

Legal Update

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Cares Fund Implementation Delayed

On Jan. 27, 2022, Gov. Jay Inslee signed legislation reforming key parts of and **delaying by 18 months** premium assessments for the [state-operated public insurance program to pay for long-term care services](#) (called the Washington Cares Fund).

Originally, employers were to begin deducting 0.58% of employees' wages to fund the program beginning in 2022. **Employees will now begin contributing to the fund in July 2023, and employers will refund any premiums collected in 2022 so far.** The Washington Employment Security Department (Department) will **not accept** any premium payments for the first quarter of 2022.

Other reforms include the following:

- Workers near retirement (born before 1968) will be able to qualify for partial benefits on a pro-rated basis; and
- 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.

Employer Action Steps

According to the Department, in February 2022, employers will receive updated information and guidance on the program via the [employer newsletter](#). In the meantime, employers should:

- Stop withholding Washington Cares Fund premiums from employee earnings;
- Reimburse employees for Washington Cares Fund premiums within 120 days of the date premiums were collected; and
- Continue to maintain copies of exemption approval letters for workers who have provided them.

The Department has also published [instructions for employers](#).

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Important Dates

Jan. 27, 2022

The Washington Legislature and Gov. Inslee announced reforms to address coverage gaps and delay program implementation by 18 months.

July 1, 2023

The date by which the Department will begin collecting premiums from employers.

Workers will begin contributing to the fund in July 2023, and employers will refund any premiums collected in 2022 so far.