



HR Flash

May 17th, 2022

WA Cares Fund Implementation Delayed

On Jan. 27, 2022, Governor Inslee signed HB 1732 to notify payroll companies and employers of changes to the WA Cares Act. The provided guidance instructs employers and payroll companies to stop withholding WA Cares premiums from employee earnings. ([ESD News Release](#)).

The WA Cares Fund, touted as a “first-of-its-kind program ensuring all Washingtonians have access to affordable long-term care when they need it,” experienced pushback to some of the provisions it contained, leading the legislature to enact the improvements contained in two bills. House Bill 1732 enables near-retirees to qualify for partial benefits and delays the WA Cares Fund by 18 months, directing employers to begin withholding premiums again starting July 1, 2023.

House Bill 1733 will allow certain veterans with disabilities, spouses and registered domestic partners of military service members, workers on temporary nonimmigrant visas, and employees who work in Washington but live in a different state to opt out of WA Cares.

As of Feb. 22, 2022, exemptions will be made available to groups who did not previously qualify, including workers who live outside of Washington, military spouses, workers holding non-immigrant visas, and certain veterans with disabilities. Exemption applications for newly eligible groups will become available January 1, 2023.

Note: Workers who wish to apply for an exemption because they hold a long-term care insurance plan purchased by Nov. 1, 2021 must still apply by Dec. 31, 2022. Employers should continue to keep copies of exemption approval letters for workers who have provided them.

Payroll companies will refund any employees’ premiums collected in 2022, if applicable.

For additional information, please consider subscribing to the employer Employment Security Department newsletter and visiting the WA Cares Fund [website](#).

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