is a first-in-the-nation program meant to provide working families more security as they and their loved ones' age. **It is not meant to replace commercial long-term care coverage but to give families alternatives to spending down their assets to qualify for Medicaid.**

Commercial long-term care coverage is also **expensive, restrictive and notoriously unpredictable**. Rates can fluctuate wildly, with increases ranging from 20 percent to 79 percent. You can be turned down based on pre-existing conditions, and you will lose your benefit if you stop paying premiums.

Unlike commercial coverage, **you don't pay into WA Cares when you're not working, including after you retire**. WA Cares is funded by a convenient automatic payment through your employer. You can still receive the benefit even if you leave your job.

And unlike commercial policies, **WA Cares gives you flexible options and won't deny coverage for pre-existing conditions**. Commercial insurance often charges women 50 percent more than men. WA Cares costs the same for everyone.

Why make WA Cares mandatory?

WA Cares is intended to provide everyone with a long-term care benefit. Because some people purchased private long-term care policies before WA Cares was created and that coverage could be duplicative, the law allowed them a one-time opt out. The option to opt out was never intended to be a "loophole" to get out of participating in the plan, because it's important that we all contribute to the long-term care system. **Like Social Security or Medicare, if people opted out, no one would have those safety nets available.**

Long-term care is expensive, isn't covered by Medicare, and most families lack enough savings to pay for it. **WA Cares is the next big step in our social safety net to ensure that Washingtonians can access benefits when they are needed, helping us create stable, healthier communities.**

The maximum benefit isn't enough for full-time long-term care, so what can I use it for?

WA Cares covers a range of services that help with personal care in your home, home-delivered meals, home modifications to accommodate wheelchairs, transportation, training for family members, and more. **The idea is to help our loved ones age in their homes**, not place them in expensive long-term care facilities that may not be right for them.

What if I move out of Washington state?

Right now, you must live in Washington state to collect a WA Cares benefit. That may change over time. But if you choose to purchase a private policy and opt out of WA Cares, that choice is permanent and can't be changed. For most Washington residents, WA Cares is the best value for the benefits they will receive. There is a specific long-term care workgroup that is considering policy options to address this issue. **We still encourage everyone to participate, because contributing now keeps your options open in the future.**

What if I live in another state but work for a Washington employer?

Right now, people who work in Washington but live out of state would not be able to access WA Cares benefits. Similar to programs like Medicaid and Social Security, contributions are collected by your employer. And like other social safety net programs, the goal is to provide Washingtonians the benefits they need and bring stability to communities. **While some people may not make use of safety net programs, our communities are healthier and stronger when families aren't forced into poverty to receive the care they need.** Our specific long-term care workgroup is considering policy options to address this issue, as well.

What if I am approaching retirement in the next 10 years?

In order to vest with and receive WA Cares benefits, you must contribute to the program for at least ten years at any point in your life without a break of five or more years, or three of the last six years, and work at least 500 hours per year during those years. That contribution is about half a percent or 58 cents for every \$100 earned. For some, the timeline for vesting may conflict with retirement. We are interested in hearing from you if you are in this situation. Our specific long-term care workgroup is also considering policy options to address this issue.

Where can I get more information?

Visit www.wacaresfund.wa.gov. You can [join the mailing list](#) for updates or [sign up](#) for a live informational webinar.