

## THE PARTNERS GROUP WEEKLY UPDATE

February 2022

## **Update on WA Cares Fund**

Governor Inslee signed two bills passed by the Legislature making key changes to the Washington Cares Fund. These reforms will address coverage gaps and delay program implementation by 18 months.

## Changes include:

- Workers near retirement (born before 1968) will be able to qualify for partial benefits on a pro-rated basis.
- Workers who live out of state and work in Washington, military spouses, workers on non-immigrant visas, and certain veterans with disabilities will be able to opt out of the program if they choose.
- Workers will begin contributing to the fund in July 2023. Employers will refund any premiums collected via payroll tax in 2022 so far.
- Employers and employees that purchased private Long Term Care policies are generally encouraged to continue their LTC policies, in order to maintain an exemption from the payroll tax that will begin in July, 2023.

The WA Cares Fund website is being updated to reflect these changes. For details on the changes, you can read <u>House Bill</u> <u>1732</u> and <u>House Bill</u> <u>1733</u>.

ESD has updated instructions for employers and will be providing additional information and guidance in February.