



WA CARES BASICS

What Self-Employed Workers Need to Know

Kristen Maki

WA Cares Fund Community Relations & Outreach Program Manager, Department of Social and Health Services



Stephanie Mehan

Employer Reporting Supervisor, Employment Security Department



Brent Williams

Employer Reporting Specialist, Employment Security Department



Defining long-term care and caregiving



help with activities
of daily living
like bathing, eating & dressing



not medical care

like doctor visits & treatment for
medical conditions



paid care from a
professional



help from a
family member
or friend, often unpaid

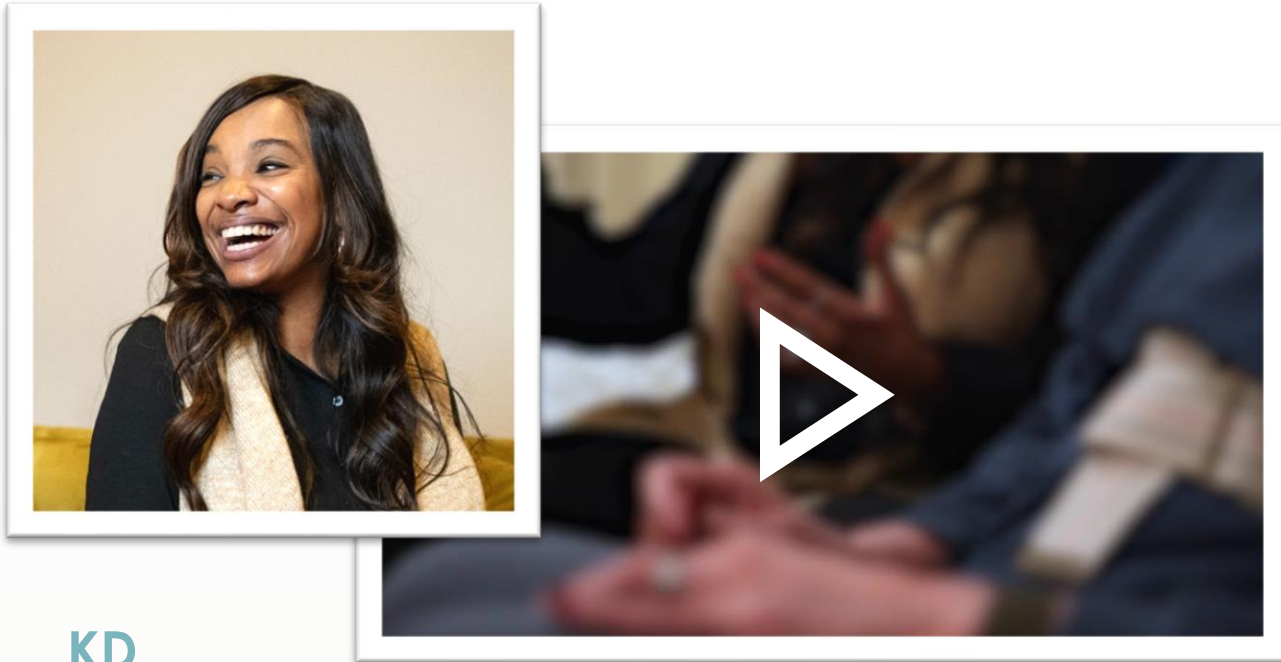


services & supports provided
in your own home



care provided
in a residential setting
like a nursing home or assisted living

We all have care stories in our families



KD

KD lives with mother-in-law Kathleen, who has multiple sclerosis and needs help with daily activities.

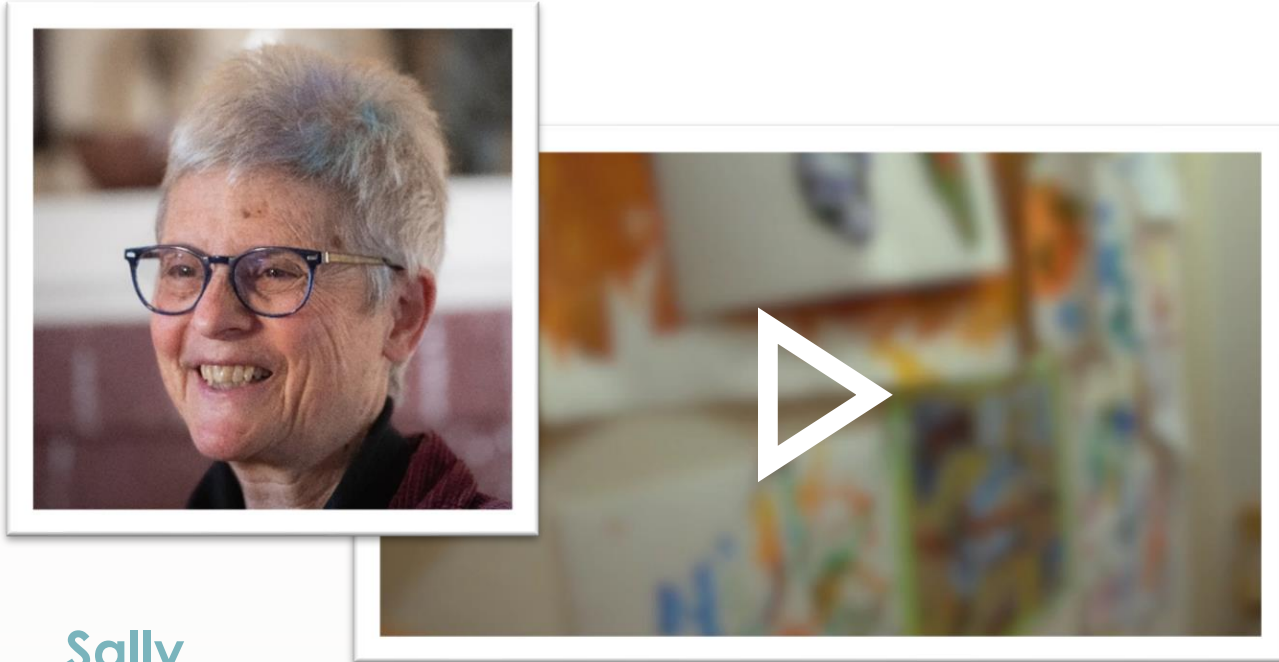
Kathleen gets in-home care from caregivers who help her bathe, dress, exercise and eat. They also provide her with companionship and help her get around the house using her wheelchair or walker.



“

The last thing you want people thinking about in their golden years is money.

We all have care stories in our families



Sally

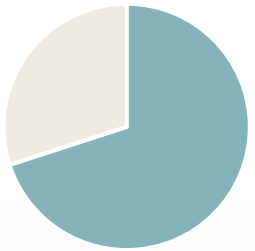
Sally's partner Patty has Parkinson's disease. A caregiver visits their home for a few hours each day to help Patty eat, bathe and get around.

Having in-home care also means Sally can get a break to do things like grocery shopping or going for a walk with friends.



“ Having a caregiver helps with still being in a relationship, whether you're an adult child or a partner.

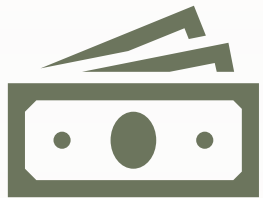
Long-term care is predictable and expensive



70% of us
will need long-term care



not covered
by health insurance or Medicare



\$35,880/year
for 20 hours of home care
per week



Only covered by Medicaid
once savings are spent down to
\$2,000

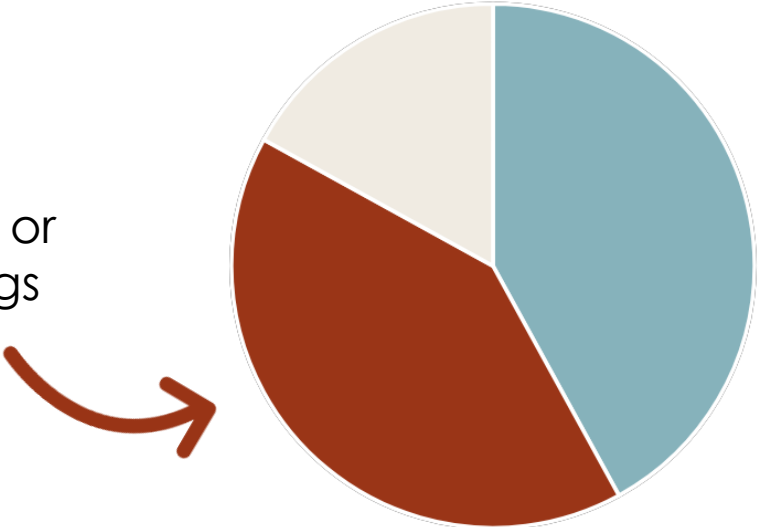
Most don't have a way to pay

\$56,000/year

Median household income for Washington seniors

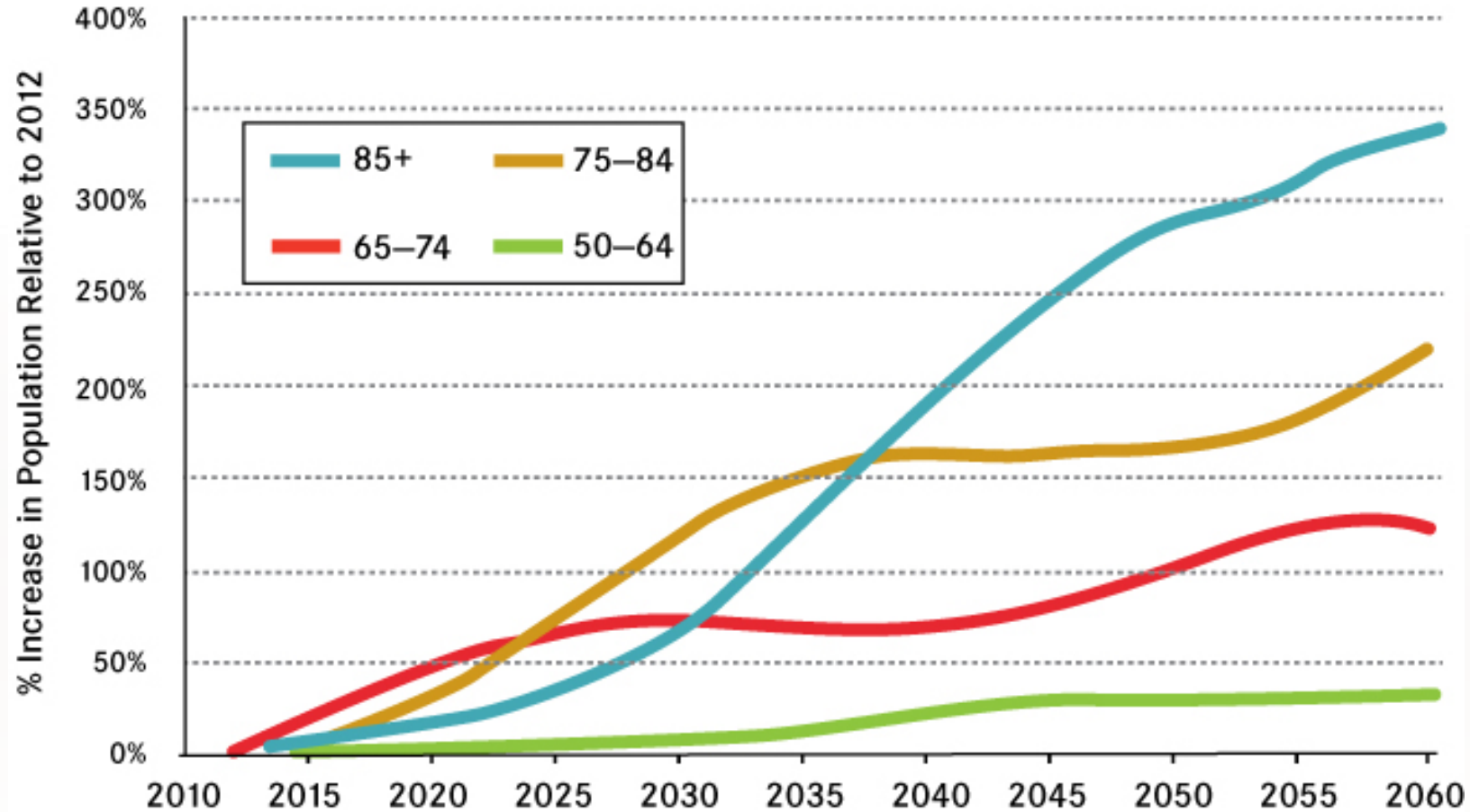
AMONG WASHINGTON WORKERS AGE 55-64

41%
have no pension or
401 (k)/IRA savings



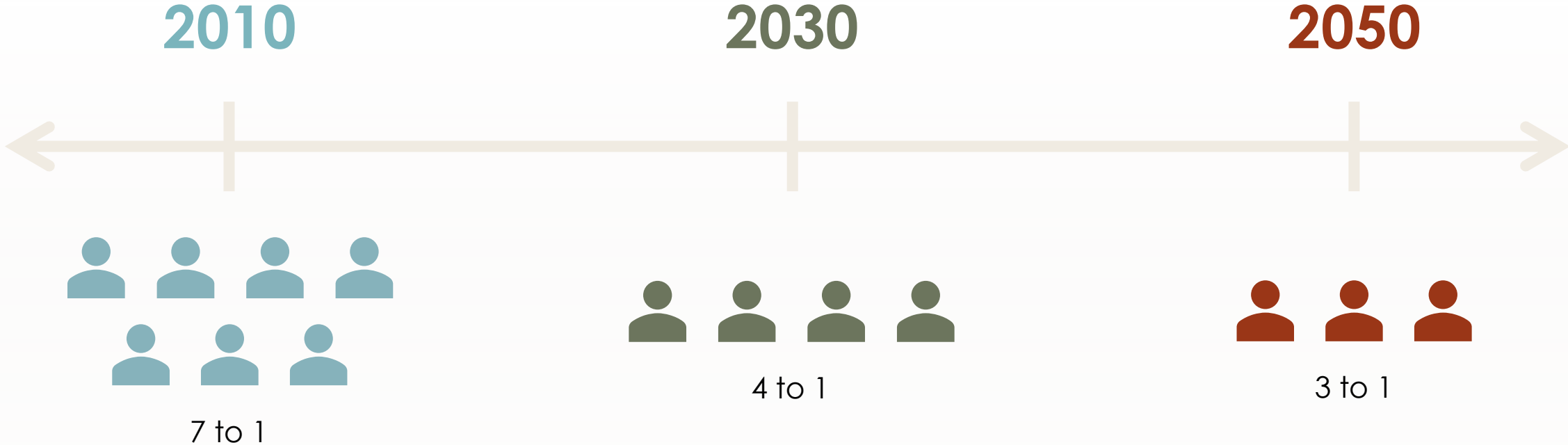
Another **42%**
have no pension & only
enough 401 (k)/IRA savings
to replace 10% of their
pre-retirement income

Our population is aging rapidly

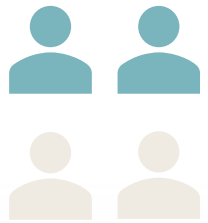


Families are increasingly unable to meet care needs

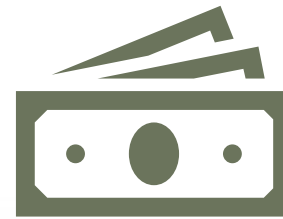
Number of potential family caregivers for each person who needs care



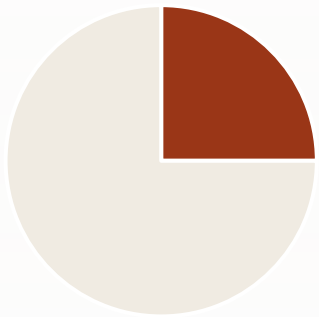
Family caregiving isn't free



Almost half
of family caregivers report a
related financial setback



\$303,880
average lost wages and
benefits for caregivers 50+
who leave workforce early



25%
Average amount of their
own income caregivers
spend on related expenses



2 in 3
working caregivers say a
program that pays
caregivers would help

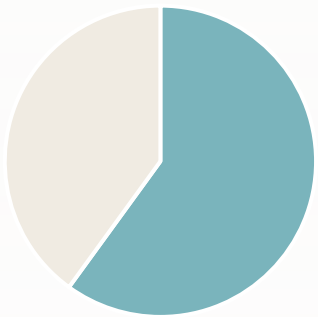
Businesses and workers are impacted

Job openings in WA grew from **165,000** in 2020 to **224,000** in 2021 while number of available workers stagnated

AMONG WORKING CAREGIVERS

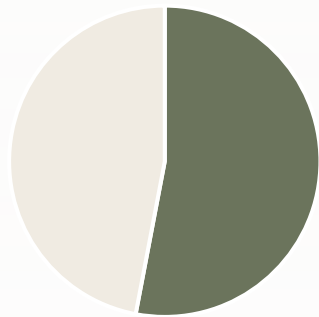
61%

report caregiving responsibilities impacted their job



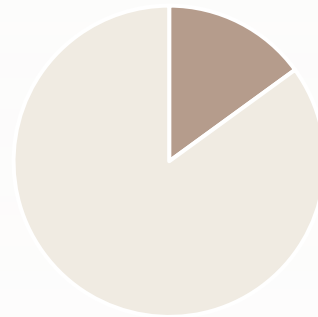
53%

Went in late, left early, took time off to provide care



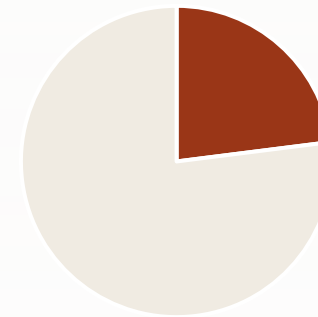
15%

Went from full-time work to part-time or reduced hours



23%

report their health has worsened since taking on the role



We all pay the high costs of long-term care



Without WA Cares, long-term care costs – which we all pay through taxes on goods and services – would have **doubled in roughly two decades**

**\$10.4
billion**

Washington's budget
for long-term care
(23-25 biennium)

8.9%

of state budget spent on
long-term care
(23-25 biennium)

WA Cares Fund can help

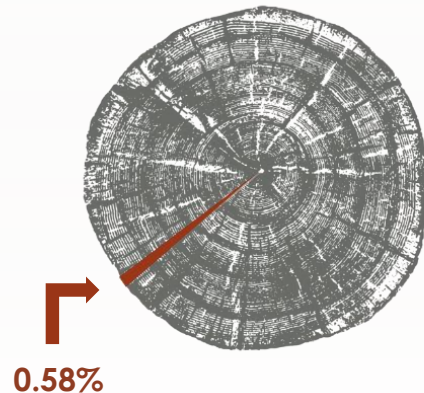
- Earned benefit
- Self-funded by worker contributions
- Works like an insurance program
- Only contribute while you're working
- Everyone covered at same rate regardless of pre-existing conditions
- No copays, no deductibles, and you never have to file a claim

Typical Income:

\$50,091

Typical Contribution:

\$291/year



Contributions

0.58%

Amount workers
contribute from wages



Contributions begin
(self-employed workers)

Benefits

\$36,500

Lifetime maximum benefit
(adjusted annually up to
inflation)



Benefits available

Affordable contributions across your career

\$35,000 annual salary	
Each year	\$203
Over 10 years	\$2,030
Over 20 years	\$4,060
Over 30 years	\$6,090

\$50,000 annual salary	
Each year	\$290
Over 10 years	\$2,900
Over 20 years	\$5,800
Over 30 years	\$8,700

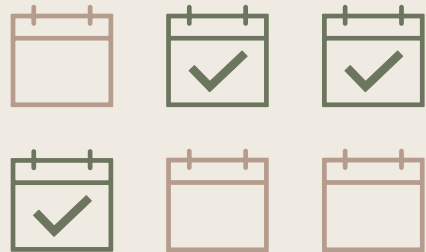
\$75,000 annual salary	
Each year	\$435
Over 10 years	\$4,350
Over 20 years	\$8,700
Over 30 years	\$13,050

\$36,500 benefit amount will be adjusted annually up to inflation.

Qualifying for benefits

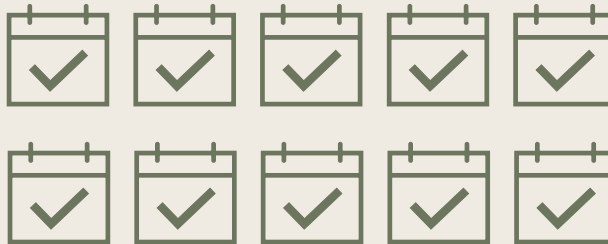
Early access to full benefit

Contributed at least **3 of the last 6 years** at the time you apply for benefits



Lifetime access to full benefit

Contributed for a **total of 10 years** without a break of 5+ consecutive years



FOR NEAR-RETIRES

Lifetime access to partial benefit

People born before 1968 earn **10% of benefit amount** for each year worked



To earn benefits, must work at least 500 hours per year (about 10 hours per week)
For self-employed workers, calculate by dividing wages by current state minimum wage

The benefit is flexible

Up to **\$36,500** for any combination of services and supports, including:



Professional care at home or in a facility



Adaptive equipment & technology like hearing or medication reminder devices



Training & paying family member or friend to be your caregiver



Home-delivered meals



Home safety evaluations & environmental modifications like wheelchair ramps



Support & respite for family caregivers



Transportation

Must need help with **3 activities of daily living** like bathing, dressing, eating, medication management

How far will the benefit go?



Family caregiver

Paying a family caregiver	\$31,300
10 hours/week for 2 years	
Care supplies	\$2,200
2 years of incontinence supplies	

Total **\$33,500**



Home accessibility

Home safety renovations	\$15,000
Electric wheelchair or scooter	\$2,600
Weekly meal delivery	\$9,200
7 meals/week for 3 years	

Total **\$26,800**



Temporary support & services

Part-time caregiver	\$31,300
20 hours/week for 1 year	
Transportation to appointments	\$3,200
for 1 year	
Crutches	\$50

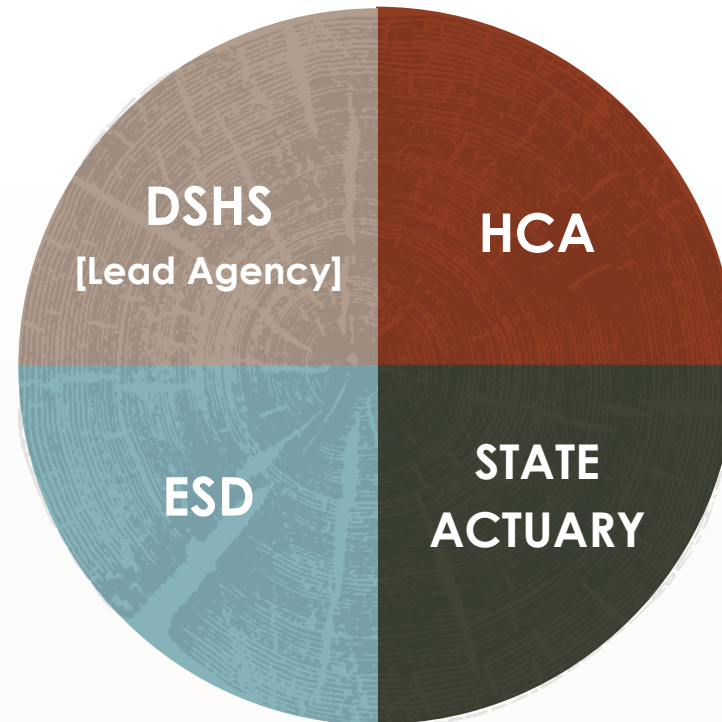
Total **\$34,600**

Note: These are estimates and do not guarantee the cost of any services, which may vary based on your area and other factors.

Cross agency responsibilities

- Process applications
- Perform care needs assessments & determine eligibility
- Manage providers

-
- Collect premiums and wage reports
 - Determine vesting status
 - Process exemptions
 - Process requests from self-employed individuals opting in



-
- Pay providers
 - Track benefit usage

-
- Provide actuarial analysis to assess ongoing Trust Fund solvency

Self-employed individuals

Sole proprietor

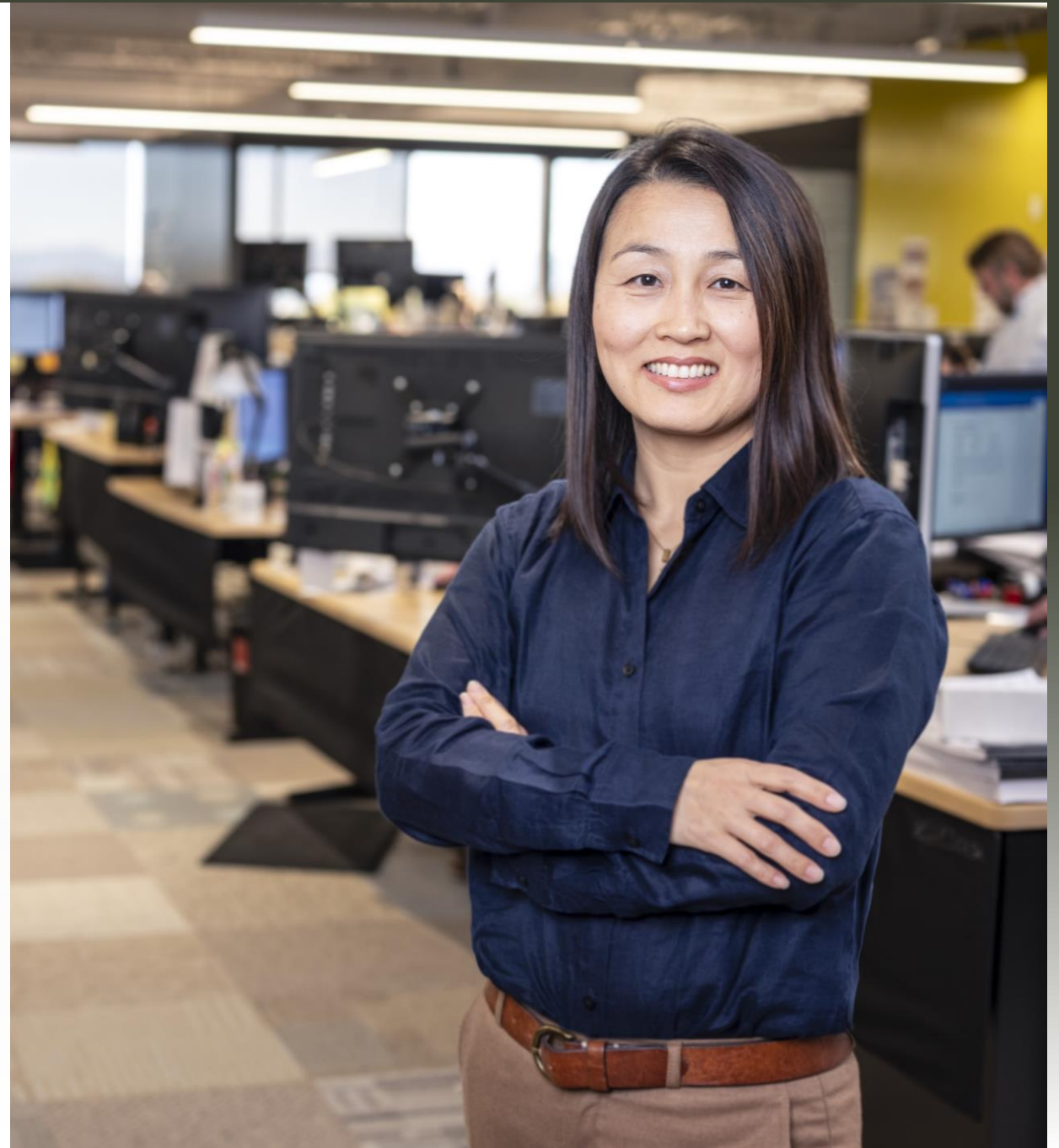
Joint venturer or a member of a partnership

Member of a limited liability company (LLC)

Independent contractor as defined in RCW 50a.05.010

TNC Driver after 6/9/22

Otherwise in business for yourself



Creating elective coverage account

1

In Secure Access WA (SAW), add Paid Family and Medical Leave as a service

- Listed with other ESD services
- Click link to Paid Family and Medical Leave

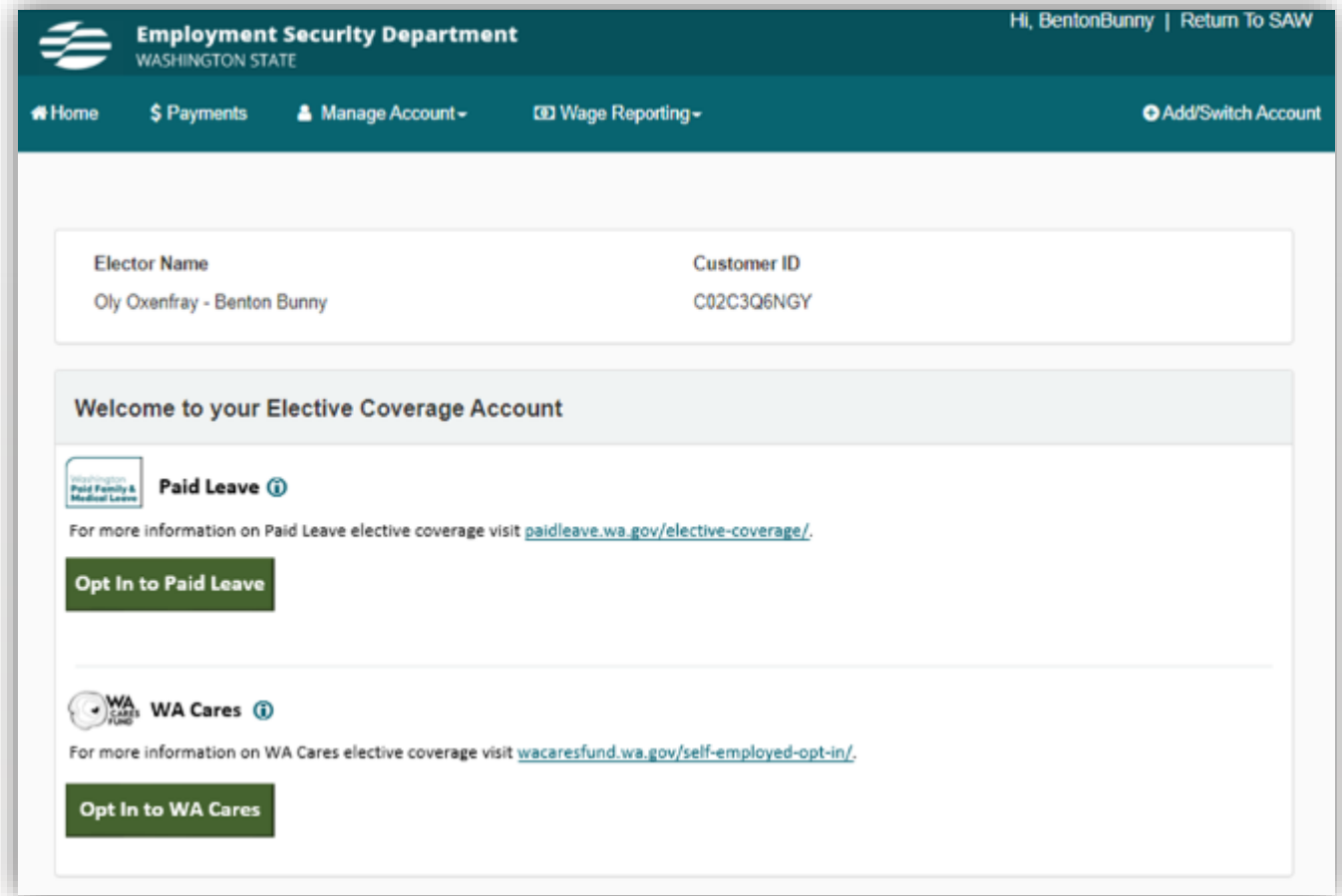
2

Create elective coverage account

- Customers will use their individual SSN or ITIN

Opting in for elective coverage

- Once you have created your elective coverage account, you may opt-in to either Paid Leave or WA Cares or both
- Individuals with an approved exemption for WA Cares will not be able to elect coverage for WA Cares



The screenshot shows the user interface of the Washington State Employment Security Department. At the top, the header includes the department name and logo, the user's name 'Hi, BentonBunny', and a 'Return To SAW' link. Below the header is a navigation bar with links for 'Home', 'Payments', 'Manage Account', 'Wage Reporting', and 'Add/Switch Account'. The main content area displays the user's 'Elector Name' as 'Oly Oxenfray - Benton Bunny' and their 'Customer ID' as 'C02C3Q6NGY'. A 'Welcome to your Elective Coverage Account' message is followed by two sections: 'Paid Leave' and 'WA Cares'. Each section includes a link for more information and a green 'Opt In' button.

Elector Name	Customer ID
Oly Oxenfray - Benton Bunny	C02C3Q6NGY

Welcome to your Elective Coverage Account

Paid Leave
For more information on Paid Leave elective coverage visit paidleave.wa.gov/elective-coverage/.
Opt In to Paid Leave

WA Cares
For more information on WA Cares elective coverage visit wacaresfund.wa.gov/self-employed-opt-in/.
Opt In to WA Cares

Elective coverage details

- Opt-in started July 1, 2023
- Need to opt-in before June 30, 2026 or within 3 years of becoming self-employed for the first time
- May not withdraw coverage
- Will be required to pay premiums until you are no longer self-employed or retire
- Responsible for 100% of all premiums assessed to an employee
- No Social Security cap
- Individuals with an approved exemption will not be able to elect coverage for WA Cares

Elective coverage premiums

Reportable income includes:

- Your net earnings
AND
- Gross wages paid to you from your business entity

No Social Security cap

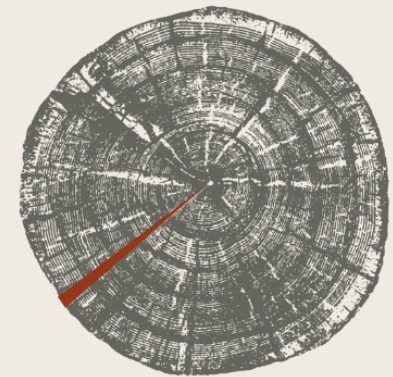


Total premium

0.58%

of reportable income

*(reportable income
x .0058)*



Important dates for elective coverage

Notice of Election of Coverage Date

July 1, 2023: Self-employed individuals may begin electing coverage for WA Cares



Elective Coverage Effective Start Date

Quarter after opting in: Start withholding premiums for elective coverage individuals



Quarterly Reporting & Payment

Due April 30 for Q1 (January, February, March)
Due July 31 for Q2 (April, May, June)
Due October 31 for Q3 (July, August, September)
Due January 31 for Q4 (October, November, December)

Canceling elective coverage

There is no option to withdraw after you have elected coverage for WA Cares. WA Cares elective coverage is permanent.

If you retire or are no longer self-employed, you must notify the department to cancel your elective coverage account.



The screenshot shows the WA Cares Fund website interface. At the top left is the WA Cares Fund logo. To its right is the text "WA Cares" with an information icon. Below this is a link: "For more information on WA Cares elective coverage visit wacaresfund.wa.gov/self-employed-opt-in/". Below the link is a table with two columns: "Coverage Period" and "Action". The table contains one row with the following data:

Coverage Period	Action
10/01/2023 - Ongoing	Cancel coverage (when no longer self-employed)

Below the table, it says "1 record".

NOTE: The Employment Security Department (ESD) may cancel elective coverage if the individual fails to make required payments or file reports.

Comparing Paid Leave and WA Cares

PAID FAMILY AND MEDICAL LEAVE

Opt-in any time during your self-employment

Coverage is for 3 years and renews automatically renews each year after that

EE Share Premium

SS Cap

WA CARES FUND

Opt-in by June 30, 2026, or within 3 years of becoming self employed

Coverage is permanent until retirement or no longer self-employed

Full Premium

No SS Cap

COMMON BETWEEN PROGRAMS

Definition of Self-Employed Individual

Definition of wages and hours

Same reporting requirements and deadlines

Questions & Answers



Benefits for your family & community



Care for you

to help you stay in your own home for longer as you age



Care for loved ones

who can make you a paid caregiver or get other services to ease impact of care needs



Resources for your workplace

to help your coworkers stay in their jobs & care for their families



Financial support

by keeping benefits workers earn in their family or community



Affordable coverage

for the majority of families who can't afford private long-term care insurance



Lower costs

of long-term care spending we all pay through sales & other taxes



Thank You

Learn more at wacaresfund.wa.gov/opt-in

Find slides and other materials at wacaresfund.wa.gov/webinars

Contact us by email
[wacaresfund.wa.gov/
contact-us](https://wacaresfund.wa.gov/contact-us)

**Contact us by phone
(employers, exemptions
& self-employed opt-in)**
833-717- 2273

**Contact us by phone
(benefit coverage
& other questions)**
844-CARE4WA