



Bob Ferguson
ATTORNEY GENERAL OF WASHINGTON

Administration Division
PO Box 40100 • Olympia, WA 98504-0100 • (360) 753-6200

July 8, 2024

The Honorable Steve Hobbs
ATTN: Stuart Holmes
PO Box 40229
Olympia, WA 98504-0229

Re: Ballot Title and Explanatory Statement for Initiative Measure No. 2124

Dear Secretary Hobbs:

In accordance with RCW 29A.32.040 and RCW 29A.32.070, we supply herewith the Ballot Title and Explanatory Statement for Initiative Measure No. 2124. The ballot title and summary for Initiative Measure No. 2124 were previously established, and are repeated here solely for convenience of reference.

BALLOT TITLE

Statement of Subject: Initiative Measure No. 2124 concerns state long term care insurance.

Concise Description: This measure would provide that employees and self-employed people must elect to keep coverage under RCW 50B.04 and could opt-out any time. It would also repeal a law governing an exemption for employees.

Should this measure be enacted into law? Yes [] No []

BALLOT MEASURE SUMMARY

This measure would amend state law establishing a state long term care insurance program to provide that employees and self-employed people must elect to keep coverage under RCW 50B.04, allow employees to opt-out of coverage under RCW 50B.04 at any time, and repeal a current law governing exemptions for employees who had purchased long term care insurance before November 1, 2021.

ATTORNEY GENERAL OF WASHINGTON

The Honorable Steve Hobbs
July 8, 2024
Page 2

EXPLANATORY STATEMENT

The Law as It Presently Exists

In 2019, the Washington Legislature created a public long term care insurance program that is commonly known as “WA Cares.” The program provides people who meet its requirements up to \$36,500 (plus increases based on inflation) to pay for certain long term care services, such as nursing home care.

The insurance program is funded through mandatory contributions from most employees in Washington. Employers must deduct 0.58 percent of an employee’s wages. Participation is mandatory for most employees whether they are full-time, part-time, or temporary workers. Payroll deductions began on July 1, 2023.

Some employees in Washington do not contribute to the long term care insurance program and are not eligible for the program’s benefit. In general, federal employees, employees of federally recognized tribes, and persons who are self-employed do not participate in the long term care insurance program. However, federally recognized tribes and persons who are self-employed may choose to participate.

Certain employees may apply for voluntary exemptions from participation in the program. Employees who may apply for voluntary exemptions include veterans with service-connected disabilities, spouses or registered domestic partners of active-duty military members, temporary workers on a non-immigrant visa, and, under recent changes to the law, workers whose permanent address is outside Washington. In addition, employees who obtained private long term care insurance before November 2021 were eligible to apply for an exemption until December 2022.

Participants must contribute to the long term care insurance program for a minimum number of years before they are eligible to apply for benefits. In general, participants must contribute for either (1) at least ten years, without a gap of five or more consecutive years, or (2) for three of the last six years before the date a person applies for benefits. A person born before 1968 may receive partial benefits based on the number of years they have contributed to the program.

The long-term care insurance benefit is available only to individuals who need assistance with at least three activities of daily living, such as eating, getting in or out of bed, dressing, taking medications, or bathing. In addition, a person is eligible for the benefit only if they are at least 18 years old. For Washington residents, benefits first become available on July 1, 2026.

ATTORNEY GENERAL OF WASHINGTON

The Honorable Steve Hobbs

July 8, 2024

Page 3

The Effect of the Proposed Measure if Approved

If adopted, Initiative Measure No. 2124 (I-2124) would change how participation in the long term care insurance program works. Employees and self-employed persons who are currently participating in the program would be able to opt out at any time. A person who opts out would not contribute premiums to the program and would not be eligible for the \$36,500 benefit.

I-2124 would also require that employees or self-employed persons in Washington elect to keep coverage under the program.

This measure does not specify the timing or process for employees or self-employed persons to either “elect to keep coverage” or opt out of the program. I-2124 would give the Employment Security Department authority to adopt rules to implement the measure’s requirements.

I-2124 would also repeal the statute that created a voluntary exemption for employees who had purchased long term care insurance before November 2021.

Sincerely,

s/Karl D. Smith

KARL D. SMITH

Deputy Solicitor General

(360) 664-2510