

Marguerite Ro: WA Cares offers state's residents a safety net

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By Marguerite Ro

Next year workers in Washington will begin vesting in WA Cares. All workers – gig, part time, self-employed, even near-retirees – are eligible, including those with pre-existing conditions. We will soon be able to tap into this new state benefit to cover up to \$36,500 in long-term care costs. WA Cares will give us the choice of staying in our homes by paying a home care aide or family member to help us. And we only pay into it while we are working, unlike the premiums required by private insurers even after policyholders retire.

Legislators worked with actuarial experts as they constructed WA Cares. Multiple actuarial analyses say the program is on rock-solid footing through the end of the century, even using the most conservative assumptions. The fund was structured to provide an extraordinary return on investment. For example, a 50-year-old worker making \$75,000 today will contribute \$6,570 over the next 10 years. If retiring at 65, they will be eligible for \$36,500 (likely significantly more because the benefit rises with the rate of inflation).

While private long-term care insurance remains a choice for Washingtonians who can afford it, 90% of us do not have it. In addition, those with pre-existing conditions, like cancer, multiple sclerosis, high blood pressure, diabetes, lupus, or asthma, may not be eligible – or may need to pay more.

WA Cares is a broad safety net for people in need. Let's face the facts: 70% of us will need help with meals, moving around, or using the bathroom at some point in our lives. Long-term care is not just for seniors; 40% of us needing assistance with daily living activities are under 65.

Moreover, WA Cares will do something that most private long-term care insurance companies will not. It supports Washingtonians who want to stay in their own homes and have a family member or loved one provide care. The WA Cares Fund will pay for training to help family caregivers keep their loved ones safe and can help pay family caregivers to offset lost income while providing care.

In Washington, an estimated 860,000 family caregivers assist older loved ones and provide the equivalent of \$10.7 billion in unpaid care. Without the help of family caregivers, our state's long-term care system would fail.

A recent survey of Washingtonians found that 4 in 5 (81%) reported being "worried" or "very worried" about affording health care. Topping the list of concerns was the cost of nursing home or home care services and medical expenses as we age or in the event of a serious illness or accident.

More than 3 million Washingtonians will be eligible for WA Cares benefits, according to a new analysis. Juxtapose this number with the number of folks who, if they move out of state, may not be eligible: In the most recent five-year period, data shows approximately 16,000 people – 1.3% of Washingtonians over 65 - moved out of state.

Washingtonians can feel proud that our state was the first in the nation to address the need for help covering the costs of long-term care. WA Cares will help the vast majority of us stretch our dollars in the likely event we need help with the tasks of daily living.

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