OPTING OUT OF THE STATE’S WA CARES FUND (LONG-TERM CARE)

IMPORTANT DEADLINES
You are required to purchase an insurance plan and then apply for an exemption. Specific deadlines apply.
- You must purchase long-term care coverage by 10/31/2021
- You must apply for an exemption at some point between 10/1/2021 through 12/31/2022

APPLYING FOR AN EXEMPTION (OPTING OUT)
You will need to apply for an exemption from the State’s tax. The Employment Security Department (ESD) has opened the portal for opting out. Use the step-by-step instruction sheet to assist you in this process. Note that at the time you submit your opt-out application, the State will not require you to provide any information about your purchased insurance coverage. They can in the future request this information from you when conducting audits.

EFFECTIVE DATE
Do not delay applying for the tax exemption. While waiting for the State’s approval, you will need to pay the WA Cares Fund tax.
- Once approved, your tax waiver will be effective the 1st of the quarter following the approval
- You must provide the State’s approval letter to your employer promptly – they may not be able to stop the deductions until the 1st of the quarter following the date you provide them with the letter
- Any tax you pay into the State’s long-term care program prior to your approval effective date will not be refunded to you

FOR EXAMPLE: If ESD approves your waiver application on December 12th, the effective date would be 1/1/2022. However, if ESD approves your waiver application on January 18th, the effective date would be 4/1/2022 and you would be required to pay the state’s WA Cares Fund tax in January, February, and March. Regardless of when you receive your approval letter from the State, if you delay giving a copy to your employer you will be paying tax to the State. For example, if you receive approval in December but wait until June of 2022 to provide your employer with the approval letter, they won’t be able to stop making payroll tax deductions from your paycheck until July of 2022 – plus the State will not refund you any of your past tax payments.

IT’S YOUR RESPONSIBILITY TO PROVIDE THE APPROVAL LETTER
Once you receive your exemption approval letter, make multiple copies. Before your employer can stop deducting the State’s WA Cares Fund tax from your paycheck, you must provide them with a copy of the approval letter from the Employment Security Department. You will also need to provide a copy of this letter to any other current and future employers.

COVERAGE CONTINUATION AFTER SEPARATION OF EMPLOYMENT
Be sure to keep your policy from lapsing (terminating) after a job change. Upon employment termination, the insurance company will send you information on how to continue your policy through direct payment. The policy would continue at the same benefits and same rates.
WA State LTC Program - How to Opt Out
(a step-by-step instruction sheet)

1. Go to www.wacaresfund.wa.gov
   a. On the left directory, choose Exemptions
   b. Scroll down and click the button that says Apply for an Exemption
      – this brings you to a new page on the WA Cares site
   c. Scroll down for qualification information
2. You will need to then visit www.secureaccess.wa.gov
   a. If you have an existing account, enter your info and hit Submit
   b. If you need to create an account, hit Sign Up and enter your info
3. If you have not already added PFML to your account, follow these steps
   a. Click on Add a New Service
   b. Click I would like to browse a list of services by agency
   c. Choose Employment Security Department
   d. Choose Paid Family and Medical Leave (PFML) by hitting Apply
   e. The system will add this to your account – hit OK
4. To Access the WA Cares under the Paid Family and Medical Leave area
   a. Click on Access Now
   b. Then hit Continue
   c. Scroll down and under WA Cares Exemption, choose Create an Account
   d. Enter your information
5. Once you have created an account, you can apply for the WA Cares exemption
   a. Under the Paid Family and Medical leave area, click on Access Now
   b. Hit Continue
   c. Under My WA Cares Exemption, click on Apply for an Exemption
   d. Enter your current age
   e. Attest that you are
      i. At least 18
      ii. Have long-term care insurance that was purchased before 11/1/2021
      iii. Wish to opt out of participating in the WA Cares Fund Program
   f. Click the boxes showing you understand that
      i. If my application for exemption is approved, I will never be able to participate in the WA Cares fund program and I will never be eligible to receive program benefits.
      ii. The Employment Security Department may verify the information I provide and may request additional information.
   g. Click on Next
      i. You may need to upload proof of identity if you have not done so in the past under the Secure Access WA system
      ii. If so, choose the file(s) and then hit Upload, then Next
6. To see the status of your application
   a. Under the Paid Family and Medical leave area, click on Access Now
   b. Hit Continue
   c. Your application status will be listed, and any correspondence the state has sent to you