

# Resources for Washington businesses

Gain important insights about SharedWork and the WA Cares Fund for a competitive workforce advantage!

**Wednesday, March 8**

**12:00 PM – 1:00 PM**

**SharedWork and WA Cares Fund**

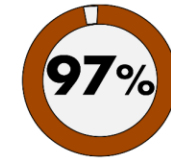


# Welcome

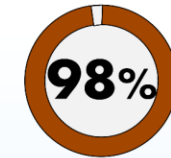
# SharedWork program

Keeps Washington employers thriving during economic ups and downs.

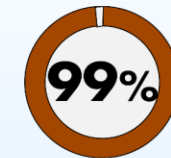
In a survey of past employers who enrolled in the program:



SharedWork improved employee morale.



The program helped retain skilled workers.



Would recommend SharedWork to another employer.

[SharedWorkWA.com](http://SharedWorkWA.com)



# Scenario: 20 percent payroll reduction



Ryna's remodeling company is experiencing supply delays, and it's impacting a few jobsites. She employs 40 individuals.

***In lieu of layoffs.*** Ryna has enough work for 32 full-time employees. The employer can avert the continued layoff of 8 full-time employees by keeping all 40 employees and reducing the workweek.

***Reduced workweek.*** The employer reduced the workweek from 40 hours to 32 hours, which is a reduction of 20 percent and permissible under state law, anywhere from 10-50% is an acceptable reduction each week with SharedWork.

***Summary.*** The 40 returning employees would each receive 80 percent of their wages from their employer, while also remaining eligible for 20 percent of their respective weekly benefit amount under SharedWork.



# SharedWork usage by county

The table below shows active SharedWork plans in the state of Washington as reported in the [February 2023 SharedWork hot sheet](#).

County	Businesses eligible for SharedWork in this county (estimated)	Businesses currently participating in SharedWork	Employees participating in SharedWork (enrolled by their employer)	County	Businesses eligible for SharedWork in this county (estimated)	Businesses currently participating in SharedWork	Employees participating in SharedWork (enrolled by their employer)	County	Businesses eligible for SharedWork in this county (estimated)	Businesses currently participating in SharedWork	Employees participating in SharedWork (enrolled by their employer)
Adams	283	0	0	Jefferson	428	6	69	Snohomish	8,143	81	1,914
Asotin	227	0	0	King	33,861	246	5,512	Spokane	6,188	55	1,616
Benton	2,245	23	504	Kitsap	2,633	17	280	Stevens	395	3	7
Chelan	1,440	22	482	Kittitas	607	0	0	Thurston	3,401	35	540
Clallam	915	5	83	Klickitat	299	5	68	Wahkiakum	44	0	0
Clark	5,959	49	510	Lewis	906	17	237	Walla Walla	768	10	90
Columbia	83	0	0	Lincoln	106	0	0	Whatcom	3,107	44	806
Cowlitz	1,133	6	436	Mason	503	5	57	Whitman	447	1	17
Douglas	392	3	108	Okanogan	610	3	11	Yakima	2,552	19	238
Ferry	86	0	0	Pacific	323	0	0	Other	9,545	160	6,032
Franklin	1,021	1	2	Pend Oreille	128	1	2	<b>Total</b>	<b>102,166</b>	<b>965</b>	<b>23,500</b>
Garfield	20	0	0	Pierce	8,315	102	3,014				
Grant	1,198	11	170	San Juan	468	3	8				
Grays Harbor	835	8	263	Skagit	1,658	17	240				
Island	840	6	182	Skamania	93	1	2				



# Scenario: 20 percent payroll reduction



## Without SharedWork 20% employees laid off

### Laid off worker



**\$800**

\$20 x 40 hrs

### Full-time employee



**\$800**

\$20 x 40 hrs

## With SharedWork All employees working 20% fewer hours.

### Full-time employee at 20% reduction



**\$800**

\$20 x 40 hrs

### Part-time employee at 20% reduction



**\$600**

\$20 x 30 hrs

**Average Weekly Income**  
(before reduction)

**Average Weekly Income**  
(before reduction)

After 20% Workforce Reduction	Hours worked
	Weekly Benefit (Unemployment Insurance)
	Weekly Wage
	Weekly Income without SharedWork

0
\$400
0
<b>\$400</b>

40
\$0
\$800
<b>\$800</b>

After 20% SharedWork Reduction	Hours worked (reduced by 20%)
	Weekly Benefit (Unemployment Insurance)
	Weekly Wage
	Weekly Income with SharedWork

32
\$80
\$640
<b>\$720</b>

24
\$60
\$480
<b>\$540</b>

# SharedWork Requirements



## Employer Requirements for SharedWork:

1. Must be a legally registered business in Washington state.
2. Must have an Employment Security Department (ESD) number.
3. Must have at least two permanent employees, who are not corporate officers, affected by a reduction in hours and wages.
4. Continue to provide same benefits to employees.

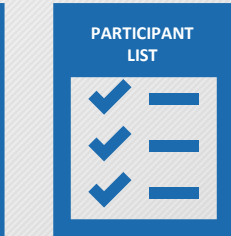
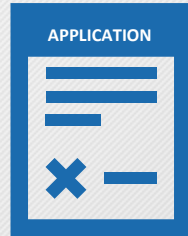
## Employee Requirements for SharedWork:

1. Employee must qualify for a valid claim. (680 hours)
2. All permanent employees may participate in SharedWork.
3. Be able and available for all scheduled hours by SharedWork employer.

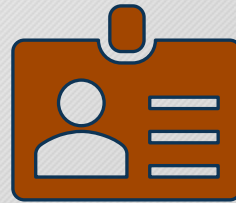
# How It Works



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The employer calls SharedWork at **800-752-2500** option 3 to check business eligibility.

The employer assigns a **SharedWork representative** and submits an **Employer Plan Application** and a **Participant List**.

Once the employer plan is approved, each participant submits an **Employee Application** and begins filing weekly claims.

The employee receives **earned wages** and a share of **unemployment insurance benefits** when hours are reduced.

The employer representative checks the weekly **SharedWork Payments Report** for accuracy.

# Employer enrollment options

## Apply by eServices, electronic upload or fax

1. Download the [Employer plan application](#) (pdf). If you need more space to add employee names, download the [Participant list](#) (Excel)
2. Here you can [Upload all documents](#) directly to the SharedWork Unit, or Fax to 800-701-7754

Remember to:

- Include your company's name in the file name
- Sign and date all forms
- Obtain the signature for the collective bargaining agent, if applicable.

**Employment Security Department** WASHINGTON STATE **SharedWork**  
**EMPLOYER PLAN APPLICATION**  
Submit this form by fax to 800-701-7754 or upload at [SharedWork upload](#)  
Questions? Call 800-752-2500

Please print or type the following information. Answer all questions and sign to complete.

1. Employment Security Department (ESD) number: \_\_\_\_\_  
Find this number on your ESD tax statement.

2. Business name: \_\_\_\_\_ DBA: \_\_\_\_\_

3. Mailing address: \_\_\_\_\_ City: \_\_\_\_\_  
State: \_\_\_\_\_ ZIP code: \_\_\_\_\_ County: \_\_\_\_\_

Physical Location/Street address (if different from mailing address): \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP code: \_\_\_\_\_ County: \_\_\_\_\_

4. **Employer representative:** An employer must identify a representative to coordinate with SharedWork Program staff regarding the employer plan and eligible employee claims. Employer representatives must report changes and respond to written requests for information within 10 days. Representatives also must be easily available to program staff.

Primary employer representative:	Alternate employer representative:
Name: _____	Name: _____
Job title: _____	Job title: _____
Email: _____	Email: _____
Phone: _____ Ext.: _____	Phone: _____ Ext.: _____
Fax: _____	Fax: _____
If <b>not</b> located at address above, provide location. Address: _____	If <b>not</b> located at address above, provide location. Address: _____
City: _____ State: _____	City: _____ State: _____

5. Is your business experiencing an economic downturn? ☐ Yes ☐ Maybe

6. What date did you or will you reduced hours? \_\_\_\_\_  
(month/day/year)

7. How many employees are you submitting to participate in SharedWork? (Complete the attached employer plan employee list below.) \_\_\_\_\_

8. Estimate how many jobs will be saved by using the SharedWork Program. \_\_\_\_\_

9. How will you give advance notice to affected employees whose hours are or will be reduced?  
☐ Memo or letter ☐ Email ☐ Staff meeting ☐ Other: \_\_\_\_\_

If advance notice is not possible, please state why: \_\_\_\_\_

10. a) How many of your participating employees are union represented? \_\_\_\_\_ ☐ N/A

b) **Employer union affiliation information (if applicable):** The employer's SharedWork plan must be approved in writing by the collective bargaining agent for each affected collective bargaining agreement covering any affected employee. Approval signature(s) are required to process this application.

Union: _____ Local: _____	Union: _____ Local: _____
Phone: _____ Ext.: _____	Phone: _____ Ext.: _____
Authorized union representative name Print: _____	Authorized union representative name Print: _____
Signature: _____	Signature: _____

11. Your signature certifies that:

- You have at least two permanent employees enrolled in the SharedWork plan.
- Affected employees were hired on a permanent basis.
- Health benefits will continue to be provided under the same terms and conditions as when the affected employee worked their usual weekly hours, unless health benefits are changed for all your employees.
- Retirement benefits and contributions under defined plans will continue to be provided under the same terms and conditions as when the affected employees worked their usual weekly hours, unless retirement benefits are changed for all your employees.
- Paid vacation, holidays, and sick leave continue to be provided under the same terms and conditions as when the affected employees worked their usual weekly hours.
- You agree to furnish all reports and information necessary for proper administration of your SharedWork plan.
- Your participation is consistent with your obligations under federal and state law.
- If there are any changes to the information on this application or employee (participant) list, you will notify SharedWork program staff immediately.
- You agree not to use SharedWork to subsidize seasonal employees during the off season.

By signing below, I, \_\_\_\_\_ Print name \_\_\_\_\_ certify that I am authorized to sign this document on behalf of the business and that all information provided on this application is true and correct.

Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
Owner, Proprietor, CEO, CFO, CO, GM, HR Manager, Payroll Manager



# Winning with SharedWork



"I think SharedWork is a great signal to your people:- come back to work, get back to work, and sign up for SharedWork! It could be a great tool in building up your team and moving forward as you try to figure out the next few years of being short [on] workers, and how to retain the great ones you have."

**Washington Hospitality Association**

Statewide

"Client care has ebbed and flowed based on the pandemic, and Shared Work has given us the flexibility to take care of our staff, while saving payroll when there isn't enough work – (as a non-profit, this is especially important!)"

**Pushing Boundaries**

Bellevue, WA



"Our employees are thankful we used it, and happy they do not have to draw full unemployment. There are so many advantages to SharedWork. We do not know what the future will bring. Get approved for SharedWork!"

**Spokane Galvanizing**  
Airway Heights, WA

**SPOKANE GALVANIZING**

"What felt like the right thing for our employees was not just to pick five or ten of our newest employees and let them go because of the pandemic ... and so SharedWork saved us!"

**Kulshan Brewing**  
Bellingham, WA



# Contact SharedWork



Employers can verify their eligibility in minutes and get answers by calling 800-752-2500 and choosing Option 3.

## 800-752-2500

8am to 4pm, Monday through Friday

Option 1 – Claims

Option 2 – Existing Plans

**Option 3 – New Plan Inquiry**

Option 4 – I was asked to call  
[sharedworkplansect@esd.wa.gov](mailto:sharedworkplansect@esd.wa.gov)

### More ways to learn about SharedWork

- Watch a commercial by [clicking here](#).
- The SharedWork program will be hosting many regional and statewide **free virtual events** for employers in Washington. Check out our event lineup: [esd.wa.gov/SharedWork/events](https://esd.wa.gov/SharedWork/events)
- The SharedWork program will be hosting weekly webinars through the year end to help businesses get informed. **Wednesdays 11:15 a.m. SharedWork Q&A for businesses.** [Click here to register.](#)
- Download the **SharedWork info card** by [clicking here](#).



**Employment Security Department**  
WASHINGTON STATE

# WA Cares Fund

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JANETTE BENHAM | RULES COORDINATOR  
LEAVE AND CARE DIVISION

BRETT CAIN | POLICY ANALYST  
LEAVE AND CARE DIVISION

# Why WA Cares?

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# What you need to know about WA Cares Fund

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## **Why does WA Cares Fund exist?**

The fund was created to support working Washingtonians with affordable long-term care and peace of mind that long-term care coverage is there when we need it.

## **What do we do?**

This program provides a new way to fund long-term care that keeps people from having to spend down their life savings to rely on Medicaid or pay premiums after retirement to retain a private insurance plan.

# 2019

## **2SHB 1087 passes**

**ESD** Collects Premiums

**DSHS** Administers Benefit

**HCA** Tracks Lifetime Benefit

**State Actuary**  
Performs Actuarial Audit Functions

# 2020

## **ESD Agency Request Legislation SSB 6267 passes**

# 2021

## **HB 1323 passes**

ESD begins accepting exemptions applications for individuals with private LTC insurance (Oct. 1, 2021 through Dec. 31, 2022)

# 2022

## **SHB 1732 and ESHB 1733 pass**

Delays WA Cares implementation by 18 months

Delays benefit availability by 18 months

Adds prorated benefit for individuals born prior to Jan. 1, 1968

Adds four types of voluntary exemptions

# 2023

Employers begin deducting premiums from employee wages on July 1

# 2026

Benefit becomes available for eligible beneficiaries on July 1

# The cost of long-term care

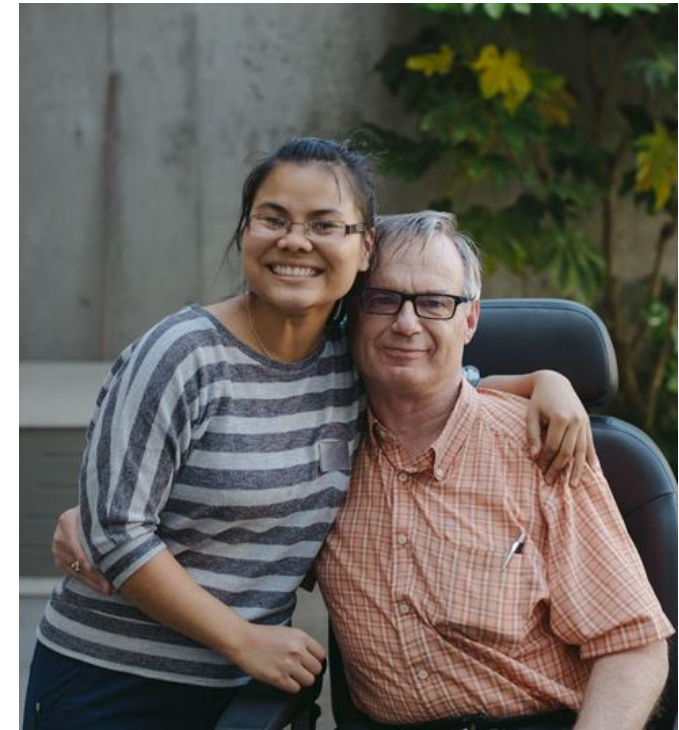
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## Long-Term Care is predictable and expensive

- 70% of those turning 65 today will need long-term care
- Annual cost of home care: \$33k to \$66k (20-40 hours/week)

## Most Seniors can't afford long-term care

- Among Washington seniors:
- Median household income: \$56,000
- Half have no 401(k) or pension income



# How the benefit works

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# How the benefit works

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- Each eligible beneficiary can access services and supports costing up to \$36,500
- The benefit can be used for a range of services and supports, such as:



Professional care



Rides to the doctor



Home-delivered meals



Training family caregivers



Adaptive equipment and technology



Home safety evaluations

# How the benefit works

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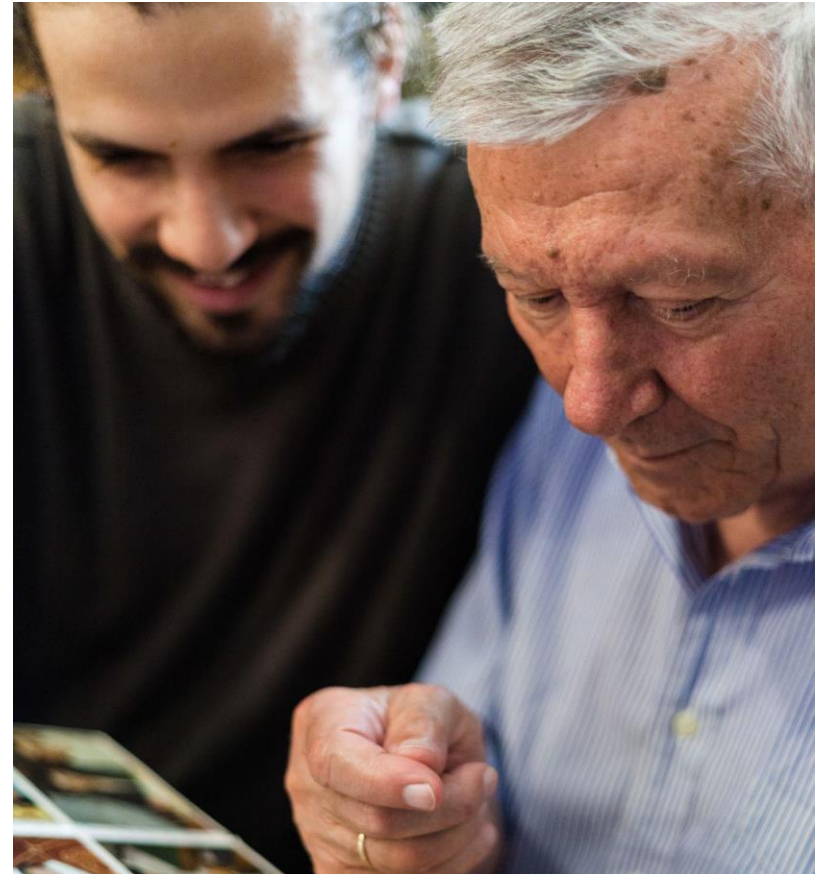
## Vesting and eligibility

- To meet vesting criteria, you must have earned your WA Cares benefit by working and contributing:
  - At least ten years at any point in your life without a break of five or more years within those ten years, or
  - Three of the last six years
  - And at least 500 hours per year during those years

## Prorated benefits – added to the law in 2022

- Individuals born before January 1, 1968, and who don't meet the above vesting requirements may receive one tenth of the benefit for each year they have worked at least 500 hours and contributed to the fund

To be eligible for benefits, you must require assistance with at least three activities of daily living.



# Exemptions

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# Exemption – Private long-term care insurance

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This exemption is for workers who have their own private long-term care insurance.

**It's permanent** — If approved, workers won't have premiums assessed and will forfeit their right to the benefit for life.

Workers must apply for this exemption. Employers cannot apply on behalf of their employees.

- Key dates for exemption applications:
  - **By Nov. 1, 2021:** Have a qualifying private long-term care insurance policy
  - **Oct. 1, 2021–Dec. 31, 2022:** Apply to ESD for an exemption

No changes were made to this exemption type during the 2022 legislative session.



# Exemption types

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Four new voluntary exemption opportunities were added to the law following legislation that passed this year (SHB 1733). The new exemption opportunities are for:

- Veterans with a 70% or greater service-connected disability
- Spouses or registered domestic partners of an active-duty service member
- Nonimmigrant visa holders
- Employees who maintain primary residence outside of Washington

These new exemption types are in addition to the existing exemption for individuals who have their own private long-term care insurance.

# Comparison of exemption types

Exemption type	Application Dates	Permanent or Conditional
Employees with private long-term care insurance	October 1, 2021 through December 31, 2022	Permanent
Veterans with 70% or greater service-connected disability	January 1, 2023 – ongoing	Permanent
Spouses or registered domestic partners of active-duty service members	January 1, 2023 – ongoing	Conditional
Employees who hold nonimmigrant work visas	January 1, 2023 – ongoing	Conditional
Employees whose primary residence is outside of Washington	January 1, 2023 – ongoing	Conditional

# Conditional exemptions

Three exemption types are required to be cancelled if the conditions qualifying the employee for the exemption no longer exist.

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Exemption type	Conditions for cancelling an exemption
Spouses or registered domestic partners of active-duty service members	<ol style="list-style-type: none"><li>1. Discharge or separation from military service of the employee's spouse or registered domestic partner; or</li><li>2. Upon the dissolution of the employee's marriage or domestic partnership with the active-duty service member</li></ol>
Employees who hold nonimmigrant work visas	Becoming a permanent resident or citizen
Employees whose primary residence is outside of Washington	Establishing a primary residence in Washington

# Requirements for all exemption types

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- Employees must provide notification of their exemption to all current and future employers
- The only acceptable notification is a copy of the employee's approved exemption letter from ESD
- Employers must maintain a copy of the employee's approved exemption letter
- Employers should not collect premiums from exempt employees who have provided the approved exemption letter
- Employees are not entitled to a refund of premiums that were assessed before their exemption was approved or before the approved exemption letter was provided to their employer



# Requirements for cancelling conditional exemptions

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Within 90 days of the event that no longer qualifies the employee for an exemption, the employee must:

- Notify ESD that the exemption must be discontinued; and
- Notify their employer(s) that they are no longer exempt and that the employer must begin collecting premiums.

If the employee fails to pay premiums within 90 days of the exemption cancellation event, the employee is required to pay any unpaid premiums, with interest of one percent per month, directly to ESD.

# Employer Reporting

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# What employers need to know about WA Cares

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**Employers** don't contribute but will:

- Collect premiums beginning July 1, 2023
- Report and pay premiums to ESD
  - Definitions of employer, employee and remuneration are consistent with Paid Leave
  - Definition of wages also applies, excluding the social security tax cap, which does not apply

**Self-employed** earners can opt-in

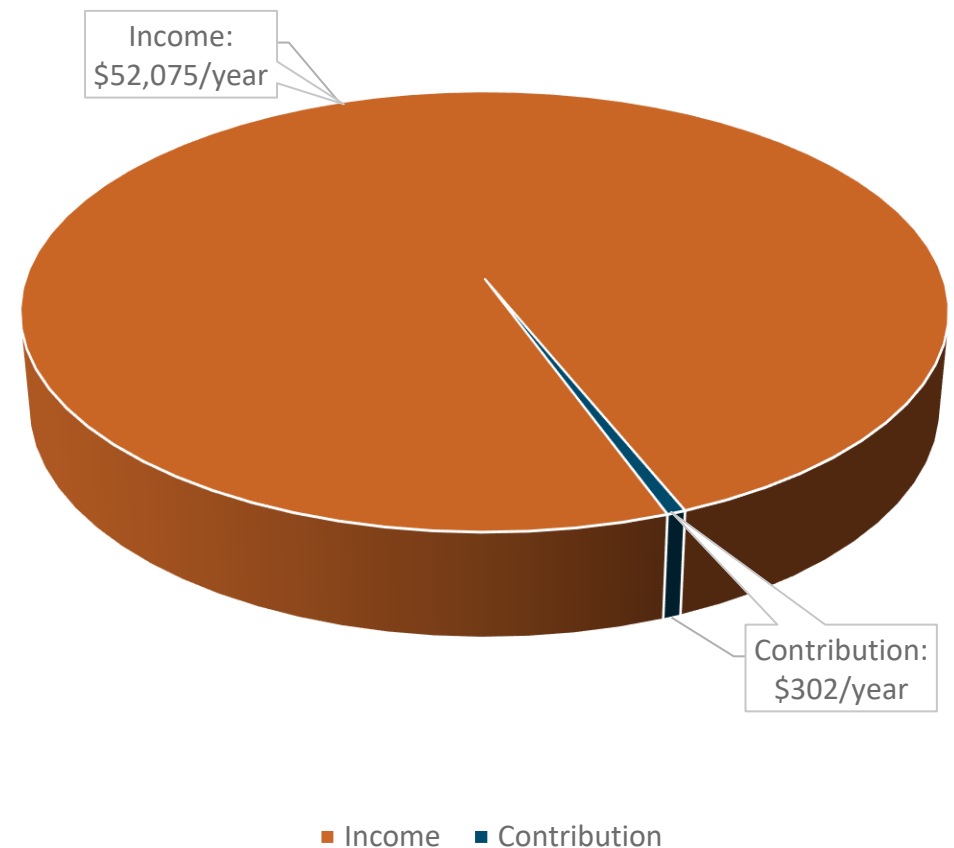


# What employers need to know about WA Cares

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## Employee Premiums

- Employees contribute 0.58 percent of wages
- Premiums go into a dedicated Trust Fund that can only be used for WA Cares



# How WA Cares is similar to Paid Leave

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ESD has updated the Paid Leave reporting system to include WA Cares

- Many similarities between the programs:
  - Employee, Employer, Employment, Wages (with exception of the social security cap)
  - Employers deduct premiums, report, and pay these premiums to ESD
  - Self-employed and federally recognized tribes can elect coverage
  - Employees covered by a CBA in existence on or before Oct. 19, 2017, don't have to participate unless the CBA has been reopened or renegotiated after that date (sunsets on December 31, 2023)
  - To the extent possible, investigations for premium compliance will be the same

# How WA Cares differs from Paid Leave

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- WA Cares benefits serve a different purpose
- No employer contribution
- Premium amounts
- No Social Security wage cap on premium collection
- Self-employed elective coverage has different requirements:
  - Must elect coverage between July 1, 2023, and July 1, 2026, or within three years of becoming self-employed for the first time; and
  - Elective coverage for self-employed individuals is permanent
- If a tribe elects coverage, the tribe can opt out at a later date for any reason the tribe deems necessary

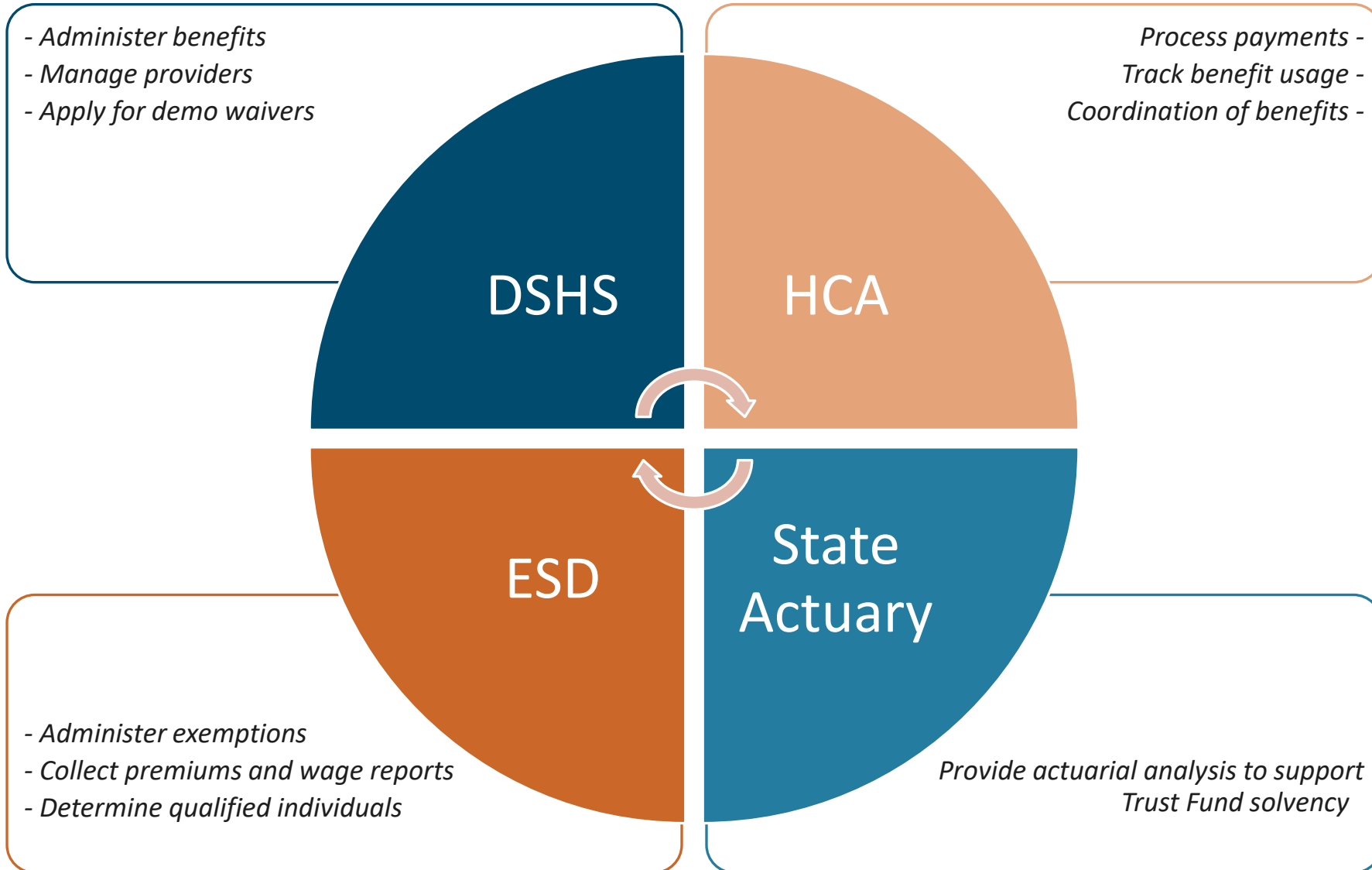


# Cross-Agency Responsibilities

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DSHS, ESD, HCA, STATE ACTUARY

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# Thank You

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To learn more, please visit:  
[wacaresfund.wa.gov](http://wacaresfund.wa.gov)

# Q&A



# Resources for Washington businesses

Gain important business insights about SharedWork, WOTC and Federal Bonding.

Tuesday, Mar. 28, 2023

11:50 AM – 1:00 PM

**SharedWork, WOTC and Federal  
Bonding**



**Employment  
Security  
Department**  
WASHINGTON STATE

## Next webinar



BUSINESSES, EMPLOYEES  
FAMILIES & COMMUNITIES

**WIN**

*with*

**SharedWork**

[SharedWorkWA.com](http://SharedWorkWA.com)



Employment  
Security  
Department  
WASHINGTON STATE



Thank you for joining us today