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**ENGROSSED SUBSTITUTE SENATE BILL 5291**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senate Labor & Commerce (originally sponsored by Senators Conway, Saldaña, Cleveland, Frame, Nobles, Stanford, Valdez, and C. Wilson)

READ FIRST TIME 02/03/25.

1       AN ACT Relating to strengthening the WACares program by  
2 implementing the recommendations of the long-term services and  
3 supports trust commission; amending RCW 50B.04.180, 50B.04.010,  
4 50B.04.020, 50B.04.030, 50B.04.050, 50B.04.055, 50B.04.060,  
5 50B.04.070, 50B.04.085, 50B.04.100, 50B.04.140, 74.39.007, and  
6 70.127.040; reenacting and amending RCW 50B.04.080; adding new  
7 sections to chapter 50B.04 RCW; adding a new section to chapter 48.83  
8 RCW; adding a new chapter to Title 48 RCW; creating a new section;  
9 repealing RCW 50B.04.040; providing effective dates; and providing an  
10 expiration date.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

12       **Sec. 1.** RCW 50B.04.180 and 2024 c 120 s 2 are each amended to  
13 read as follows:

14       (1) Beginning July 1, 2026, an employee or self-employed person,  
15 who has elected coverage under RCW 50B.04.090, who relocates outside  
16 of Washington may elect to continue participation in the program if:

17       (a) The employee or self-employed person has been assessed  
18 premiums by the employment security department for at least three  
19 years in which the employee or self-employed person has worked at  
20 least 500 hours in each of those years in Washington; and

1 (b) The employee or self-employed person notifies the employment  
2 security department within one year of establishing a primary  
3 residence outside of Washington that the employee or self-employed  
4 person is no longer a resident of Washington and elects to continue  
5 participation in the program.

6 (2) Out-of-state participants under subsection (1) of this  
7 section must report their wages or self-employment earnings to the  
8 employment security department according to standards for manner and  
9 timing of reporting and documentation submission, as adopted by rule  
10 by the employment security department. An out-of-state participant  
11 must submit documentation to the employment security department  
12 whether or not the out-of-state participant earned wages or self-  
13 employment earnings, as applicable, during the applicable reporting  
14 period. When an out-of-state participant reaches the age of 67, the  
15 participant is no longer required to provide the documentation of  
16 their wages or self-employment earnings, but if the participant earns  
17 wages or self-employment earnings, the participant must submit  
18 reports of those wages or self-employment earnings and remit the  
19 required premiums.

20 (3) Out-of-state participants under subsection (1) of this  
21 section must provide documentation of wages and self-employment  
22 earnings earned at the time that they report their wages or self-  
23 employment earnings to the employment security department.

24 (4) An out-of-state participant who has elected to continue  
25 participation in the program under subsection (1) of this section may  
26 not withdraw from coverage under the program. The employment security  
27 department ((~~may~~)) shall cancel out-of-state elective coverage if the  
28 out-of-state participant fails to make required payments or submit  
29 reports. ((~~The employment security department may collect due and~~  
30 ~~unpaid premiums and may levy an additional premium for the remainder~~  
31 ~~of the period of coverage.~~)) The cancellation must be effective no  
32 later than 30 days from the date of the notice in writing advising  
33 the out-of-state participant of the cancellation.

34 (5) The employment security department shall:

35 (a) Adopt standards by rule for the manner and timing of  
36 reporting and documentation submission for out-of-state participants.  
37 The employment security department must consider user experience with  
38 the wage and self-employment earnings reporting process and the  
39 document submission process and regularly update the standards to  
40 minimize the procedural burden on out-of-state participants and

1 support the accurate reporting of wages and self-employment earnings  
2 at the time of the payment of premiums;

3 (b) Collect premiums from out-of-state participants as provided  
4 in RCW 50B.04.080 and 50B.04.090, as relevant to out-of-state  
5 participants; and

6 (c) Verify the wages or self-employment earnings as reported by  
7 an out-of-state participant.

8 (6) For the purposes of this section, "wages" includes  
9 remuneration for services performed within or without or both within  
10 and without this state.

11 (7) Entities providing services to an eligible beneficiary  
12 outside Washington are subject to RCW 50B.04.200 and may not  
13 discriminate based upon race, gender, age, or preexisting condition.

14 (8) ~~((An employee or self-employed person who has elected  
15 coverage under RCW 50B.04.090 who relocates outside of Washington may  
16 elect to opt out of coverage by no longer reporting wages to the  
17 department, rather than become an out-of-state participant in the  
18 program.~~

19 ~~(9))~~ By extending the premium base to out-of-state participants  
20 under subsection (1) of this section, chapter 120, Laws of 2024 will  
21 increase the state's investment in long-term care services.

22 **Sec. 2.** RCW 50B.04.010 and 2024 c 120 s 3 are each amended to  
23 read as follows:

24 The definitions in this section apply throughout this chapter  
25 unless the context clearly requires otherwise.

26 (1) "Account" means the long-term services and supports trust  
27 account created in RCW 50B.04.100.

28 (2) "Approved service" means long-term services and supports  
29 including, but not limited to:

- 30 (a) Adult day services;
- 31 (b) Care transition coordination;
- 32 (c) Memory care;
- 33 (d) Adaptive equipment and technology;
- 34 (e) Environmental modification;
- 35 (f) Personal emergency response system;
- 36 (g) Home safety evaluation;
- 37 (h) Respite for family caregivers;
- 38 (i) Home delivered meals;
- 39 (j) Transportation;

- 1 (k) Dementia supports;
- 2 (l) Education and consultation;
- 3 (m) Eligible relative care;
- 4 (n) Professional services;
- 5 (o) Services that assist paid and unpaid family members caring
- 6 for eligible individuals, including training for individuals
- 7 providing care who are not otherwise employed as long-term care
- 8 workers under RCW 74.39A.074;
- 9 (p) In-home personal care;
- 10 (q) Assisted living services;
- 11 (r) Adult family home services; and
- 12 (s) (~~(Nursing home services)~~) Long-term services and supports
- 13 provided in nursing homes.

14 (3) "Benefit unit" means up to \$100 paid by the department of

15 social and health services to a long-term services and supports

16 provider as reimbursement for approved services provided to an

17 eligible beneficiary on a specific date. The benefit unit must be

18 adjusted annually (~~(at a rate no greater than the Washington state~~

19 ~~consumer price index, as determined solely by the council. Any~~

20 ~~changes adopted by the council shall be subject to revision by the~~

21 ~~legislature)) for inflation by the consumer price index. The adjusted~~

22 benefit unit must be calculated to the nearest cent/dollar using the

23 consumer price index for the Seattle, Washington area for urban wage

24 earners and clerical workers, all items, CPI-W, or a successor index,

25 for the 12 months before each September 1st compiled by the United

26 States department of labor's bureau of labor statistics. Each

27 adjusted benefit unit calculated under this subsection takes effect

28 on the following January 1st.

29 (4) "Commission" means the long-term services and supports trust

30 commission established in RCW 50B.04.030.

31 (5) (~~("Council" means the long-term services and supports trust~~

32 ~~council established in RCW 50B.04.040.~~

33 ~~(6))~~ "Eligible beneficiary" means a qualified individual who is

34 age 18 or older, resides in the state of Washington or has elected to

35 keep coverage when they relocate out-of-state under RCW 50B.04.180,

36 has been determined to meet the minimum level of assistance with

37 activities of daily living necessary to receive benefits through the

38 trust program, as (~~(established in this chapter)~~) provided in RCW

39 50B.04.060, and has not exhausted the lifetime limit of benefit

40 units.

1           ~~((7))~~    (6)    "Employee"   has   the   meaning   provided   in   RCW  
2   50A.05.010.

3           ~~((8))~~    (7)    "Employer"   has   the   meaning   provided   in   RCW  
4   50A.05.010.

5           ~~((9))~~    (8)    "Employment"   has   the   meaning   provided   in   RCW  
6   50A.05.010.

7           ~~((10))~~   (9)    "Exempt employee" means a person who has been  
8   granted a premium assessment exemption by the employment security  
9   department.

10          ~~((11))~~   (10)   "Long-term services and supports provider" means:  
11          (a) For entities providing services to an eligible beneficiary in  
12   Washington, an entity that meets the qualifications applicable in law  
13   to the approved service they provide, including a qualified or  
14   certified home care aide, licensed assisted living facility, licensed  
15   adult family home, licensed nursing home, licensed in-home services  
16   agency, adult day services program, vendor, instructor, qualified  
17   family member, or other entities as registered by the department of  
18   social and health services; and

19          (b) For entities providing services to an eligible beneficiary  
20   outside Washington, an entity that meets minimum standards for care  
21   provision and program administration, as established by the  
22   department of social and health services, and that is appropriately  
23   credentialed in the jurisdiction in which the services are being  
24   provided as established by the department of social and health  
25   services.

26          ~~((12))~~   (11)   "Premium" or "premiums" means the payments required  
27   by RCW 50B.04.080 and paid to the employment security department for  
28   deposit in the account created in RCW 50B.04.100.

29          ~~((13))~~   (12)   "Program" means the long-term services and supports  
30   trust program established in this chapter.

31          ~~((14))~~   (13)   "Qualified family member" means a relative of an  
32   eligible beneficiary qualified to meet requirements established ~~((in~~  
33   ~~state law))~~ by the department of social and health services for the  
34   approved service they provide ~~((that would be required of any other~~  
35   ~~long-term services and supports provider to receive payments from the~~  
36   ~~state))~~.

37          ~~((15))~~   (14)   "Qualified individual" means an individual who  
38   meets the duration of payment requirements, as established in this  
39   chapter.

1       (~~(16)~~) (15) "State actuary" means the office of the state  
2 actuary created in RCW 44.44.010.

3       (~~(17)~~) (16) "Wage or wages" means all remuneration paid by an  
4 employer to an employee. Remuneration has the meaning provided in RCW  
5 50A.05.010. All wages are subject to a premium assessment and not  
6 limited by the commissioner of the employment security department, as  
7 provided under RCW 50A.10.030(4).

8       **Sec. 3.** RCW 50B.04.020 and 2024 c 120 s 4 are each amended to  
9 read as follows:

10       (1) The health care authority, the department of social and  
11 health services, the office of the state actuary, and the employment  
12 security department each have distinct responsibilities in the  
13 implementation and administration of the program. In the performance  
14 of their activities, they shall actively collaborate to realize  
15 program efficiencies and provide persons served by the program with a  
16 well-coordinated experience.

17       (2) The health care authority shall:

18       (a) Track the use of lifetime benefit units to verify the  
19 individual's status as an eligible beneficiary as determined by the  
20 department of social and health services;

21       (b) Ensure approved services are provided through audits or  
22 service verification processes within the service provider payment  
23 system for registered long-term services and supports providers and  
24 recoup any inappropriate payments;

25       (c) Establish criteria for the payment of benefits to  
26 (~~registered~~) long-term services and supports providers under RCW  
27 50B.04.070;

28       (d) Establish rules and procedures for benefit coordination when  
29 the eligible beneficiary is also funded for medicaid and other long-  
30 term services and supports, including medicare, coverage through the  
31 department of labor and industries, and private long-term care  
32 coverage; (~~and~~)

33       (e) Assist the department of social and health services with the  
34 leveraging of existing payment systems for the provision of approved  
35 services to beneficiaries under RCW 50B.04.070; and

36       (f) Adopt rules and procedures necessary to implement and  
37 administer the activities specified in this section related to the  
38 program.

39       (3) The department of social and health services shall:

- 1 (a) Make determinations regarding an individual's status as an  
2 eligible beneficiary under RCW 50B.04.060;
- 3 (b) Approve long-term services and supports eligible for payment  
4 as approved services under the program, as informed by the  
5 commission;
- 6 (c) Register long-term services and supports providers that meet  
7 minimum qualifications;
- 8 (d) Discontinue the registration of long-term services and  
9 supports providers that: (i) Fail to meet the minimum qualifications  
10 applicable in law to the approved service that they provide; or (ii)  
11 violate the operational standards of the program;
- 12 (e) Disburse payments of benefits to registered long-term  
13 services and supports providers, utilizing and leveraging existing  
14 payment systems for the provision of approved services to eligible  
15 beneficiaries under RCW 50B.04.070;
- 16 (f) Prepare and distribute written or electronic materials to  
17 qualified individuals, eligible beneficiaries, and the public as  
18 deemed necessary by the commission to inform them of program design  
19 and updates;
- 20 (g) Provide customer service and address questions and  
21 complaints, including referring individuals to other appropriate  
22 agencies;
- 23 (h) Provide administrative and operational support to the  
24 commission;
- 25 (i) Track data useful in monitoring and informing the program, as  
26 identified by the commission;
- 27 (j) Develop criteria to deem a family member as qualified when  
28 providing approved services outside of Washington; (~~and~~)
- 29 (k) Adopt rules and procedures necessary to implement and  
30 administer the activities specified in this section related to the  
31 program; and
- 32 (l) Establish, by rule, the scope of the long-term services and  
33 supports identified in RCW 50B.04.010(2) that may be an approved  
34 service and identify the types of goods and services that are and are  
35 not covered under each approved service in order to maximize usage of  
36 all available public and private benefits for eligible beneficiaries.
- 37 (4) The employment security department shall:
- 38 (a) Collect and assess employee premiums as provided in RCW  
39 50B.04.080, 50B.04.090, and 50B.04.180;

1 (b) Assist the commission(~~(, council,)~~) and state actuary in  
2 monitoring the solvency and financial status of the program;

3 (c) Perform investigations to determine the compliance of premium  
4 payments in RCW 50B.04.080, 50B.04.090, and 50B.04.180 in  
5 coordination with the same activities conducted under the family and  
6 medical leave act, Title 50A RCW, to the extent possible;

7 (d) Make determinations regarding an individual's status as a  
8 qualified individual under RCW 50B.04.050, including criteria to  
9 determine the status of persons receiving partial benefit units under  
10 RCW 50B.04.050(2) and out-of-state participants under RCW 50B.04.180;  
11 and

12 (e) Adopt rules and procedures necessary to implement and  
13 administer the activities specified in this section related to the  
14 program.

15 (5) The office of the state actuary shall:

16 (a) Beginning July 1, 2025, and biennially thereafter, perform an  
17 actuarial audit and valuation of the long-term services and supports  
18 trust fund. Additional or more frequent actuarial audits and  
19 valuations may be performed at the request of the (~~council~~)  
20 commission;

21 (b) Make recommendations to the (~~council~~) commission and the  
22 legislature on actions necessary to maintain trust solvency. The  
23 recommendations must include options to redesign or reduce benefit  
24 units, approved services, or both, to prevent or eliminate any  
25 unfunded actuarially accrued liability in the trust or to maintain  
26 solvency; and

27 (c) Select and contract for such actuarial, research, technical,  
28 and other consultants as the actuary deems necessary to perform its  
29 duties under chapter 363, Laws of 2019.

30 (6) By October 1, 2021, the employment security department and  
31 the department of social and health services shall jointly conduct  
32 outreach to provide employers with educational materials to ensure  
33 employees are aware of the program and that the premium assessments  
34 will begin on July 1, 2023. In conducting the outreach, the  
35 employment security department and the department of social and  
36 health services shall provide on a public website information that  
37 explains the program and premium assessment in an easy to understand  
38 format. Outreach information must be available in English and other  
39 primary languages as defined in RCW 74.04.025.



1       **Sec. 4.** RCW 50B.04.030 and 2022 c 1 s 2 are each amended to read  
2 as follows:

3       (1) The long-term services and supports trust commission is  
4 established. The commission's recommendations and decisions must be  
5 guided by the joint goals of maintaining benefit adequacy and  
6 maintaining fund solvency and sustainability.

7       (2) The commission includes:

8       (a) Two members from each of the two largest caucuses of the  
9 house of representatives, appointed by the speaker of the house of  
10 representatives;

11       (b) Two members from each of the two largest caucuses of the  
12 senate, appointed by the president of the senate;

13       (c) The commissioner of the employment security department, or  
14 the commissioner's designee;

15       (d) The secretary of the department of social and health  
16 services, or the secretary's designee;

17       (e) The director of the health care authority, or the director's  
18 designee, who shall serve as a nonvoting member;

19       (f) One representative of the organization representing the area  
20 agencies on aging;

21       (g) One representative of a home care association that represents  
22 caregivers who provide services to private pay and medicaid clients;

23       (h) One representative of a union representing long-term care  
24 workers;

25       (i) One representative of an organization representing retired  
26 persons;

27       (j) One representative of an association representing skilled  
28 nursing facilities and assisted living providers;

29       (k) One representative of an association representing adult  
30 family home providers;

31       (l) Two individuals receiving long-term services and supports, or  
32 their designees, or representatives of consumers receiving long-term  
33 services and supports under the program;

34       (m) One member who is a worker who is, or will likely be, paying  
35 the premium established in RCW 50B.04.080 and who is not employed by  
36 a long-term services and supports provider; and

37       (n) One representative of an organization of employers whose  
38 members collect, or will likely be collecting, the premium  
39 established in RCW 50B.04.080.

1 (3) (a) Other than the legislators and agency heads identified in  
2 subsection (2) of this section, members of the commission are  
3 appointed by the governor for terms of two years, except that the  
4 governor shall appoint the initial members identified in subsection  
5 (2)(f) through (n) of this section to staggered terms not to exceed  
6 four years.

7 (b) The secretary of the department of social and health  
8 services, or the secretary's designee, shall serve as chair of the  
9 commission. Meetings of the commission are at the call of the chair.  
10 A majority of the voting members of the commission shall constitute a  
11 quorum for any votes of the commission. Approval of ~~((sixty))~~ 60  
12 percent of those voting members of the commission who are in  
13 attendance is required for the passage of any vote.

14 (c) Members of the commission and the subcommittee established in  
15 subsection (6) of this section must be compensated in accordance with  
16 RCW 43.03.250 and must be reimbursed for their travel expenses while  
17 on official business in accordance with RCW 43.03.050 and 43.03.060.

18 (4) Beginning January 1, 2021, the commission shall propose  
19 recommendations to the appropriate executive agency or the  
20 legislature regarding:

21 (a) The establishment of criteria for determining that an  
22 individual has met the requirements to be a qualified individual as  
23 established in RCW 50B.04.050 or an eligible beneficiary as  
24 established in RCW 50B.04.060;

25 (b) The establishment of criteria for minimum qualifications for  
26 the registration of long-term services and supports providers who  
27 provide approved services to eligible beneficiaries;

28 (c) The establishment of payment maximums for approved services  
29 consistent with actuarial soundness which shall not be lower than  
30 medicaid payments for comparable services. A service or supply may be  
31 limited by dollar amount, duration, or number of visits. The  
32 commission shall engage affected stakeholders to develop this  
33 recommendation;

34 (d) Changes to rules or policies to improve the operation of the  
35 program;

36 ~~((Providing a recommendation to the council for the annual  
37 adjustment of the benefit unit in accordance with RCW 50B.04.010 and  
38 50B.04.040;~~

39 ~~((f))~~) A refund of premiums for a deceased qualified individual  
40 with a dependent who is an individual with a developmental disability

1 who is dependent for support from a qualified individual. The  
2 qualified individual must not have been determined to be an eligible  
3 beneficiary by the department of social and health services. The  
4 refund shall be deposited into an individual trust account within the  
5 developmental disabilities endowment trust fund for the benefit of  
6 the dependent with a developmental disability. The commission shall  
7 consider:

8 (i) The value of the refund to be (~~one hundred~~) 100 percent of  
9 the current value of the qualified individual's lifetime premium  
10 payments at the time that certification of death of the qualified  
11 individual is submitted, less any administrative process fees; and

12 (ii) The criteria for determining whether the individual is  
13 developmentally disabled. The determination shall not be based on  
14 whether or not the individual with a developmental disability is  
15 receiving services under Title 71A RCW, or another state or local  
16 program; and

17 (~~(g)~~) (f) Assisting the state actuary with the preparation of  
18 regular actuarial reports on the solvency and financial status of the  
19 program and advising the legislature on actions necessary to maintain  
20 trust solvency. The commission shall provide the office of the state  
21 actuary with all actuarial reports for review. The office of the  
22 state actuary shall provide any recommendations to the commission and  
23 the legislature on actions necessary to maintain trust solvency(~~(g)~~

24 ~~(h) For the January 1, 2021, report only, recommendations on~~  
25 ~~whether and how to extend coverage to individuals who became disabled~~  
26 ~~before the age of eighteen, including the impact on the financial~~  
27 ~~status and solvency of the trust. The commission shall engage~~  
28 ~~affected stakeholders to develop this recommendation; and~~

29 ~~(i) For the January 1, 2021, report only, the commission shall~~  
30 ~~consult with the office of the state actuary on the development of an~~  
31 ~~actuarial report of the projected solvency and financial status of~~  
32 ~~the program. The office of the state actuary shall provide any~~  
33 ~~recommendations to the commission and the legislature on actions~~  
34 ~~necessary to achieve trust solvency)).~~

35 (5) The commission shall monitor agency administrative expenses  
36 over time. Beginning November 15, 2020, the commission must annually  
37 report to the governor and the fiscal committees of the legislature  
38 on agency spending for administrative expenses and anticipated  
39 administrative expenses as the program shifts into different phases  
40 of implementation and operation. The November 15, 2027, report must

1 include recommendations for a method of calculating future agency  
2 administrative expenses to limit administrative expenses while  
3 providing sufficient funds to adequately operate the program. The  
4 agency heads identified in subsection (2) of this section may advise  
5 the commission on the reports prepared under this subsection, but  
6 must recuse themselves from the commission's process for review,  
7 approval, and submission to the legislature.

8 (6) The commission shall establish an investment strategy  
9 subcommittee consisting of the members identified in subsection  
10 (2)(a) through (d) of this section as voting members of the  
11 subcommittee. In addition, four members appointed by the governor who  
12 are considered experienced and qualified in the field of investment  
13 shall serve as nonvoting members. The subcommittee shall provide  
14 guidance and advice to the state investment board on investment  
15 strategies for the account, including seeking counsel and advice on  
16 the types of investments that are constitutionally permitted.

17 (7) The commission shall work with insurers to develop long-term  
18 care insurance products that supplement the program's benefit.

19 **Sec. 5.** RCW 50B.04.050 and 2024 c 120 s 5 are each amended to  
20 read as follows:

21 (1) Except as provided in subsection (2) of this section, the  
22 employment security department shall deem a person to be a qualified  
23 individual as provided in this chapter if the person has paid the  
24 long-term services and supports premiums required by RCW 50B.04.080  
25 for the equivalent of either:

26 (a) A total of ten years (~~without interruption of five or more~~  
27 ~~consecutive years~~); or

28 (b) Three years within the last six years from the date of  
29 application for benefits.

30 (2) A person born before January 1, 1968, who has not met the  
31 duration requirements under subsection (1)(a) of this section may  
32 become a qualified individual with fewer than the number of years  
33 identified in subsection (1)(a) of this section if the person has  
34 paid the long-term services and supports premiums required by RCW  
35 50B.04.080 for at least one year. A person becoming a qualified  
36 individual pursuant to this subsection (2) may receive one-tenth of  
37 the maximum number of benefit units available under RCW  
38 50B.04.060(3)(b) for each year of premium payments. In accordance  
39 with RCW 50B.04.060, benefits for eligible beneficiaries in

1 Washington will not be available until July 1, 2026, and benefits for  
2 out-of-state participants who become eligible beneficiaries will not  
3 be available until July 1, 2030, and nothing in this section requires  
4 the department of social and health services to accept applications  
5 for determining an individual's status as an eligible beneficiary  
6 prior to July 1, 2026. Nothing in this subsection (2) prohibits a  
7 person born before January 1, 1968, who meets the conditions of  
8 subsection (1)(b) of this section from receiving the maximum number  
9 of benefit units available under RCW 50B.04.060(3)(b).

10 (3) When deeming a person to be a qualified individual, the  
11 employment security department shall require that the person have  
12 worked at least 500 hours during each of the ten years in subsection  
13 (1)(a) of this section, each of the three years in subsection (1)(b)  
14 of this section, or each of the years identified in subsection (2) of  
15 this section.

16 (4) An exempt employee may never be deemed to be a qualified  
17 individual, unless the employee's exemption was discontinued under  
18 RCW 50B.04.055 or rescinded under RCW 50B.04.085.

19 (5) An out-of-state resident whose elective coverage has been  
20 canceled by the employment security department under RCW 50B.04.180  
21 may not be deemed to be a qualified individual.

22 NEW SECTION. **Sec. 6.** A new section is added to chapter 50B.04  
23 RCW to read as follows:

24 (1) An employee who holds a nonimmigrant visa for temporary  
25 workers, as recognized by federal law, is not subject to the rights  
26 and responsibilities of this chapter, unless the employee notifies  
27 the employee's employer that the employee would like to participate.

28 (2) If an employee who holds a nonimmigrant visa for temporary  
29 workers becomes a permanent resident or citizen employed in  
30 Washington, the employee becomes subject to the rights and  
31 responsibilities of this chapter.

32 (3) The employment security department may adopt rules necessary  
33 to implement this section.

34 **Sec. 7.** RCW 50B.04.055 and 2022 c 2 s 2 are each amended to read  
35 as follows:

36 (1) (~~Beginning January 1, 2023, the~~) The employment security  
37 department shall accept and approve applications for voluntary  
38 exemptions from the premium assessment under RCW 50B.04.080 for any

1 employee who meets criteria established by the employment security  
2 department for an exemption based on the employee's status as:

3 (a) A veteran of the United States military who has been rated by  
4 the United States department of veterans affairs as having a service-  
5 connected disability of 70 percent or greater;

6 (b) A spouse or registered domestic partner of an active duty  
7 service member in the United States armed forces whether or not  
8 deployed or stationed within or outside of Washington;

9 ~~(c) ((An employee who holds a nonimmigrant visa for temporary  
10 workers, as recognized by federal law, and is employed by an employer  
11 in Washington; or~~

12 ~~(d))~~ An employee who is employed by an employer in Washington,  
13 but maintains a permanent address outside of Washington as the  
14 employee's primary location of residence; or

15 (d) Beginning January 1, 2026, an active duty service member in  
16 the United States armed forces, whether or not deployed or stationed  
17 within or outside of Washington, who is concurrently engaged in off-  
18 duty civilian employment as an employee of an employer.

19 (2) The employment security department shall adopt criteria,  
20 procedures, and rules for verifying the information submitted by the  
21 applicant for an exemption under subsection (1) of this section.

22 (3) An employee who receives an exemption under subsection (1) of  
23 this section may not become a qualified individual or eligible  
24 beneficiary and is permanently ineligible for coverage under this  
25 title, unless the exemption has been discontinued as provided in  
26 subsection (4), (5), or (6) of this section.

27 (4)(a) An exemption granted in accordance with the conditions  
28 under subsection (1)(b) of this section must be discontinued within  
29 90 days of:

30 (i) The discharge or separation from military service of the  
31 employee's spouse or registered domestic partner; or

32 (ii) The dissolution of the employee's marriage or registered  
33 domestic partnership with the active duty service member.

34 (b) An exemption granted in accordance with the conditions under  
35 subsection (1)(c) of this section must be discontinued within 90 days  
36 of establishing a permanent address within Washington as the  
37 employee's primary location of residence.

38 (c) An exemption granted in accordance with the conditions under  
39 subsection (1)(d) of this section must be discontinued within 90 days  
40 of the discharge or separation from military service.

1        (5)(a) Within 90 days of the occurrence of ~~((either of))~~ the  
2 events described in ~~((a) of this))~~ subsection (4) of this section,  
3 an employee who has received an exemption under subsection (1) of  
4 this section shall:

5        (i) Notify the employment security department that the exemption  
6 must be discontinued because of the occurrence of ~~((either of))~~ the  
7 events described in ~~((a) of this))~~ subsection (4) of this section;  
8 and

9        (ii) Notify the employee's employer that the employee is no  
10 longer exempt and that the employer must begin collecting premiums  
11 from the employee in accordance with RCW 50B.04.080.

12        ~~((e))~~ (b) Upon notification to the employment security  
13 department and the employer, premium assessments established under  
14 RCW 50B.04.080 must begin and the employee may become a qualified  
15 individual or eligible beneficiary upon meeting the requirements  
16 established in this chapter.

17        ~~((d))~~ (c) Failure to begin paying the premium established under  
18 RCW 50B.04.080 within 90 days of the occurrence of ~~((either of))~~ the  
19 events described in ~~((a) of this))~~ subsection (4) of this section  
20 shall result in the payment of any unpaid premiums from the employee,  
21 with interest at the rate of one percent per month or fraction  
22 thereof, by the employee to the employment security department from  
23 the date on which the payment should have begun.

24        ~~((5)(a) An exemption granted in accordance with the conditions~~  
25 ~~under subsection (1)(c) of this section must be discontinued within~~  
26 ~~90 days of an employee changing the employee's nonimmigrant visa for~~  
27 ~~temporary workers status to become a permanent resident or citizen~~  
28 ~~employed in Washington.~~

29        ~~(b) Within 90 days of the employee changing the employee's~~  
30 ~~nonimmigrant visa for temporary workers status to become a permanent~~  
31 ~~resident or citizen employed in Washington, the employee who has~~  
32 ~~received an exemption under subsection (1)(c) of this section shall:~~

33        ~~(i) Notify the employment security department that the employee~~  
34 ~~no longer holds a nonimmigrant visa for temporary workers and is a~~  
35 ~~permanent resident or citizen employed in Washington and the~~  
36 ~~exemption must be discontinued; and~~

37        ~~(ii) Notify the employee's employer that the employee no longer~~  
38 ~~holds a nonimmigrant visa for temporary workers and is a permanent~~  
39 ~~resident or citizen employed in Washington, and that the employer~~

1 ~~must begin collecting premiums from the employee in accordance with~~  
2 ~~RCW 50B.04.080.~~

3 ~~(c) Upon notification to the employment security department and~~  
4 ~~the employer, premium assessments established under RCW 50B.04.080~~  
5 ~~must begin and the employee may become a qualified individual or~~  
6 ~~eligible beneficiary upon meeting the requirements established in~~  
7 ~~this chapter.~~

8 ~~(d) Failure to begin paying the premium established under RCW~~  
9 ~~50B.04.080 within 90 days of an employee no longer holding a~~  
10 ~~nonimmigrant visa for temporary workers and becoming a permanent~~  
11 ~~resident or citizen employed in Washington shall result in the~~  
12 ~~payment of any unpaid premiums from the employee, with interest at~~  
13 ~~the rate of one percent per month or fraction thereof, by the~~  
14 ~~employee to the employment security department from the date on which~~  
15 ~~the payment should have begun.))~~

16 (6) (a) An exemption granted in accordance with the conditions  
17 under subsection (1) (d) of this section must be discontinued within  
18 90 days of an employee establishing a permanent address within  
19 Washington as the employee's primary location of residence.

20 (b) Within 90 days of the employee establishing a permanent  
21 address within Washington as the employee's primary location of  
22 residence, the employee who has received an exemption under  
23 subsection (1) (d) of this section shall:

24 (i) Notify the employment security department that the employee  
25 is residing in Washington and the exemption must be discontinued; and

26 (ii) Notify the employee's employer that the employee is no  
27 longer exempt and that the employer must begin collecting premiums  
28 from the employee in accordance with RCW 50B.04.080.

29 (c) Upon notification to the employment security department and  
30 the employer, premium assessments established under RCW 50B.04.080  
31 must begin and the employee may become a qualified individual or  
32 eligible beneficiary upon meeting the requirements established in  
33 this chapter.

34 (d) Failure to begin paying the premium established under RCW  
35 50B.04.080 within 90 days of an employee establishing a permanent  
36 address within Washington as the employee's primary location of  
37 residence shall result in the payment of any unpaid premiums from the  
38 employee, with interest at the rate of one percent per month or  
39 fraction thereof, by the employee to the employment security  
40 department from the date on which the payment should have begun.



1 (7) Exempt employees are not entitled to a refund of any premium  
2 deductions made before the effective date of an approved exemption,  
3 except for premiums collected prior to the effective date of the  
4 premium assessment under RCW 50B.04.080.

5 (8) An employee who has received an exemption pursuant to this  
6 section shall provide written notification to all current and future  
7 employers of an approved exemption.

8 (9) If an exempt employee fails to notify an employer of an  
9 exemption, the exempt employee is not entitled to a refund of any  
10 premium deductions made before notification is provided, except for  
11 premiums collected prior to the effective date of the premium  
12 assessment under RCW 50B.04.080.

13 (10) Employers may not deduct premiums after being notified by an  
14 employee of an approved exemption issued under this section.

15 (a) Employers shall retain written notifications of exemptions  
16 received from employees.

17 (b) An employer who deducts premiums after being notified by the  
18 employee of an exemption is solely responsible for refunding to the  
19 employee any premiums deducted after the notification.

20 (c) The employer is not entitled to a refund from the employment  
21 security department for any premiums remitted to the employment  
22 security department that were deducted from exempt employees.

23 (11) The provisions of RCW 50B.04.085 do not apply to the  
24 exemptions issued pursuant to this section.

25 (12) The employment security department shall adopt rules  
26 necessary to implement and administer the activities specified in  
27 this section related to the program, including rules on the  
28 submission and processing of applications under this section.

29 **Sec. 8.** RCW 50B.04.060 and 2024 c 120 s 6 are each amended to  
30 read as follows:

31 (1) Beginning July 1, 2026, approved services must be available  
32 and benefits payable to a (~~registered~~) long-term services and  
33 supports provider on behalf of an eligible beneficiary under this  
34 section.

35 (2) (a) (i) Except for qualified individuals residing outside of  
36 Washington as provided in (a) (ii) of this subsection, beginning July  
37 1, 2026, a qualified individual may become an eligible beneficiary by  
38 filing an application with the department of social and health  
39 services and undergoing an eligibility determination which includes

1 an evaluation that the individual requires assistance with at least  
2 three activities of daily living, as defined by the department of  
3 social and health services for long-term services and supports  
4 programs, which is expected to last for at least 90 days.

5 (ii) For a qualified individual residing outside of Washington,  
6 beginning ~~((January))~~ July 1, 2030, the out-of-state qualified  
7 individual may become an eligible beneficiary by filing an  
8 application with the department of social and health services and  
9 undergoing an eligibility determination. The eligibility  
10 determination must include an evaluation that the individual either  
11 (A) is unable to perform, without substantial assistance from another  
12 individual, at least two of the following activities of daily living  
13 for a period of at least 90 days due to a loss of functional  
14 capacity: Eating, toileting, transferring, bathing, dressing, or  
15 continence, or (B) requires substantial supervision to protect such  
16 individual from threats to health and safety due to severe cognitive  
17 impairments.

18 (b) The department of social and health services must engage  
19 sufficient qualified assessor capacity, including via contract, so  
20 that the determination may be made within 45 days from receipt of a  
21 request by a beneficiary to use a benefit.

22 (3) (a) An eligible beneficiary may receive approved services and  
23 benefits through the program in the form of a benefit unit payable to  
24 a ~~((registered))~~ long-term services and supports provider.

25 (b) Except as limited in RCW 50B.04.050(2), an eligible  
26 beneficiary may not receive more than the dollar equivalent of 365  
27 benefit units over the course of the eligible beneficiary's lifetime.

28 (i) If the department of social and health services reimburses a  
29 long-term services and supports provider for approved services  
30 provided to an eligible beneficiary and the payment is less than the  
31 benefit unit, only the portion of the benefit unit that is used shall  
32 be taken into consideration when calculating the person's remaining  
33 lifetime limit on receipt of benefits.

34 (ii) Eligible beneficiaries may combine benefit units to receive  
35 more approved services per day as long as the total number of  
36 lifetime benefit units has not been exceeded.

37 **Sec. 9.** RCW 50B.04.070 and 2024 c 120 s 7 are each amended to  
38 read as follows:

1 (1)(a) Benefits provided under this chapter shall be paid  
2 periodically and promptly to long-term services and supports  
3 providers who provide approved services to:

4 (~~(a)~~) (i) Eligible beneficiaries in Washington if the long-term  
5 services and supports provider is registered with the department of  
6 social and health services; and

7 (~~(b)~~) (ii) Eligible beneficiaries outside Washington if the  
8 long-term services and supports providers meet minimum standards  
9 established by the department.

10 (~~(2)~~) (b) The department of social and health services may  
11 contract with a third party to administer payments to long-term  
12 services and supports providers providing services to eligible  
13 beneficiaries whether inside or outside of Washington.

14 (c) Qualified family members may be paid for approved personal  
15 care services in the same way as individual providers, through a  
16 licensed home care agency, or through a third option (~~(if)~~) as  
17 recommended by the commission (~~and~~) if adopted by the department of  
18 social and health services.

19 (2) The department of social and health services shall establish  
20 payment methods and procedures that are most appropriate and  
21 efficient for the different categories of service providers  
22 identified in subsection (1) of this section, including collaboration  
23 with other agencies and contracting with third parties, as necessary.

24 **Sec. 10.** RCW 50B.04.080 and 2022 c 2 s 1 and 2022 c 1 s 5 are  
25 each reenacted and amended to read as follows:

26 (1) Unless otherwise exempted pursuant to this chapter, beginning  
27 July 1, 2023, the employment security department shall assess for  
28 each individual in employment with an employer a premium based on the  
29 amount of the individual's wages. The initial premium rate is .58  
30 percent of the individual's wages. Beginning January 1, 2026, and  
31 biennially thereafter, the premium rate shall be set by the pension  
32 funding council at a rate no greater than .58 percent. In addition,  
33 the pension funding council must set the premium rate at the lowest  
34 amount necessary to maintain the actuarial solvency of the long-term  
35 services and supports trust account created in RCW 50B.04.100 in  
36 accordance with recognized insurance principles and designed to  
37 attempt to limit fluctuations in the premium rate. To facilitate the  
38 premium rate setting the office of the state actuary must perform a

1 biennial actuarial audit and valuation of the fund and make  
2 recommendations to the pension funding council.

3 (2) (a) The employer must collect from the employees the premiums  
4 provided under this section through payroll deductions and remit the  
5 amounts collected to the employment security department.

6 (b) In collecting employee premiums through payroll deductions,  
7 the employer shall act as the agent of the employees and shall remit  
8 the amounts to the employment security department as required by this  
9 chapter.

10 (3) ~~((Nothing in this chapter requires any party to a collective  
11 bargaining agreement in existence on October 19, 2017, to reopen  
12 negotiations of the agreement or to apply any of the responsibilities  
13 under this chapter unless and until the existing agreement is  
14 reopened or renegotiated by the parties or expires.~~

15 ~~(4))~~ (a) Premiums shall be collected in the manner and at such  
16 intervals as provided in this chapter and directed by the employment  
17 security department.

18 (b) To the extent feasible, the employment security department  
19 shall use the premium assessment, collection, and reporting  
20 procedures in Title 50A RCW.

21 ~~((5))~~ (4) The employment security department shall deposit all  
22 premiums collected in this section in the long-term services and  
23 supports trust account created in RCW 50B.04.100.

24 ~~((6))~~ (5) Premiums collected in this section are placed in the  
25 trust account for the individuals who become eligible for the  
26 program.

27 ~~((7))~~ (6) If the premiums established in this section are  
28 increased, the legislature shall notify each qualified individual by  
29 mail that the person's premiums have been increased, describe the  
30 reason for increasing the premiums, and describe the plan for  
31 restoring the funds so that premiums are returned to .58 percent of  
32 the individual's wages.

33 **Sec. 11.** RCW 50B.04.085 and 2021 c 113 s 5 are each amended to  
34 read as follows:

35 (1) An employee who attests that the employee has long-term care  
36 insurance purchased before November 1, 2021, may apply for an  
37 exemption from the premium assessment under RCW 50B.04.080. ~~((An  
38 exempt employee may not become a qualified individual or eligible~~

1 beneficiary and is permanently ineligible for coverage under this  
2 title.))

3 (2) (a) The employment security department must accept  
4 applications for exemptions only from October 1, 2021, through  
5 December 31, 2022.

6 (b) Only employees who are eighteen years of age or older may  
7 apply for an exemption.

8 (3) The employment security department is not required to verify  
9 the attestation of an employee that the employee has long-term care  
10 insurance.

11 (4) Approved exemptions will take effect on the first day of the  
12 quarter immediately following the approval of the exemption.

13 (5) Exempt employees are not entitled to a refund of any premium  
14 deductions made before the effective date of an approved exemption.

15 (6) An exempt employee must provide written notification to all  
16 current and future employers of an approved exemption.

17 (7) If an exempt employee fails to notify an employer of an  
18 exemption, the exempt employee is not entitled to a refund of any  
19 premium deductions made before notification is provided.

20 (8) Employers must not deduct premiums after being notified by an  
21 employee of an approved exemption.

22 (a) Employers must retain written notifications of exemptions  
23 received from employees.

24 (b) An employer who deducts premiums after being notified by the  
25 employee of an exemption is solely responsible for refunding to the  
26 employee any premiums deducted after the notification.

27 (c) The employer is not entitled to a refund from the employment  
28 security department for any premiums remitted to the employment  
29 security department that were deducted from exempt employees.

30 (9) (a) Except as provided in (b) of this subsection, an exempt  
31 employee may not become a qualified individual or eligible  
32 beneficiary and is permanently ineligible for coverage under this  
33 title.

34 (b) Prior to July 1, 2028, an employee who has received an  
35 approved exemption pursuant to this section may rescind the exemption  
36 and participate in the program. The employee must notify the  
37 employment security department of the rescission according to  
38 procedures established by the employment security department. The  
39 employee will be subject to premium assessments under RCW 50B.04.080  
40 or 50B.04.090 upon notification to the employment security department

1 of the rescission. The employee is not responsible for any premiums  
2 that would have been assessed prior to the rescission. When deeming a  
3 person to be a qualified individual under RCW 50B.04.050, the  
4 employment security department may not consider any years in which  
5 the rescinding employee had been in exempt status unless the employee  
6 had been assessed the premium for a part of the year and the number  
7 of hours worked while being assessed met the minimum hour  
8 requirement.

9 (10) The employment security department must adopt rules  
10 necessary to implement and administer the activities specified in  
11 this section related to the program, including rules on the  
12 submission and processing of applications and the rescission of an  
13 exemption under this section.

14 **Sec. 12.** RCW 50B.04.100 and 2024 c 120 s 8 are each amended to  
15 read as follows:

16 (1) The long-term services and supports trust account is created  
17 in the custody of the state treasurer. All receipts from employers  
18 under RCW 50B.04.080 and from out-of-state participants under RCW  
19 50B.04.180, 50B.04.090, and 50B.04.095, delinquent premiums,  
20 penalties, and interest received pursuant to sections 13 and 14 of  
21 this act, and any funds attributable to savings derived through a  
22 waiver with the federal centers for medicare and medicaid services  
23 pursuant to RCW 50B.04.130 must be deposited in the account.  
24 Expenditures from the account may be used for the administrative  
25 activities of the department of social and health services, the  
26 health care authority, and the employment security department.  
27 Benefits associated with the program must be disbursed from the  
28 account by the department of social and health services. Only the  
29 secretary of the department of social and health services or the  
30 secretary's designee may authorize disbursements from the account.  
31 The account is subject to the allotment procedures under chapter  
32 43.88 RCW. An appropriation is required for administrative expenses,  
33 but not for benefit payments. The account must provide reimbursement  
34 of any amounts from other sources that may have been used for the  
35 initial establishment of the program.

36 (2) The revenue generated pursuant to this chapter shall be  
37 utilized to expand long-term care in the state. These funds may not  
38 be used either in whole or in part to supplant existing state or

1 county funds for programs that meet the definition of approved  
2 services.

3 (3) The moneys deposited in the account must remain in the  
4 account until expended in accordance with the requirements of this  
5 chapter. If moneys are appropriated for any purpose other than  
6 supporting the long-term services and supports program, the  
7 legislature shall notify each qualified individual by mail that the  
8 person's premiums have been appropriated for an alternate use,  
9 describe the alternate use, and state its plan for restoring the  
10 funds so that premiums are not increased and benefits are not  
11 reduced.

12 NEW SECTION. **Sec. 13.** A new section is added to chapter 50B.04  
13 RCW to read as follows:

14 (1) In the form and at the times specified in this chapter and by  
15 the commissioner of the employment security department, an employer  
16 shall make reports, furnish information, and collect and remit  
17 premiums as required by this chapter to the employment security  
18 department. If the employer is a temporary help company that provides  
19 employees on a temporary basis to its customers, the temporary help  
20 company is considered the employer for purposes of this section.

21 (2) (a) An employer must keep at the employer's place of business  
22 a record of employment, for a period of six years, from which the  
23 information needed by the employment security department for purposes  
24 of this chapter may be obtained. This record shall at all times be  
25 open to the inspection of the commissioner of the employment security  
26 department.

27 (b) Information obtained under this chapter from employer records  
28 is confidential and not open to public inspection, other than to  
29 public employees in the performance of their official duties. An  
30 interested party, however, shall be supplied with information from  
31 employer records to the extent necessary for the proper presentation  
32 of the case in question. An employer may authorize inspection of the  
33 employer's records by written consent.

34 (3) The requirements relating to the collection of long-term  
35 services and supports trust program premiums are as provided in this  
36 chapter. Before issuing a warning letter or collecting penalties, the  
37 employment security department shall enforce the collection of  
38 premiums through conference and conciliation. These requirements  
39 apply to:

1 (a) An employer that fails under this chapter to make the  
2 required reports, or fails to remit the full amount of the premiums  
3 when due;

4 (b) An employer that willfully makes a false statement or  
5 misrepresentation regarding a material fact, or willfully fails to  
6 report a material fact, to avoid making the required reports or  
7 remitting the full amount of the premiums when due under this  
8 chapter;

9 (c) A successor in the manner specified in employment security  
10 department rules; and

11 (d) An officer, member, or owner having control or supervision of  
12 payment or reporting of long-term services and supports trust program  
13 premiums, or who is charged with the responsibility for the filing of  
14 returns, in the manner specified in subsection (4) of this section.

15 (4)(a) An employer who willfully fails to make the required  
16 reports is subject to penalties as follows: (i) For the second  
17 occurrence, the penalty is \$75; (ii) for the third occurrence, the  
18 penalty is \$150; and (iii) for the fourth occurrence and for each  
19 occurrence thereafter, the penalty is \$250.

20 (b) An employer who willfully fails to remit the full amount of  
21 the premiums when due is liable, in addition to the full amount of  
22 premiums due and amounts assessed as interest under section 14(3) of  
23 this act, to a penalty equal to the premiums and interest.

24 (c) Any penalties under this section shall be deposited into the  
25 account.

26 (d) For the purposes of this subsection, "willful" means a  
27 knowing and intentional action that is neither accidental nor the  
28 result of a bona fide dispute.

29 (e) The employment security department shall enforce the  
30 collection of penalties through conference and conciliation.

31 (5) Appeals of actions under this section are governed by RCW  
32 50B.04.120.

33 NEW SECTION. **Sec. 14.** A new section is added to chapter 50B.04  
34 RCW to read as follows:

35 (1) At any time after the commissioner of the employment security  
36 department finds that any premiums, interest, or penalties have  
37 become delinquent, the commissioner of the employment security  
38 department may issue an order and notice of assessment specifying the  
39 amount due. The order and notice of assessment shall be served upon



1 the delinquent employer in the manner prescribed for the service of a  
2 summons in a civil action, or using a method by which the mailing can  
3 be tracked or the delivery can be confirmed. Failure of the employer  
4 to receive the notice or order, whether served or mailed, shall not  
5 release the employer from any tax, or any interest or penalties.

6 (2) If the commissioner of the employment security department has  
7 reason to believe that an employer is insolvent or if any reason  
8 exists why the collection of any premiums accrued will be jeopardized  
9 by delaying collection, the commissioner of the employment security  
10 department may make an immediate assessment of the premiums and may  
11 proceed to enforce collection immediately, but interest and penalties  
12 shall not begin to accrue upon any premiums until the date when such  
13 premiums would normally have become delinquent.

14 (3) If premiums are not paid on the date on which they are due  
15 and payable as prescribed by the commissioner of the employment  
16 security department, the whole or part thereof remaining unpaid shall  
17 bear interest at the rate of one percent per month or fraction  
18 thereof from and after such date until payment plus accrued interest  
19 is received by the commissioner of the employment security  
20 department. The date as of which payment of premiums, if mailed, is  
21 deemed to have been received may be determined by such regulations as  
22 the commissioner of the employment security department may prescribe.  
23 Interest collected pursuant to this section shall be paid into the  
24 account. Interest shall not accrue on premiums from any estate in the  
25 hands of a receiver, executor, administrator, trustee in bankruptcy,  
26 common law assignee, or other liquidating officer subsequent to the  
27 date when such receiver, executor, administrator, trustee in  
28 bankruptcy, common law assignee, or other liquidating officer  
29 qualifies as such, but premiums accruing with respect to employment  
30 of persons by any receiver, executor, administrator, trustee in  
31 bankruptcy, common law assignee, or other liquidating officer shall  
32 become due and shall draw interest in the same manner as premiums due  
33 from other employers. Where adequate information has been furnished  
34 to the employment security department and the employment security  
35 department has failed to act or has advised the employer of no  
36 liability or inability to decide the issue, interest may be waived.

37 (4) (a) If the amount of premiums, interest, or penalties assessed  
38 by the commissioner of the employment security department by order  
39 and notice of assessment provided in this chapter is not paid within  
40 10 days after the service or mailing of the order and notice of

1 assessment, the commissioner of the employment security department or  
2 a duly authorized representative may collect the amount stated in the  
3 assessment by the distraint, seizure, and sale of the property,  
4 goods, chattels, and effects of the delinquent employer. Goods and  
5 property that are exempt from execution under the laws of this state  
6 are exempt from distraint and sale under this section.

7 (b) The commissioner of the employment security department, upon  
8 making a distraint, shall seize the property and shall make an  
9 inventory of the distrained property, a copy of which shall be mailed  
10 to the owner of the property or personally delivered to the owner,  
11 and shall specify the time and place when the property shall be sold.  
12 A notice specifying the property to be sold and the time and place of  
13 sale shall be posted in at least two public places in the county in  
14 which the seizure has been made. The time of sale shall be not less  
15 than 10 nor more than 20 days from the date of posting of the  
16 notices. The sale may be adjourned from time to time at the  
17 discretion of the commissioner of the employment security department,  
18 but not for a time to exceed a total of 60 days. The sale shall be  
19 conducted by the commissioner of the employment security department  
20 or a representative who shall proceed to sell the property by parcel  
21 or by lot at a public auction, and who may set a minimum price to  
22 include the expenses of making a levy and of advertising the sale,  
23 and if the amount bid for such property at the sale is not equal to  
24 the minimum price so fixed, the commissioner of the employment  
25 security department or a representative may declare the property to  
26 be purchased by the employment security department for the minimum  
27 price. In such event the delinquent account shall be credited with  
28 the amount for which the property has been sold. Property acquired by  
29 the employment security department as prescribed in this subsection  
30 (4) may be sold by the commissioner of the employment security  
31 department or a representative at public or private sale, and the  
32 amount realized shall be placed in the account. In all cases of sale  
33 under this subsection (4), the commissioner of the employment  
34 security department shall issue a bill of sale or a deed to the  
35 purchaser and the bill of sale or deed shall be prima facie evidence  
36 of the right of the commissioner of the employment security  
37 department to make the sale and conclusive evidence of the regularity  
38 of the commissioner of the employment security department proceeding  
39 in making the sale, and shall transfer to the purchaser all right,  
40 title, and interest of the delinquent employer in the property. The

1 proceeds of any sale under this subsection (4), except in those cases  
2 in which the property has been acquired by the employment security  
3 department, shall be first applied by the commissioner of the  
4 employment security department in satisfaction of the delinquent  
5 account, and out of any sum received in excess of the amount of  
6 delinquent premiums, interest, and penalties the account shall be  
7 reimbursed for the costs of distraint and sale. Any excess amounts  
8 held by the commissioner of the employment security department shall  
9 be refunded to the delinquent employer. Amounts held by the  
10 commissioner of the employment security department that are  
11 refundable to a delinquent employer may be subject to seizure or  
12 distraint by any other taxing authority of the state or its political  
13 subdivisions.

14 (5) The commissioner of the employment security department may  
15 issue to any person, firm, corporation, political subdivision, or  
16 department of the state, a notice and order to withhold and deliver  
17 property of any kind when the commissioner of the employment security  
18 department has reason to believe that there is in the possession of  
19 such person, firm, corporation, political subdivision, or department,  
20 property which is due, owing, or belonging to any person, firm, or  
21 corporation upon whom the employment security department has served a  
22 notice and order of assessment for premiums, interest, or penalties.  
23 The effect of a notice to withhold and deliver shall be continuous  
24 from the date the notice and order to withhold and deliver is first  
25 made until the liability is satisfied or becomes unenforceable  
26 because of a lapse of time. The notice and order to withhold and  
27 deliver shall be served by the sheriff or the sheriff's deputy of the  
28 county in which the service is made, using a method by which the  
29 mailing can be tracked or the delivery can be confirmed, or by any  
30 duly authorized representative of the commissioner of the employment  
31 security department. Any person, firm, corporation, political  
32 subdivision, or department upon whom service has been made must  
33 answer the notice within 20 days exclusive of the day of service,  
34 under oath and in writing, and must truthfully answer the matters  
35 inquired of in the notice. In the event there is in the possession of  
36 any such person, firm, corporation, political subdivision, or  
37 department, any property which may be subject to the claim of the  
38 employment security department of the state, the property must be  
39 delivered immediately to the commissioner of the employment security  
40 department or a representative upon demand to be held in trust by the

1 commissioner of the employment security department for application on  
2 the indebtedness involved or for return, without interest, in  
3 accordance with final determination of liability or nonliability, or  
4 in the alternative, a good and sufficient bond satisfactory to the  
5 commissioner of the employment security department must be provided  
6 conditioned upon final determination of liability. If any person,  
7 firm, or corporation fails to answer an order to withhold and deliver  
8 within the time prescribed in this subsection (5), it shall be lawful  
9 for the court, after the time to answer the order has expired, to  
10 render judgment by default against such person, firm, or corporation  
11 for the full amount claimed by the commissioner in the notice to  
12 withhold and deliver, together with costs.

13 (6) Whenever any order and notice of assessment or jeopardy  
14 assessment has become final in accordance with the provisions of this  
15 chapter the commissioner of the employment security department may  
16 file with the clerk of any county within the state a warrant in the  
17 amount of the notice of assessment plus interest, penalties, and a  
18 filing fee under RCW 36.18.012(10). The clerk of the county in which  
19 the warrant is filed shall immediately designate a superior court  
20 cause number for the warrant, and the clerk shall cause to be entered  
21 in the judgment docket under the superior court cause number assigned  
22 to the warrant, the name of the employer mentioned in the warrant,  
23 the amount of the tax, interest, penalties, and filing fee and the  
24 date when such warrant was filed. The aggregate amount of the warrant  
25 as docketed shall become a lien upon the title to, and interest in  
26 all real and personal property of the employer against whom the  
27 warrant is issued, the same as a judgment in a civil case duly  
28 docketed in the office of such clerk. The warrant so docketed shall  
29 be sufficient to support the issuance of writs of execution and writs  
30 of garnishment in favor of the state in the manner provided by law in  
31 the case of civil judgment, wholly or partially unsatisfied. The  
32 clerk of the court shall be entitled to a filing fee under RCW  
33 36.18.012(10), which shall be added to the amount of the warrant, and  
34 charged by the commissioner of the employment security department to  
35 the employer. A copy of the warrant shall be mailed to the employer  
36 using a method by which the mailing can be tracked or the delivery  
37 can be confirmed within five days of filing with the clerk.

38 (7) The claim of the employment security department for any  
39 premiums, interest, or penalties not paid when due, shall be a lien  
40 prior to all other liens or claims and on a parity with prior tax

1 liens against all property and rights to property, whether real or  
2 personal, belonging to the employer. In order to avail itself of the  
3 lien hereby created, the employment security department shall file  
4 with any county auditor where property of the employer is located a  
5 statement and claim of lien specifying the amount of delinquent  
6 premiums, interest, and penalties claimed by the employment security  
7 department. From the time of filing for record, the amount required  
8 to be paid shall constitute a lien upon all property and rights to  
9 property, whether real or personal, in the county, owned by the  
10 employer or acquired by the employer. The lien shall not be valid  
11 against any purchaser, holder of a security interest, mechanic's  
12 lien, or judgment lien creditor until notice thereof has been filed  
13 with the county auditor. This lien shall be separate and apart from,  
14 and in addition to, any other lien or claim created by, or provided  
15 for in, this chapter. When any such notice of lien has been so filed,  
16 the commissioner of the employment security department may release  
17 the lien by filing a certificate of release when it appears that the  
18 amount of delinquent premiums, interest, and penalties have been  
19 paid, or when the assurance of payment shall be made as the  
20 commissioner of the employment security department may deem to be  
21 adequate. Fees for filing and releasing the lien provided herein may  
22 be charged to the employer and may be collected from the employer  
23 utilizing the remedies provided in this chapter for the collection of  
24 premiums.

25 (8) In the event of any distribution of an employer's assets  
26 pursuant to an order of any court, including any receivership,  
27 probate, legal dissolution, or similar proceeding, or in case of any  
28 assignment for the benefit of creditors, composition, or similar  
29 proceeding, premiums, interest, or penalties due shall be a lien upon  
30 all the assets of such employer. The lien is prior to all other liens  
31 or claims except prior tax liens, other liens provided by this  
32 chapter, and claims for remuneration for services of not more than  
33 \$250 to each claimant earned within six months of the commencement of  
34 the proceeding. The mere existence of a condition of insolvency or  
35 the institution of any judicial proceeding for legal dissolution or  
36 of any proceeding for distribution of assets shall cause such a lien  
37 to attach without action on behalf of the commissioner of the  
38 employment security department or the state. In the event of an  
39 employer's adjudication in bankruptcy, judicially confirmed extension  
40 proposal, or composition, under the federal bankruptcy act of 1898,

1 as amended, premiums, interest, or penalties due shall be entitled to  
2 such priority as provided in that act, as amended.

3 (9) (a) If after due notice, any employer defaults in any payment  
4 of premiums, interest, or penalties, the amount due may be collected  
5 by civil action in the name of the state, and the employer adjudged  
6 in default shall pay the cost of such action. Any lien created by  
7 this chapter may be foreclosed by decree of the court in any such  
8 action. Civil actions brought under this chapter to collect premiums,  
9 interest, or penalties from an employer shall be heard by the court  
10 at the earliest possible date and shall be entitled to preference  
11 upon the calendar of the court over all other civil actions except  
12 petitions for judicial review under this chapter, cases arising under  
13 the unemployment compensation laws of this state, and cases arising  
14 under the industrial insurance laws of this state.

15 (b) Any employer that is not a resident of this state and that  
16 exercises the privilege of having one or more individuals perform  
17 service for it within this state, and any resident employer that  
18 exercises that privilege and thereafter removes from this state,  
19 shall be deemed thereby to appoint the secretary of state as its  
20 agent and attorney for the acceptance of process in any action under  
21 this chapter. In instituting such an action against any such employer  
22 the commissioner of the employment security department shall cause  
23 process or notice to be filed with the secretary of state and the  
24 service shall be sufficient service upon the employer, and shall be  
25 of the same force and validity as if served upon it personally within  
26 this state: PROVIDED, That the commissioner of the employment  
27 security department shall immediately send notice of the service of  
28 the process or notice, together with a copy thereof, by registered  
29 mail, return receipt requested, to such employer at its last known  
30 address and the return receipt, the commissioner's affidavit of  
31 compliance with the provisions of this section, and a copy of the  
32 notice of service shall be appended to the original of the process  
33 filed in the court in which such action is pending.

34 (10) Any employer who is delinquent in the payment of premiums,  
35 interest, or penalties may be enjoined upon the suit of the state of  
36 Washington from continuing in business in this state or employing  
37 persons herein until the delinquent premiums, interest, and penalties  
38 have been paid, or until the employer has furnished a good and  
39 sufficient bond in a sum equal to double the amount of premiums,  
40 interest, and penalties already delinquent, plus further sums as the

1 court deems adequate to protect the employment security department in  
2 the collection of premiums, interest, and penalties which will become  
3 due from the employer during the next ensuing calendar year, the bond  
4 to be conditioned upon payment of all premiums, interest, and  
5 penalties due and owing within thirty days after the expiration of  
6 the next ensuing calendar year or at an earlier date as the court may  
7 fix. Action under this section may be instituted in the superior  
8 court of any county of the state in which the employer resides, has  
9 its principal place of business, or where it has anyone performing  
10 services for it, whether or not those services constitute employment.

11 (11) The commissioner of the employment security department may  
12 compromise any claim for premiums, interest, or penalties due and  
13 owing from an employer in any case in which collection of the full  
14 amount due and owing, whether reduced to judgment or otherwise, would  
15 be against equity and good conscience. Whenever a compromise is made  
16 by the commissioner of the employment security department in the case  
17 of a claim for premiums, interest, or penalties, whether reduced to  
18 judgment or otherwise, the employment security department shall file  
19 a statement of the amount of premiums, interest, and penalties  
20 imposed by law and claimed due, attorneys' fees and costs, if any, a  
21 complete record of the compromise agreement, and the amount actually  
22 paid in accordance with the terms of the compromise agreement. If any  
23 such compromise is accepted by the commissioner of the employment  
24 security department, within the time stated in the compromise or  
25 agreed to, that compromise shall be final and conclusive and except  
26 upon showing of fraud or malfeasance or misrepresentation of a  
27 material fact the case shall not be reopened as to the agreed upon  
28 matters. In any suit, action, or proceeding, such agreement or any  
29 determination, collection, payment, adjustment, refund, or credit  
30 made in accordance therewith shall not be annulled, modified, set  
31 aside, or disregarded.

32 (12) The commissioner of the employment security department may  
33 charge off as uncollectible and no longer an asset of the account,  
34 any delinquent premiums, interest, penalties, or credits, if the  
35 commissioner of the employment security department is satisfied that  
36 there are no cost-effective means of collecting the premiums,  
37 interest, penalties, or credits.

38 NEW SECTION. **Sec. 15.** A new section is added to chapter 50B.04  
39 RCW to read as follows:

1 (1) When a qualified individual applies for benefits as provided  
2 in RCW 50B.04.060, the department of social and health services must:  
3 (a) Ask whether the qualified individual has supplemental long-term  
4 care insurance as provided in chapter 48.--- RCW (the new chapter  
5 created in section 41 of this act); and (b) request written consent  
6 and the policy issuer's contact information from the qualified  
7 individual to share information with the policy issuer for any  
8 potential care coordination.

9 (2) If the individual provides written consent and the policy  
10 issuer's contact information, the department of social and health  
11 services must notify the policy issuer that the qualified individual  
12 has applied for benefits under this chapter and may share information  
13 for any potential care coordination.

14 (3) Only basic demographic information that would allow a person  
15 to be identified in the program may be shared if the qualified  
16 individual consents to sharing information. No health information or  
17 data on claims may be shared.

18 NEW SECTION. **Sec. 16.** (1) The department of social and health  
19 services, the employment security department, and the health care  
20 authority may design and conduct a pilot project to assess the  
21 administrative processes and system capabilities for managing  
22 eligibility determinations for qualified individuals and distributing  
23 payments to long-term services and supports providers. The pilot  
24 project may identify persons who are eligible to be qualified  
25 individuals and offer them access to benefit units under the program  
26 in return for their participation in the pilot project. The pilot  
27 project may only be conducted between January 1, 2026, and June 30,  
28 2026. The pilot project may not have more than 500 participants.

29 (2) When designing and implementing the pilot project, the  
30 agencies identified in subsection (1) of this section must provide  
31 regular updates to and consider recommendations from the long-term  
32 services and supports trust commission. Upon completion of the pilot  
33 project, the agencies must provide a summary of the pilot project,  
34 including key operational challenges, to the commission. The  
35 commission may include any outstanding concerns identified by the  
36 pilot project that require a legislative response in the commission's  
37 2027 report.



1 (3) The employment security department, the department of social  
2 and health services, and the health care authority may adopt rules  
3 necessary to implement this section.

4 (4) This section expires July 1, 2027.

5 NEW SECTION. **Sec. 17.** The intent of this chapter is to promote  
6 the public interest, support the availability of supplemental long-  
7 term care coverage, establish standards for supplemental long-term  
8 care coverage, facilitate public understanding and comparison of  
9 supplemental long-term care contract benefits, protect persons  
10 insured under supplemental long-term care insurance policies and  
11 certificates, protect applicants for supplemental long-term care  
12 policies from unfair or deceptive sales or enrollment practices, and  
13 provide for flexibility and innovation in the development of  
14 supplemental long-term care insurance coverage.

15 NEW SECTION. **Sec. 18.** (1) This chapter applies to all  
16 supplemental long-term care insurance policies, contracts, or riders  
17 delivered or issued for delivery in this state on or after May 1,  
18 2026. This chapter does not supersede the obligations of entities  
19 subject to this chapter to comply with other applicable laws to the  
20 extent that they do not conflict with this chapter, except that laws  
21 and regulations designed and intended to apply to medicare supplement  
22 insurance policies shall not be applied to supplemental long-term  
23 care insurance.

24 (2) Coverage advertised, marketed, or offered as supplemental  
25 long-term care insurance must comply with this chapter. Any coverage,  
26 policy, or rider advertised, marketed, or offered as supplemental  
27 long-term care or nursing home insurance shall comply with this  
28 chapter.

29 (3) This chapter is not intended to prohibit approval of  
30 supplemental long-term care funded through life insurance policies,  
31 contracts, or riders, provided the policy meets the definition of  
32 supplemental long-term care insurance and provides all required  
33 benefits of this chapter.

34 NEW SECTION. **Sec. 19.** The definitions in this section apply  
35 throughout this chapter unless the context clearly requires  
36 otherwise.

1 (1) "Applicant" means: (a) In the case of an individual  
2 supplemental long-term care insurance policy, the person who seeks to  
3 contract for benefits; and (b) in the case of a group supplemental  
4 long-term care insurance policy, the proposed certificate holder.

5 (2) "Certificate" includes any certificate issued under a group  
6 supplemental long-term care insurance policy that has been delivered  
7 or issued for delivery in this state.

8 (3) "Commissioner" means the insurance commissioner of Washington  
9 state.

10 (4) "Issuer" includes insurance companies, fraternal benefit  
11 societies, health care service contractors, health maintenance  
12 organizations, or other entity delivering or issuing for delivery any  
13 supplemental long-term care insurance policy, contract, or rider.

14 (5) "Group supplemental long-term care insurance" means a  
15 supplemental long-term care insurance policy or contract that is  
16 delivered or issued for delivery in this state and is issued to:

17 (a) One or more employers; one or more labor organizations; or a  
18 trust or the trustees of a fund established by one or more employers  
19 or labor organizations for current or former employees, current or  
20 former members of the labor organizations, or a combination of  
21 current and former employees or members, or a combination of such  
22 employers, labor organizations, trusts, or trustees; or

23 (b) A professional, trade, or occupational association for its  
24 members or former or retired members, if the association:

25 (i) Is composed of persons who are or were all actively engaged  
26 in the same profession, trade, or occupation; and

27 (ii) Has been maintained in good faith for purposes other than  
28 obtaining insurance; or

29 (c)(i) An association, trust, or the trustees of a fund  
30 established, created, or maintained for the benefit of members of one  
31 or more associations. Before advertising, marketing, or offering  
32 supplemental long-term care coverage in this state, the association  
33 or associations, or the insurer of the association or associations,  
34 must file evidence with the commissioner that the association or  
35 associations have at the time of such filing at least 100 persons who  
36 are members and that the association or associations have been  
37 organized and maintained in good faith for purposes other than that  
38 of obtaining insurance; have been in active existence for at least  
39 one year; and have a constitution and bylaws that provide that:

1 (A) The association or associations hold regular meetings at  
2 least annually to further the purposes of the members;

3 (B) Except for credit unions, the association or associations  
4 collect dues or solicit contributions from members; and

5 (C) The members have voting privileges and representation on the  
6 governing board and committees of the association.

7 (ii) Thirty days after filing the evidence in accordance with  
8 this section, the association or associations will be deemed to have  
9 satisfied the organizational requirements, unless the commissioner  
10 makes a finding that the association or associations do not satisfy  
11 those organizational requirements; or

12 (d) A group other than as described in (a), (b), or (c) of this  
13 subsection subject to a finding by the commissioner that:

14 (i) The issuance of the group policy is not contrary to the best  
15 interest of the public;

16 (ii) The issuance of the group policy would result in economies  
17 of acquisition or administration; and

18 (iii) The benefits are reasonable in relation to the premiums  
19 charged.

20 (6) "Policy" includes a document such as an insurance policy,  
21 contract, subscriber agreement, rider, or endorsement delivered or  
22 issued for delivery in this state by an insurer, fraternal benefit  
23 society, health care service contractor, health maintenance  
24 organization, or any similar entity authorized by the insurance  
25 commissioner to transact the business of supplemental long-term care  
26 insurance.

27 (7) "Qualified supplemental long-term care insurance contract" or  
28 "federally tax-qualified supplemental long-term care insurance  
29 contract" means:

30 (a) An individual or group insurance contract that meets the  
31 requirements of section 7702B(b) of the internal revenue code of  
32 1986, as amended; or

33 (b) The portion of a life insurance contract that provides  
34 supplemental long-term care insurance coverage by rider or as part of  
35 the contract and that satisfies the requirements of sections 7702B(b)  
36 and (e) of the internal revenue code of 1986, as amended.

37 (8) "Supplemental long-term care insurance" means an insurance  
38 policy, contract, or rider that is advertised, marketed, offered, or  
39 designed to provide coverage for at least 12 consecutive months for a  
40 covered person after benefits provided under chapter 50B.04 RCW have

1 been exhausted. Supplemental long-term care insurance may be on an  
2 expense incurred, indemnity, prepaid, or other basis, for one or more  
3 necessary or medically necessary diagnostic, preventive, therapeutic,  
4 rehabilitative, maintenance, or personal care services, provided in a  
5 setting other than an acute care unit of a hospital. Supplemental  
6 long-term care insurance includes any policy, contract, or rider that  
7 provides for payment of benefits based upon cognitive impairment or  
8 the loss of functional capacity that supplements benefits provided in  
9 chapter 50B.04 RCW.

10 (a) Supplemental long-term care insurance includes group and  
11 individual life insurance policies or riders that provide directly or  
12 supplement long-term care insurance and that supplements benefits  
13 provided in chapter 50B.04 RCW. However, supplemental long-term care  
14 insurance does not include life insurance policies that: (i)  
15 Accelerate the death benefit specifically for one or more of the  
16 qualifying events of terminal illness, medical conditions requiring  
17 extraordinary medical intervention, or permanent institutional  
18 confinement; (ii) provide the option of a lump sum payment for those  
19 benefits; and (iii) do not condition the benefits or the eligibility  
20 for the benefits upon the receipt of long-term care.

21 (b) Supplemental long-term care insurance also includes qualified  
22 supplemental long-term care insurance contracts.

23 (c) Supplemental long-term care insurance does not include any  
24 insurance policy, contract, or rider that is offered primarily to  
25 provide coverage for basic medicare supplement, basic hospital  
26 expense, basic medical-surgical expense, hospital confinement  
27 indemnity, major medical expense, disability income, related income,  
28 asset protection, accident only, specified disease, specified  
29 accident, or limited benefit health. These may not be marketed to  
30 consumers as providing coverage that is supplemental to the long-term  
31 care benefits provided in chapter 50B.04 RCW.

32 NEW SECTION. **Sec. 20.** (1) A supplemental long-term care  
33 insurance policy, contract, rider, or certificate form or application  
34 form shall not be issued, delivered, or used unless it has been filed  
35 with and approved by the commissioner.

36 (2) Rates, or modification of rates, for supplemental long-term  
37 care policies or certificates shall not be used until filed with and  
38 approved by the commissioner.

1 (3) A form or rate shall not knowingly be issued, delivered, or  
2 used if the commissioner's approval does not then exist.

3 NEW SECTION. **Sec. 21.** A group supplemental long-term care  
4 insurance policy may not be offered to a resident of this state under  
5 a group policy issued in another state to a group described in  
6 section 19(5)(d) of this act, unless this state or another state  
7 having statutory and regulatory supplemental long-term care insurance  
8 requirements substantially similar to those adopted in this state has  
9 made a determination that such requirements have been met.

10 NEW SECTION. **Sec. 22.** (1) A supplemental long-term care  
11 insurance policy or certificate may not define "preexisting  
12 condition" more restrictively than as a condition for which medical  
13 advice or treatment was recommended by or received from a provider of  
14 health care services, within six months preceding the effective date  
15 of coverage of an insured person, unless the policy or certificate  
16 applies to group supplemental long-term care insurance under section  
17 19(5) (a), (b), or (c) of this act.

18 (2) A supplemental long-term care insurance policy or certificate  
19 may not exclude coverage for a loss or confinement that is the result  
20 of a preexisting condition unless the loss or confinement begins  
21 within six months following the effective date of coverage of an  
22 insured person, unless the policy or certificate applies to a group  
23 as defined in section 19(5)(a) of this act.

24 (3) The commissioner may extend the limitation periods for  
25 specific age group categories in specific policy forms upon finding  
26 that the extension is in the best interest of the public.

27 (4) An issuer may use an application form designed to elicit the  
28 complete health history of an applicant and underwrite in accordance  
29 with that issuer's established underwriting standards, based on the  
30 answers on that application. Unless otherwise provided in the policy  
31 or certificate and regardless of whether it is disclosed on the  
32 application, a preexisting condition need not be covered until the  
33 waiting period expires.

34 (5) A supplemental long-term care insurance policy or certificate  
35 may not exclude or use waivers or riders to exclude, limit, or reduce  
36 coverage or benefits for specifically named or described preexisting  
37 diseases or physical conditions beyond the waiting period.

1        NEW SECTION.        **Sec. 23.**        (1) No supplemental long-term care  
2 insurance policy may:

3        (a) Be canceled, nonrenewed, or otherwise terminated on the  
4 grounds of the age or the deterioration of the mental or physical  
5 health of the insured individual or certificate holder;

6        (b) Contain a provision establishing a new waiting period in the  
7 event existing coverage is converted to or replaced by a new or other  
8 form within the same company, except with respect to an increase in  
9 benefits voluntarily selected by the insured individual or group  
10 policyholder;

11        (c) Provide coverage for skilled nursing care only or provide  
12 significantly more coverage for skilled care in a facility than  
13 coverage for lower levels of care;

14        (d) Condition eligibility for any benefits on a prior  
15 hospitalization requirement;

16        (e) Condition eligibility for benefits provided in an  
17 institutional care setting on the receipt of a higher level of  
18 institutional care;

19        (f) Condition eligibility for any benefits other than waiver of  
20 premium, postconfinement, postacute care, or recuperative benefits on  
21 a prior institutionalization requirement;

22        (g) Include a postconfinement, postacute care, or recuperative  
23 benefit unless:

24        (i) Such requirement is clearly labeled in a separate paragraph  
25 of the policy or certificate entitled "Limitations or Conditions on  
26 Eligibility for Benefits"; and

27        (ii) Such limitations or conditions specify any required number  
28 of days of preconfinement or postconfinement;

29        (h) Condition eligibility for noninstitutional benefits on the  
30 prior receipt of institutional care;

31        (i)(i) Provide for a deductible that is greater than the maximum  
32 dollar equivalent provided in RCW 50B.04.060(3)(b), including  
33 inflation adjustments provided in RCW 50B.04.010(3), without the  
34 limitation provided in RCW 50B.04.050(2). The issuer may provide for  
35 a deductible that is less than the maximum dollar equivalent provided  
36 in RCW 50B.04.060(3)(b), especially for a policyholder born before  
37 1968;

38        (ii) The issuer must accept notice from the department of social  
39 and health services that the policyholder has exhausted the benefits  
40 provided under chapter 50B.04 RCW as evidence of satisfying the

1 deductible. However, for a policyholder born before 1968, the  
2 department must provide the amount of benefits paid under chapter  
3 50B.04 RCW as evidence of payment toward the deductible;

4 (j) Include an elimination period of greater than 12 months. Any  
5 period of time the policyholder is considered an eligible beneficiary  
6 as defined in RCW 50B.04.010 must count toward any elimination period  
7 in a supplemental long-term care insurance policy. If the policy  
8 includes a deductible and an elimination period, the policy may  
9 provide that the elimination period is satisfied after the later of  
10 when the deductible or the elimination period has been met; and

11 (k) Require a policyholder to undergo a functional assessment to  
12 satisfy a benefit trigger to determine that the elimination period  
13 has begun or ended. However, the issuer may require the policyholder  
14 to undergo a functional assessment and apply a benefit trigger for  
15 purposes of approving a claim and authorizing benefits.

16 (2) A supplemental long-term care insurance policy or certificate  
17 may be field-issued if the compensation to the field issuer is not  
18 based on the number of policies or certificates issued. For purposes  
19 of this section, "field-issued" means a policy or certificate issued  
20 by a producer or a third-party administrator of the policy pursuant  
21 to the underwriting authority by an issuer and using the issuer's  
22 underwriting guidelines.

23 NEW SECTION. **Sec. 24.** (1) Supplemental long-term care insurance  
24 applicants may return a policy or certificate for any reason within  
25 30 days after its delivery and to have the premium refunded.

26 (2) All supplemental long-term care insurance policies and  
27 certificates must have a notice prominently printed on or attached to  
28 the first page of the policy stating that the applicant may return  
29 the policy or certificate within 30 days after its delivery and to  
30 have the premium refunded.

31 (3) Refunds or denials of applications must be made within 30  
32 days of the return or denial.

33 (4) This section does not apply to certificates issued pursuant  
34 to a policy issued to a group defined in section 19(5)(a) of this  
35 act.

36 NEW SECTION. **Sec. 25.** (1) An outline of coverage must be  
37 delivered to a prospective applicant for supplemental long-term care  
38 insurance at the time of initial solicitation through means that

1 prominently direct the attention of the recipient to the document and  
2 its purpose.

3 (a) The commissioner must prescribe a standard format, including  
4 style, arrangement, overall appearance, and the content of an outline  
5 of coverage. The outline of coverage must also include a disclosure:

6 (i) Of how the supplemental long-term care insurance interacts  
7 with benefits provided in chapter 50B.04 RCW and any potential gaps  
8 in coverage or discontinuities of care between benefits provided  
9 under chapter 50B.04 RCW and the policy;

10 (ii) That the premiums may increase over time and an explanation  
11 of the conditions that may result in an increase in premiums;

12 (iii) If the policyholder's circumstances change or premiums  
13 increase and the policyholder is unable or unwilling to pay the  
14 increased premiums, the options available to the consumer, including  
15 a reduction in benefits and nonforfeiture of premiums;

16 (iv) That premiums continue after retirement;

17 (v) When premium payments are no longer required under the  
18 policy, known as a waiver of premiums; and

19 (vi) That the purchase of the policy does not qualify the  
20 policyholder to apply to be exempt from premium assessments under RCW  
21 50B.04.085.

22 (b) When an insurance producer makes a solicitation in person,  
23 the insurance producer must deliver an outline of coverage before  
24 presenting an application or enrollment form.

25 (c) In a direct response solicitation, the outline of coverage  
26 must be presented with an application or enrollment form. The  
27 disclosures required under (a) of this subsection are required in any  
28 marketing materials.

29 (d) If a policy is issued to a group as defined in section  
30 19(5)(a) of this act, an outline of coverage is not required to be  
31 delivered, if the information that the commissioner requires to be  
32 included in the outline of coverage is in other materials relating to  
33 enrollment. Upon request, any such materials must be made available  
34 to the commissioner.

35 (2) If an issuer approves an application for a supplemental long-  
36 term care insurance contract or certificate, the issuer must deliver  
37 the contract or certificate of insurance to the applicant within 30  
38 days after the date of approval. A policy summary must be delivered  
39 with an individual life insurance policy that provides supplemental  
40 long-term care benefits within the policy or by rider. In a direct



1 response solicitation, the issuer must deliver the policy summary,  
2 upon request, before delivery of the policy, if the applicant  
3 requests a summary.

4 (a) The policy summary must include:

5 (i) An explanation of how the supplemental long-term care benefit  
6 interacts with other components of the policy, including deductions  
7 from any applicable death benefits;

8 (ii) An illustration of the amount of benefits, the length of  
9 benefits, and the guaranteed lifetime benefits if any, for each  
10 covered person;

11 (iii) Any exclusions, reductions, and limitations on benefits of  
12 supplemental long-term care;

13 (iv) A statement that any supplemental long-term care inflation  
14 protection option required by section 32 of this act is not available  
15 under this policy; and

16 (v) If applicable to the policy type, the summary must also  
17 include:

18 (A) A disclosure of the effects of exercising other rights under  
19 the policy;

20 (B) A disclosure of guarantees related to long-term care costs of  
21 insurance charges; and

22 (C) Current and projected maximum lifetime benefits.

23 (b) The provisions of the policy summary may be incorporated into  
24 a basic illustration required under chapter 48.23A RCW, or into the  
25 policy summary which is required under rules adopted by the  
26 commissioner.

27 NEW SECTION. **Sec. 26.** A supplemental long-term care insurance  
28 policy, contract, or rider must:

29 (1) Allow the policyholder options for reduction of benefits or  
30 nonforfeiture of premiums as provided in section 32 of this act if  
31 the premiums increase or the policyholder's circumstances change and  
32 the policyholder is unable or unwilling to pay the increased  
33 premiums;

34 (2) Allow for continuity of coverage of care settings and  
35 providers, including family providers, that the policyholder was  
36 receiving as benefits under the program provided in chapter 50B.04  
37 RCW unless there is substantial clinical or other information showing  
38 that the current care setting or provider cannot meet the care and  
39 safety needs of the policyholder. If the issuer makes a determination

1 that the care setting or providers are not suited to meeting the care  
2 and safety needs of the policyholder, the issuer may require a change  
3 of care setting or provider under the policy, effective 90 days after  
4 the transition from the benefits provided under chapter 50B.04 RCW.  
5 The policyholder may appeal the determination through an independent  
6 third-party review as tracked by the commissioner. The issuer may  
7 audit for fraudulent claims where the care being claimed is not being  
8 provided; and

9 (3) Cover family providers, provided they are suited to meet the  
10 care and safety needs of the policyholder.

11 NEW SECTION. **Sec. 27.** (1) When a policyholder purchases a  
12 supplemental long-term care insurance policy, the issuer must request  
13 written consent from the policyholder to share information with the  
14 department of social and health services. If the policyholder  
15 provides written consent, the issuer must inform the department of  
16 social and health services that the policyholder has purchased a  
17 supplemental long-term care insurance policy and share any  
18 information with the department for the purposes of any potential  
19 care coordination.

20 (2) Only basic demographic information that would allow a person  
21 to be identified in the program provided in chapter 50B.04 RCW may be  
22 shared if the individual consents to sharing information. No health  
23 care information as defined in RCW 70.02.010 or data on claims may be  
24 shared.

25 NEW SECTION. **Sec. 28.** If a supplemental long-term care benefit  
26 funded through a life insurance policy by the acceleration of the  
27 death benefit is in benefit payment status, a monthly report must be  
28 provided to the policyholder. The report must include:

29 (1) A record of all supplemental long-term care benefits paid out  
30 during the month;

31 (2) An explanation of any changes in the policy resulting from  
32 paying the supplemental long-term care benefits, such as a change in  
33 the death benefit or cash values; and

34 (3) The amount of supplemental long-term care benefits that  
35 remain to be paid.

36 NEW SECTION. **Sec. 29.** Within 30 business days after receipt of  
37 all the requested additional information, an insurer must pay a claim

1 for benefits under a supplemental long-term care insurance policy or  
2 certificate if it is a clean claim, or send a written notice that the  
3 insurer is declining to pay all or part of the claim and the specific  
4 reason or reasons for denial.

5 NEW SECTION. **Sec. 30.** (1) An issuer may rescind a supplemental  
6 long-term care insurance policy or certificate or deny an otherwise  
7 valid supplemental long-term care insurance claim if:

8 (a) A policy or certificate has been in force for less than six  
9 months and upon a showing of misrepresentation that is material to  
10 the acceptance for coverage; or

11 (b) A policy or certificate has been in force for at least six  
12 months but less than two years, upon a showing of misrepresentation  
13 that is both material to the acceptance for coverage and that  
14 pertains to the condition for which benefits are sought.

15 (2) After a policy or certificate has been in force for two years  
16 it is not contestable upon the grounds of misrepresentation alone.  
17 Such a policy or certificate may be contested only upon a showing  
18 that the insured knowingly and intentionally misrepresented relevant  
19 facts relating to the insured's health.

20 (3) An issuer's payments for benefits under a supplemental long-  
21 term care insurance policy or certificate may not be recovered by the  
22 issuer if the policy or certificate is rescinded.

23 (4) This section does not apply to the remaining death benefit of  
24 a life insurance policy that accelerates benefits for supplemental  
25 long-term care that are governed by RCW 48.23.050 the state's life  
26 insurance incontestability clause. In all other situations, this  
27 section applies to life insurance policies that accelerate benefits  
28 for supplemental long-term care.

29 NEW SECTION. **Sec. 31.** (1) The commissioner must establish  
30 minimum standards for inflation protection features.

31 (2) An issuer must comply with the rules adopted by the  
32 commissioner that establish minimum standards for inflation  
33 protection features.

34 NEW SECTION. **Sec. 32.** (1) Except as provided by this section, a  
35 supplemental long-term care insurance policy may not be delivered or  
36 issued for delivery in this state unless the policyholder or  
37 certificate holder has been offered the option of purchasing a policy

1 or certificate that includes a nonforfeiture benefit. The offer of a  
2 nonforfeiture benefit may be in the form of a rider that is attached  
3 to the policy. If a policyholder or certificate holder declines the  
4 nonforfeiture benefit, the issuer must provide a contingent benefit  
5 upon lapse that is available for a specified period of time following  
6 a substantial increase in premium rates.

7 (2) If a group supplemental long-term care insurance policy is  
8 issued, the offer required in subsection (1) of this section must be  
9 made to the group policyholder. However, if the policy is issued as  
10 group supplemental long-term care insurance as defined in section  
11 19(5)(d) of this act other than to a continuing care retirement  
12 community or other similar entity, the offering must be made to each  
13 proposed certificate holder.

14 (3) The commissioner must adopt rules specifying the type or  
15 types of nonforfeiture benefits to be offered as part of supplemental  
16 long-term care insurance policies and certificates, the standards for  
17 nonforfeiture benefits, and the rules regarding contingent benefit  
18 upon lapse, including a determination of the specified period of time  
19 during which a contingent benefit upon lapse will be available and  
20 the substantial premium rate increase that triggers a contingent  
21 benefit upon lapse.

22 NEW SECTION. **Sec. 33.** (1) A person may not sell, solicit, or  
23 negotiate supplemental long-term care insurance unless the person is  
24 appropriately licensed as an insurance producer and has successfully  
25 completed supplemental long-term care coverage education that meets  
26 the requirements of this section and:

27 (a) Has successfully completed long-term care coverage education  
28 that meets the requirements of RCW 48.83.130; and

29 (b) Has completed an approved one-hour course on supplemental  
30 long-term care insurance that includes education on:

31 (i) The provisions of chapter 50B.04 RCW and any rules adopted to  
32 implement the long-term services and supports trust program;

33 (ii) The relationship between benefits offered under chapter  
34 50B.04 RCW, qualified state long-term care insurance partnership  
35 programs, and other public and private coverage of long-term care  
36 services, including medicaid; and

37 (iii) This chapter.

38 (2) The insurance producer education required by this section may  
39 not include training that is issuer or company product-specific or

1 that includes any sales or marketing information, materials, or  
2 training, other than those required by state or federal law.

3 (3) Issuers must obtain verification that an insurance producer  
4 receives training required by this section before that producer is  
5 permitted to sell, solicit, or otherwise negotiate the issuer's  
6 supplemental long-term care insurance products.

7 (4) Issuers must maintain records subject to the state's record  
8 retention requirements and make evidence of that verification  
9 available to the commissioner upon request.

10 (5) (a) Issuers must maintain records with respect to the training  
11 of its producers concerning the distribution of its long-term care  
12 partnership policies that will allow the commissioner to provide  
13 assurance to the state department of social and health services,  
14 medicaid division, that insurance producers engaged in the sale of  
15 supplemental long-term care insurance contracts have received the  
16 training required by this section and any rules adopted by the  
17 commissioner, and that producers have demonstrated an understanding  
18 of the partnership policies and their relationship to benefits  
19 offered under chapter 50B.04 RCW and public and private coverage of  
20 long-term care, including medicaid, in this state.

21 (b) These records must be maintained in accordance with the  
22 state's record retention requirements and be made available to the  
23 commissioner upon request.

24 NEW SECTION. **Sec. 34.** (1) Issuers and their agents, if any,  
25 must determine whether issuing supplemental long-term care insurance  
26 coverage to a particular person is appropriate, except in the case of  
27 a life insurance policy that accelerates benefits for supplemental  
28 long-term care.

29 (2) An issuer must:

30 (a) Develop and use suitability standards to determine whether  
31 the purchase or replacement of supplemental long-term care coverage  
32 is appropriate for the needs of the applicant or insured, using a  
33 best interest standard. The issuers and their agents must act in the  
34 best interests of the applicant or policyholder under the  
35 circumstances known at the time the recommendation is made, without  
36 putting the issuer or agent's financial interests ahead of the  
37 interests of the applicant or policyholder;

38 (b) Train its agents in the use of the issuer's suitability  
39 standards; and

1 (c) Maintain a copy of its suitability standards and make the  
2 standards available for inspection, upon request.

3 (3) The following must be considered when determining whether the  
4 applicant meets the issuer's suitability standards:

5 (a) The ability of the applicant to pay for the proposed coverage  
6 and any other relevant financial information related to the purchase  
7 of or payment for coverage;

8 (b) The applicant's goals and needs with respect to supplemental  
9 long-term care and the advantages and disadvantages of supplemental  
10 long-term care coverage to meet those goals or needs; and

11 (c) The values, benefits, and costs of the applicant's existing  
12 health or long-term care coverage, if any, when compared to the  
13 values, benefits, and costs of the recommended purchase or  
14 replacement.

15 (4) The sale or transfer of any suitability information provided  
16 to the issuer or agent by the applicant to any other person or  
17 business entity is prohibited.

18 (5) (a) The commissioner must adopt rules on forms of consumer-  
19 friendly personal worksheets that issuers and their agents must use  
20 for applications for supplemental long-term care coverage.

21 (b) The commissioner may require each issuer to file its current  
22 forms of suitability standards and personal worksheets with the  
23 commissioner.

24 NEW SECTION. **Sec. 35.** A person engaged in the issuance or  
25 solicitation of supplemental long-term care coverage may not engage  
26 in unfair methods of competition or unfair or deceptive acts or  
27 practices, as such methods, acts, or practices are defined in chapter  
28 48.30 RCW, or as defined by the commissioner.

29 NEW SECTION. **Sec. 36.** An issuer or an insurance producer who  
30 violates a law or rule relating to the regulation of supplemental  
31 long-term care insurance or its marketing is subject to a fine of up  
32 to three times the amount of the commission paid for each policy  
33 involved in the violation or \$10,000, whichever is greater.

34 NEW SECTION. **Sec. 37.** (1) The commissioner must adopt rules  
35 that include standards for full and fair disclosure setting forth the  
36 manner, content, and required disclosures for the sale of  
37 supplemental long-term care insurance policies, terms of

1 renewability, initial and subsequent conditions of eligibility,  
2 nonduplication of coverage provisions, coverage of dependents,  
3 preexisting conditions, termination of insurance, continuation or  
4 conversion, probationary periods, limitations, exceptions,  
5 reductions, elimination periods, requirements for replacement,  
6 recurrent conditions, and definitions of terms. The commissioner must  
7 adopt rules establishing loss ratio standards for supplemental long-  
8 term care insurance policies. The commissioner must adopt rules to  
9 promote premium adequacy and to protect policyholders in the event of  
10 proposed substantial rate increases, and to establish minimum  
11 standards for producer education, marketing practices, producer  
12 compensation, producer testing, penalties, and reporting practices  
13 for supplemental long-term care insurance.

14 (2) The commissioner must adopt rules establishing standards  
15 protecting patient privacy rights, rights to receive confidential  
16 health care services, and standards for an issuer's timely review of  
17 a claim denial upon request of a covered person.

18 (3) The commissioner must adopt by rule prompt payment  
19 requirements for supplemental long-term care insurance. The rules  
20 must include a definition of a "claim" and a definition of "clean  
21 claim." In adopting the rules, the commissioner must consider the  
22 prompt payment requirements in long-term care insurance model acts  
23 developed by the national association of insurance commissioners.

24 (4) The commissioner may adopt reasonable rules to carry out this  
25 chapter.

26 NEW SECTION. **Sec. 38.** (1) The commissioner must:

27 (a) Develop a consumer education guide designed to educate  
28 consumers and help them make informed decisions as to the purchase of  
29 supplemental long-term care insurance policies provided under this  
30 chapter; and

31 (b) Expand programs to educate consumers as to the supplemental  
32 long-term care insurance policies provided under this chapter, with a  
33 focus on the middle-income market. If allowable under federal law,  
34 the commissioner must expand the statewide health insurance benefits  
35 advisor program to provide the consumer education.

36 (2) The guide and programs should:

37 (a) Provide additional information and counseling for consumers  
38 born before 1968. This information and counseling should educate  
39 these consumers as to potential out-of-pocket costs they may be

1 subject to before supplemental long-term care insurance will begin  
2 paying claims and strategies for managing the gap between benefits  
3 payable under chapter 50B.04 RCW and coverage under supplemental  
4 long-term care insurance.

5 (b) Support consumers in assessing the tradeoffs between various  
6 elimination period options and premium rates.

7 (c) Educate consumers on budgeting any benefits available under  
8 chapter 50B.04 RCW carefully to reduce the likelihood and size of any  
9 potential gap between those benefits and the supplemental long-term  
10 care insurance.

11 NEW SECTION. **Sec. 39.** A new section is added to chapter 48.83  
12 RCW to read as follows:

13 This chapter does not apply to supplemental long-term care  
14 insurance as defined in section 19 of this act.

15 NEW SECTION. **Sec. 40.** RCW 50B.04.040 (Long-term services and  
16 supports council—Benefit unit adjustment) and 2019 c 363 s 5 are each  
17 repealed.

18 NEW SECTION. **Sec. 41.** Sections 17 through 38 of this act  
19 constitute a new chapter in Title 48 RCW.

20 NEW SECTION. **Sec. 42.** If any provision of this act or its  
21 application to any person or circumstance is held invalid, the  
22 remainder of the act or the application of the provision to other  
23 persons or circumstances is not affected.

24 **Sec. 43.** RCW 50B.04.140 and 2022 c 1 s 7 are each amended to  
25 read as follows:

26 Beginning December 1, 2028, and annually thereafter, and in  
27 compliance with RCW 43.01.036, the commission must report to the  
28 legislature on the program, including:

- 29 (1) Projected and actual program participation;
- 30 (2) Adequacy of premium rates;
- 31 (3) Fund balances;
- 32 (4) Benefits paid;

33 (5) Demographic information on program participants, including  
34 age, gender, race, ethnicity, geographic distribution by county, and  
35 legislative district(~~(, and employment sector)~~); and



1 (6) The extent to which the operation of the program has resulted  
2 in savings to the medicaid program by avoiding costs that would have  
3 otherwise been the responsibility of the state.

4 NEW SECTION. **Sec. 44.** A new section is added to chapter 50B.04  
5 RCW to read as follows:

6 If Washington is successful in obtaining a waiver from the  
7 federal centers for medicare and medicaid services that results in  
8 shared savings because of long-term services and supports spending,  
9 the amount of shared savings shall be deposited into the long-term  
10 services and supports trust account created in RCW 50B.04.100.

11 **Sec. 45.** RCW 74.39.007 and 2022 c 86 s 1 are each amended to  
12 read as follows:

13 The definitions in this section apply throughout this section,  
14 RCW ((74.39.007,)) 74.39.050, 74.39.070, 43.190.060, and section 1,  
15 chapter 336, Laws of 1999 unless the context clearly requires  
16 otherwise.

17 (1) "Self-directed care" means the process in which an adult  
18 person, who is prevented by a functional disability from performing a  
19 manual function related to health care that an individual would  
20 otherwise perform for himself or herself, chooses to direct and  
21 supervise a paid personal aide to perform those tasks.

22 (2) "Personal aide" means an individual, working privately  
23 ((~~or~~)), as an individual provider as defined in RCW 74.39A.240, or as  
24 a qualified family member paid through the long-term services and  
25 supports trust as described in RCW 50B.04.010, who acts at the  
26 direction of an adult person with a functional disability living in  
27 his or her own home to assist with the physical performance of a  
28 health care task, as described in RCW 74.39.050, that persons without  
29 a functional disability can perform themselves.

30 **Sec. 46.** RCW 70.127.040 and 2024 c 259 s 4 are each amended to  
31 read as follows:

32 The following are not subject to regulation for the purposes of  
33 this chapter:

34 (1) A family member providing home health, hospice, or home care  
35 services;

36 (2) A person who provides only meal services in an individual's  
37 permanent or temporary residence;

1 (3) An individual providing home care through a direct agreement  
2 with a recipient of care in an individual's permanent or temporary  
3 residence;

4 (4) A person furnishing or delivering home medical supplies or  
5 equipment that does not involve the provision of services beyond  
6 those necessary to deliver, set up, and monitor the proper  
7 functioning of the equipment and educate the user on its proper use;

8 (5) A person who provides services through a contract with a  
9 licensed agency;

10 (6) An employee or volunteer of a licensed agency who provides  
11 services only as an employee or volunteer;

12 (7) Facilities and institutions, including but not limited to  
13 nursing homes under chapter 18.51 RCW, hospitals under chapter 70.41  
14 RCW, adult family homes under chapter 70.128 RCW, assisted living  
15 facilities under chapter 18.20 RCW, developmental disability  
16 residential programs under chapter 71A.12 RCW, other entities  
17 licensed under chapter 71.12 RCW, or other licensed facilities and  
18 institutions, only when providing services to persons residing within  
19 the facility or institution;

20 (8) Local and combined city-county health departments providing  
21 services under chapters 70.05 and 70.08 RCW;

22 (9) An individual providing care to ill individuals, individuals  
23 with disabilities, or vulnerable individuals through a contract with  
24 the department of social and health services;

25 (10) Nursing homes, hospitals, or other institutions, agencies,  
26 organizations, or persons that contract with licensed home health,  
27 hospice, or home care agencies for the delivery of services;

28 (11) In-home assessments of an ill individual, an individual with  
29 a disability, or a vulnerable individual that does not result in  
30 regular ongoing care at home;

31 (12) Services conducted by and for the adherents of a church or  
32 religious denomination that rely upon spiritual means alone through  
33 prayer for healing in accordance with the tenets and practices of  
34 such church or religious denomination and the bona fide religious  
35 beliefs genuinely held by such adherents;

36 (13) A medicare-approved dialysis center operating a medicare-  
37 approved home dialysis program;

38 (14) A person providing case management services. For the  
39 purposes of this subsection, "case management" means the assessment,  
40 coordination, authorization, planning, training, and monitoring of

1 home health, hospice, and home care, and does not include the direct  
2 provision of care to an individual;

3 (15) Pharmacies licensed under RCW 18.64.043 that deliver  
4 prescription drugs and durable medical equipment that does not  
5 involve the use of professional services beyond those authorized to  
6 be performed by licensed pharmacists pursuant to chapter 18.64 RCW  
7 and those necessary to set up and monitor the proper functioning of  
8 the equipment and educate the person on its proper use;

9 (16) A volunteer hospice complying with the requirements of RCW  
10 70.127.050;

11 (17) A person who provides home care services without  
12 compensation;

13 (18) Nursing homes that provide telephone or web-based  
14 transitional care management services;

15 (19) A rural health clinic providing health services in a home  
16 health shortage area as declared by the department pursuant to 42  
17 C.F.R. Sec. 405.2416; ((and))

18 (20) Hospital at-home services provided by a hospital pursuant to  
19 RCW 70.41.550;

20 (21) A consumer directed employer as described in RCW 74.39A.500;  
21 and

22 (22) An entity contracted with the department of social and  
23 health services as a financial services agency and who only serves  
24 clients of in-home long-term care workers who are qualified family  
25 members as described in RCW 50B.04.010.

26 NEW SECTION. Sec. 47. Sections 17 through 39 of this act take  
27 effect May 1, 2026.

28 NEW SECTION. Sec. 48. Sections 12 through 14 of this act take  
29 effect January 1, 2027.

30 NEW SECTION. Sec. 49. Sections 1 through 11, 15, 16, and 40  
31 through 46 of this act take effect January 1, 2026.

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