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## Health Care & Wellness Committee

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### SSB 6267

**Brief Description:** Modifying the long-term services and supports trust program by clarifying the ability for individuals with existing long-term care insurance to opt-out of the premium assessment and making technical corrections.

**Sponsors:** Senate Committee on Health & Long Term Care (originally sponsored by Senators Takko, King and Van De Wege; by request of Employment Security Department).

#### Brief Summary of Substitute Bill

- Establishes a process for employees with long-term care insurance who wish to be exempted from paying the premium assessment under the Long-Term Services and Supports Trust Program to apply to the Employment Security Department for an exemption.

**Hearing Date:** 2/27/20

**Staff:** Chris Blake (786-7392).

#### Background:

In 2019 the Long-Term Services and Supports Trust Program (Trust Program) was enacted to provide long-term services and supports benefits to persons who have paid into the Trust Program for a specific amount of time and who have been assessed as needing a certain amount of assistance with activities of daily living.

Beginning January 1, 2022, a premium of 0.58 percent will be assessed on the wages of all employees in Washington who have worked at least 500 hours during the year. Washington residents who are at least 18 years old and who have paid the premium for either: (1) three years within the last six years; or (2) for a total of 10 years are granted "qualified individual" status. A qualified individual may become an "eligible beneficiary" upon having been assessed as requiring assistance with at least three activities of daily living. Upon becoming an eligible beneficiary, a person may receive approved services in the form of benefit units that the

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Department of Social and Health Services pays to a long-term services and supports provider for performing services on behalf of eligible beneficiaries. Employees who demonstrate that they have long-term care insurance are exempt from the premium assessment.

The Trust Program is administered jointly by the Department of Social and Health Services, the Employment Security Department, and the Health Care Authority. Trust Program oversight is provided by the Long-Term Services and Supports Trust Commission which includes legislators, agency directors, and representatives from area agencies on aging, stakeholders, and consumers of approved services.

**Summary of Bill:**

An "exempt employee" is defined as a person who has been granted an exemption from paying the premium assessment under the Long-Term Services and Supports Trust Program (Trust Program) by the Employment Security Department (Department). An employee may apply to the Department to be an exempt employee if the employee attests to having long-term care insurance. The Department must accept applications only from October 1, 2021, through December 31, 2022. The Department is not required to verify the attestations from applicants.

Exempt employees may not become qualified individuals and are permanently ineligible for the Trust Program. Exempt employees are not entitled to refunds of premiums paid prior to being granted exempt status. Exempt employees are responsible for notifying current and future employers of their exempt status. If an exempt employee fails to notify an employer of an exemption, the employee is not entitled to a refund of premiums deducted prior to the notification. Employers must not deduct premiums once an employee has notified them of the employee's exempt status.

Statutory references are changed to account for the 2019 recodification of the Family Medical Leave Act.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.