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Washington State Senate

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December 1, 2021

The Honorable Jay Inslee
Governor of the State of Washington
P.O. Box 40002
Olympia, WA 98504-002

Dear Governor Inslee:

We, the leadership of the Senate Democratic Caucus, request you delay the implementation of the WA Cares Fund premium assessment from January 1, 2022 to January 1, 2023. This delay will allow the legislature time during the 2022 legislative session to engage the public in a transparent, deliberative process to address concerns that have been raised with the WA Cares Fund without being limited by a premium assessment that is already in progress. The additional year will also allow the relevant agencies time to fully implement any changes with appropriate time to communicate with the public about the program.

We continue to be in full support of the goals of the WA Cares Fund to provide an important long-term care benefit to ensure our population can age gracefully in their homes. The high cost of care as people age has potentially devastating financial consequences on every Washingtonian without long-term care insurance.

While the law allows people who already have private long-term care insurance to opt out of the program, many of our constituents were unable to do so by the November 1st deadline. This was in large part due to the failure of the private long-term care insurance market. This market has been unstable and unpredictable for many years and is a risk to many consumers who purchase policies that never pay out benefits. Nevertheless, many employees who wished to opt out will nonetheless get assessed the 0.58% on their wages on January 1st. The Legislature should be given ample time to evaluate our options before employees get money taken out of their paychecks.

Additionally, considering the high number of unexpected exemptions, it would be a benefit to everyone to examine the impact of the exemptions on the program. Delaying the program will give us time to analyze recent data. If the long-term solvency is in doubt, we must be able to examine all options for modifying the program to ensure viability into the future. If employees in Washington are already being assessed the premium it could complicate and limit potential solutions.

We have also heard loud and clear from our constituents that they believe it is unfair that not everyone who will pay the premium will be able to benefit from it. A consistent concern raised is that the program is flawed because many employees who are vested into it will not be able to benefit if they move to another state later in life. Border-state residents and foreign workers who work in Washington have pointed out that they must also pay into this program and likely will not benefit from it. There are also many employees who will retire soon and will not get the opportunity to vest into the program.

Finally, we think it's vitally important to look at all programs through the lens of the pandemic. When this plan was passed in 2019, the world was a much different place. As our state and nation continue to grapple with Covid-19 and support a healthy financial recovery for everyone, now is not the time to add a payroll deduction, even for a critical need. We know Washingtonians face challenges with housing, childcare and other costs during this recovery and we do not want to add another at this difficult time.

As noted earlier, we continue to support the goals of the WA Cares Fund, but we also recognize that changes to the program are needed. We expect one of the primary issues during the 2022 legislative session will be the WA Cares Fund. In order for the Legislature to have time to listen to the public, examine all the necessary data, and engage in a robust debate of what modifications must be made, we believe that the program must be delayed until January 1, 2023.

Thank you for your leadership and consideration.

Sincerely,

Senate Democratic Leadership



Senator Andy Billig
Senate Majority Leader



Senator Karen Keiser
Senate President Pro Tempore



Senator Rebecca Saldaña
Deputy Senate Majority Leader



Senator Manka Dhingra
Deputy Senate Majority Leader



Senator Bob Hasegawa
Senate Majority Caucus Chair



Senator Marko Liias
Senate Majority Floor Leader



Senator Emily Randall
Senate Majority Whip

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