



Memo

To: All Employees
From: Integrated Payroll and Benefits Services
Date: April 26, 2023
Re: Washington Cares Act Tax

We are sending this memo as a reminder that employees will begin contributing to Washington Cares on July 1, 2023. Benefits will become available on July 1, 2026. In order to use this benefit, an individual must meet a contribution requirement, as well as care need requirements.

Exemption Options

Our previous memo that was sent November 22, 2021, explained the exemption process. The deadline for the private insurance opt-out provision expired on December 31, 2022 and is no longer available. As of January 1, 2023, individuals can apply for new exemption categories, which are:

- Living out of state – your primary residence must be outside of Washington.
- Temporarily working in Washington with a nonimmigrant visa – you must have a nonimmigrant visa for temporary workers in hand.
- A spouse or registered domestic partner of an active-duty service member in the U.S. armed forces.
- A veteran with a 70% or greater service-connected disability that has been rated by the U.S. Department of Veterans Affairs.

To begin the application process for an exemption, click on this link: <https://wacaresfund.wa.gov/apply-for-an-exemption/>. On the website, you will find information and instructions on how to apply. The Employment Security Department (ESD) will review your application. If your application is approved, you will receive an exemption approval letter, which must be given to your employer. Exemptions will take effect the quarter after your application is approved. **If you don't provide your employer with an ESD approval letter, any premiums that may have been collected will not count toward benefit eligibility and employers have no responsibility to return those premiums to you.**

If you receive an approval letter from ESD, please upload it to your Paycom Employee Self-Service account. Click on the Documents tab, click on Add Document, from the dropdown menu - scroll to the bottom to select WA Cares Tax Exemption, click Next, and from the left side of the screen, you should be able to choose the file you want to upload from its location by clicking on the arrow next to File. **Directions are included below to help guide you through the process.**

Exemptions will be discontinued when an individual no longer qualifies for an exemption. Individuals are required to notify the Employment Security Department and the employer within 90 days of not

qualifying. Failure to do so will result in the payment of unpaid premiums with 1% interest per month to the Employment Security Department.

Benefits/Access

- With WA Cares, an individual can receive long-term care services and support worth up to \$36,500 (adjusted annually for inflation) over a lifetime. It is designed to help people stay in their home as long as possible – receiving help each day from a caregiver for at least 3 or more daily living activities (meal preparation, transportation, medication management, etc.) to continue to live independently or funds can be used to pay for care in a residential setting, like a nursing home.
- Lifetime access to benefits is earned by contributing at least 10 years without a break of 5+ years OR the full benefit amount can be accessed if an individual contributed 3 of the past 6 years and has a sudden care need during their career or just after leaving the workforce. People born before 1968 can earn 10% of the full benefit amount for each year they work.
- WA Cares is funded entirely by worker premiums – employees who work more than 500 hours per year (approximately 10 hours per week). Those who are self-employed have the choice to opt into WA Cares and earn benefits.
- Once an individual retires or leaves the workforce temporarily, their contributions stop.

Premiums

- The premium for 2023 is 0.58 percent of an employee's gross income (gross income x 0.0058 = employee premium). For example, a person earning \$50,091 will contribute \$291/year or about \$24/month. Over 30 years, this totals to about \$8,700, which will earn a \$36,500 benefit that grows over time.
- Unlike Paid Leave, premium contributions are not capped at the taxable maximum for social security.

Additional Resources

More information can be found on the Washington Cares program website:

- [WA Cares Fund - Long-Term Care Benefits](#)

If you have any questions, please contact Benefit Services at: 206-382-4566. We can also be reached by email at: IPBS@seattlearch.org

WA Cares Act Tax – Paycom Upload Document Instructions

To upload exemption documents for the WA Cares Act Tax, you can follow these steps.

- Log in to Paycom Employee Self-Service account.
- Choose “Document” from the menu at the top of the page.
- Click on “Add Document”
- From the dropdown menu - scroll to the bottom to select WA Cares Tax Exemption.
- Click “Next”
- From the left side of the screen, you should be able to choose the file you want to upload from its location by clicking on the arrow next to File.
- Once your file is located, click on “Add” to upload it to Paycom.

