Resources for Washington businesses

Gain important insights about SharedWork and WA Cares (long-term services and supports) programs for a competitive workforce advantage!



Tuesday, June 13
10:30 a.m. - 11:30 a.m.
SharedWork and WA Cares (long-term services and supports)





Welcome

Introductions



Topic	Intro	GREATER FEDERAL WAY Chamber of Commerce	Assisting Washington BUSINESSES & EMPLOYEES SharedWork SharedWorkWA.com SINCE 1983	WA CARES FUND	Live Q & A
		10:30 a.m. – 10:35 a.m.	10:35 a.m. – 10:55 a.m.	10:55 a.m. – 11: 15 a.m.	11:15 a.m. – 11:30 a.m.
Presented by	Rafael Colón Business Outreach Manager ESD	Rebecca Martin President and CEO Federal Way Chamber of Commerce	Leigh Rowley Program Coordinator ESD/SharedWork	Liz Boot Service Delivery Manager ESD/WA Cares Fund	

For a PDF of the PowerPoint slides and a copy of the webinar recording, visit the SharedWork events webpage.

Next webinar

Recursos para empresas de Washington

¡Obtenga información importante sobre SharedWork y Fondos WA Cares!



Martes, 13 de junio 2:00 a 3:00 p.m. SharedWork y Fondos WA Cares









SharedWork - A proven business solution!

Getting to know SharedWork – What is it?





SharedWork is a voluntary assistance program of ESD that helps to stabilize a business and its employees during a temporary economic setback.



- Employer reduces worker hours to save payroll costs, instead of cutting jobs.
- Flexibility to manage hours week-to-week.
- Easy to implement.

- Eligible employees file claims to receive a share of Unemployment Insurance (UI) benefits on weeks when hours are reduced.
- Employees commit to being able and available for all normally-scheduled hours by their employer.

The SharedWork Program

A 40-year proven program that

helps employers:

- Stabilize their business
- Reduce payroll costs
- Avoid layoffs and save jobs
- Continue serving customers



Top 5 reasons employers sign up for SharedWork:

- 1. Loss of contracts or reduction in work
- 2. Maintain employee morale
- 3. In response to an economic downtown
- 4. Reduce payroll costs
- Reduce cost of hiring and training new employees

Sources: <u>IMPAQ International</u>, <u>U.S.</u>
<u>Department of Labor Employment and Training Administration</u>

SharedWork testimonials







"It has allowed us to maintain our staff count and service levels, while lowering our overhead during the temporary housing shift. Staff is appreciative of the plan option and receiving partial payment with a day out of the office."

~ Erin Crain, AVP/office administrator, Chicago Title of Washington, Everett



"SharedWork has given us a great amount of balance and flexibility to pivot and budget our expenses wisely. It's given the employees a sense of security. They know that we're doing this so that we don't have to take more dramatic measures, so there's massive relief of anxiety in that sense as well."

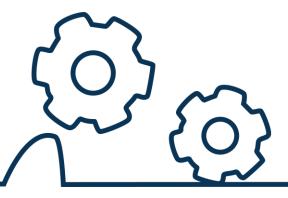
~ Jen Post, owner, Prestige Escrow, Woodinville



"It's really a good thing we have SharedWork or I could be at risk of losing the employees with whom I've invested thousands of dollars in training. My valued employees are part of our business family, and I don't want to lose them. During these ups and downs of the economy, it has been a lifesaver."

~ Suzette Jackson, VP/owner, NorthWest Granite & Flooring LLC, Whidbey Island

SharedWork in Washington



In a survey of past employers who enrolled in Washington's SharedWork program:



SharedWork improved employee morale.



The program helped retain skilled workers.



Would recommend SharedWork to another employer.

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:

- All permanent (part-time and full-time) employees may participate in SharedWork.
- 2. Employee must have a valid UI claim worked at least 680 hours during their <u>base year</u> (includes all employment)
- Must be able and available for all scheduled hours by SharedWork employer.

A temporary workforce reduction example

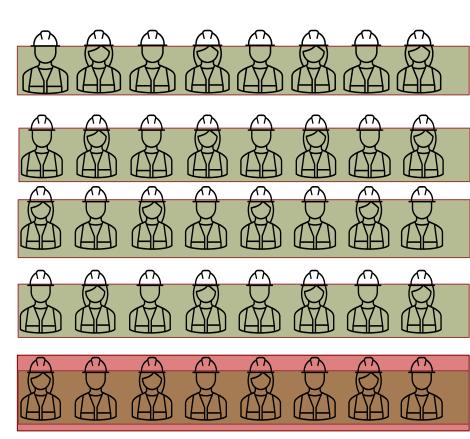


Ryna's remodeling company is experiencing supply delays, and it's impacting a few jobsites. She employs 40 individuals.

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.



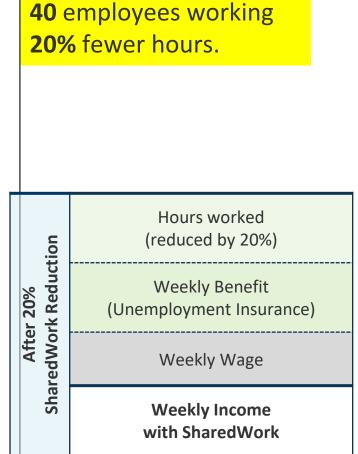
Scenario: 20 percent payroll reduction

Without SharedWork 8 employees laid off 32 employees full-time

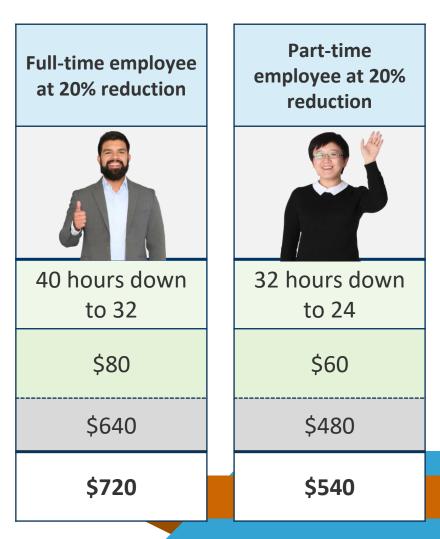
Average Weekly Income (before reduction)

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





With SharedWork



How It Works



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

The employer assigns
a SharedWork
representative (or
two) and submits an
Employer Plan
Application and a
Participant List.

Once the employer plan is approved, each participant submits an **Employee Application** and can <u>file weekly claims</u>.

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.

SharedWork usage by county

The table below shows active SharedWork plans in the state of Washington as of May 9, 2023. In the last month, SharedWork usage has increased in Benton, Clark, Cowlitz, Grays Harbor, King, Kitsap, Kittitas, Pierce, Snohomish, Whatcom and Yakima counties.

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	239	-	-	Jefferson	432	6	69
Asotin	2,231		-	King	33,722	269	5,572
Benton	1,415	24	517	Kitsap	2,635	18	277
Chelan	889	21	577	Kittitas	606	2	111
Clallam	5,938	6	95	Klickitat	304	5	73
Clark	79	64	600	Lewis	905	16	385
Columbia	1,127	-	-	Lincoln	106	-	-
Cowlitz	386	8	444	Mason	499	5	53
Douglas	87	3	111	Okanogan	608	3	12
Ferry	1,011	1	17	Pacific	309	-	-
Franklin	18	1	2	Pend Oreille	129	1	2
Garfield	1,193	-	-	Pierce	8,253	111	3,106
Grant	822	10	154	San Juan	455	3	8
Grays Harbor	832	11	343	Skagit	1,648	17	254
Island	239	7	187	Skamania	92	2	16

County	Businesses eligible for SharedWork in this county (estimated)	Businesses currently participating in SharedWork	Employees participating in SharedWork (enrolled by their employer)
Snohomish	8,047	92	2,375
Spokane	6,187	56	1,738
Stevens	390	3	7
Thurston	3,371	34	670
Wahkiakum	44	-	-
Walla Walla	761	10	91
Whatcom	3,060	44	861
Whitman	430	3	26
Yakima	2,510	23	582
Other	9,490	176	5,699
Total	101,851	1,057	25,077

Two EASY ways to apply

Apply by eServices, electronic upload or fax

- 1. Download the <u>Employer plan application</u> (pdf). If you need more space to add employee names, download the <u>Participant list</u> (Excel)
- 2. Here you can <u>Upload all documents</u> 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.

WASHINGTON	nent Security Depart STATE lowing information. Answer all questions	Submit this	SharedWork DYER PLAN APPLICATION form by fax to 800-701-7754 or upload at SharedWork upload Questions? Call 800-752-2500
1. Employment Security	Department (ESD) number:		
2. Business name:		Find this number on yo DBA:	our ESD tax statement.
3. Mailing address:			City:
St	ate: ZIP code:	County:	
	ddress (if different from mailing ad		
City:	State	ZIP code:	County:
	uests for information within 10 de		·
Name:		Name:	cpresentative.
Job title:		Job title:	
Email:		Email:	
Phone:	Ext.:	Phone:	Ext,:
Fax:		Fax:	
If <u>not</u> located at addre Address:	ss above, provide location.	If <u>not</u> located at addre Address:	ess above, provide location.
City:	State:	City:	State:
6. What date did you 7. How many employe	periencing an economic downturn or will you reduced hours? tes are you submitting to particip the attached employer plan employee list be i jobs will be saved by using the S	eate in	(month/day/year)
Program.	dvance notice to affected employe	ees whose hours are or w	rill be reduced?
Program.		ees whose hours are or w	Other:

10. a) How	many of your participa	ating employees are	e union	represented?			N/A
writing by the	er union affiliation info the collective bargaining Approval signature(s) a	agent for each affect	ted colle	ective bargaining			
Union:		Local:		Union:		Local:	
Phone:		Ext.:		Phone:		Ext.:	
Authorize	d union representative r	ame		Authorized union	n representative n	ame	
Print:				Print:			
Signature:				Signature:			
11. Your si	gnature certifies that:						
• Y	ou have at least two per	manent employees e	enrolled	in the SharedWor	k plan.		
• A	Affected employees were hired on a permanent basis. Hoth has fit will entire to be availed and at the constant of the state of th						
	 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. 						
• R	 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. 						
	aid vacation, holidays, a				he same terms and	d condition	ons as when the
	ou agree to furnish all r				dministration of y	our Shar	edWork plan.
• Y	our participation is cons	istent with your obli	ligations	under federal and	state law.		
	there are any changes to haredWork program stat		this app	plication or emplo	yee (participant)	list, you	will notify
• Y	ou agree not to use Shar	redWork to subsidize	e seasor	nal employees dur	ing the off season	1,	
By signin	g below, I,	Print name		certify that I an	authorized to s	ign this d	ocument
on behalf	of the business and that	all information pro	ovided o	n this application	is true and corre	ct.	
Signature:						Date:	
	Owner, Proprietor, CEO, CFO	O, CO, GM, HR Manager	r, Payroll	Manager		-	

SharedWork Participant List

Company name: Location:	ESD number: DO NOT CHANGE COLUMN/CELL FORMAT					Date: mm/dd/y
Employee First Name	Employee Last Name	Employee SSN xxxxxxxxx (no dashes)	Date of Hire mm/dd/yyyy	Usual Weekly Hours Worked	Hourly Rate of Pay	Associated Union (leave blank if no union)

Apply online – quick and easy

Apply through eServices

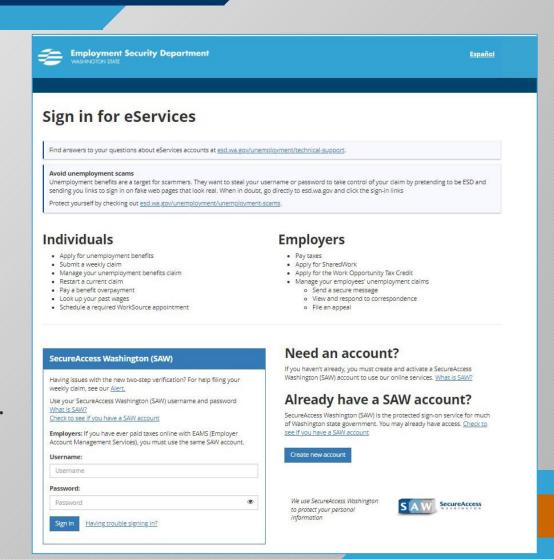
If you have ever paid taxes online with EAMS (Employer Account Management Services), you must use the same SAW account.

secure.esd.wa.gov - Link to site

Questions?

For help signing into eServices, see https://esd.wa.gov/unemployment/technical-support.

SAW Help Desk 855-682-0785 -



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

More ways to learn about SharedWork

- Watch our commercial on Youtube.
- The SharedWork program will be hosting many regional and statewide free virtual events for employers in Washington.

esd.wa.gov/SharedWork/events

- The SharedWork program will be hosting weekly webinars through the year end to help businesses get informed.
- Wednesdays 10:45 a.m. | <u>SharedWork</u>
 <u>Q&A for businesses webinar</u>.
- Download the SharedWork info card.



WA Cares Fund

Why WA Cares?

What you need to know about WA Cares Fund

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

2020

2021

2022

2023

2026

2SHB 1087 passes

ESD Collects Premiums

DSHS Administers Benefit

HCA Tracks Lifetime Benefit

State Actuary
Performs Actuarial
Audit Functions

ESD Agency
Request
Legislation SSB
6267 passes

HB 1323 passes

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

Employers begin deducting premiums from employee wages on July 1

Benefit becomes available for eligible beneficiaries on July 1

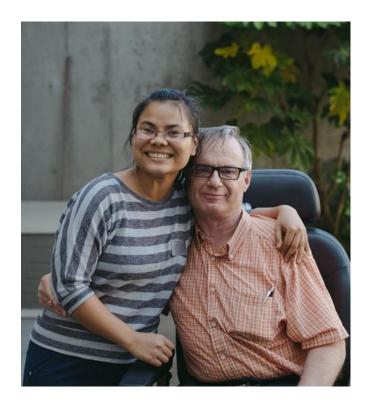
The cost of long-term care

Long-Term Care is predictable and expensive

- 70% of those turning 65 today will need longterm 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

How the benefit works

- 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

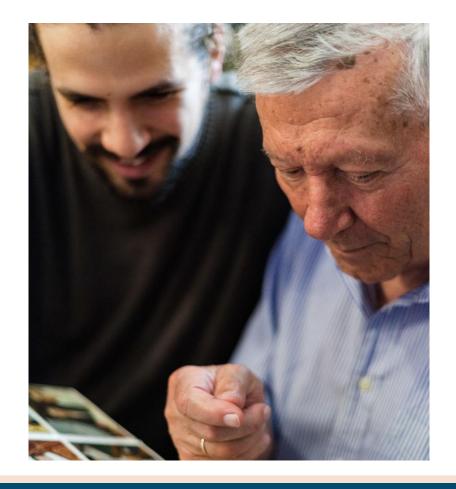
Vesting and eligibility

- 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

Exemption – Private long-term care insurance

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

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.

Exemption type	Conditions for cancelling an exemption
Spouses or registered domestic partners of active- duty service members	 Discharge or separation from military service of the employee's spouse or registered domestic partner; or Upon the dissolution of the employee's marriage or domestic partnership with the active- duty service member
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

- 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

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

What employers need to know about WA Cares

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

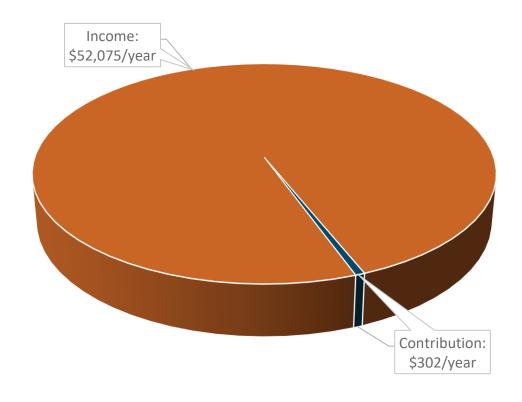
Self-employed earners can opt-in



What employers need to know about WA Cares

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

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

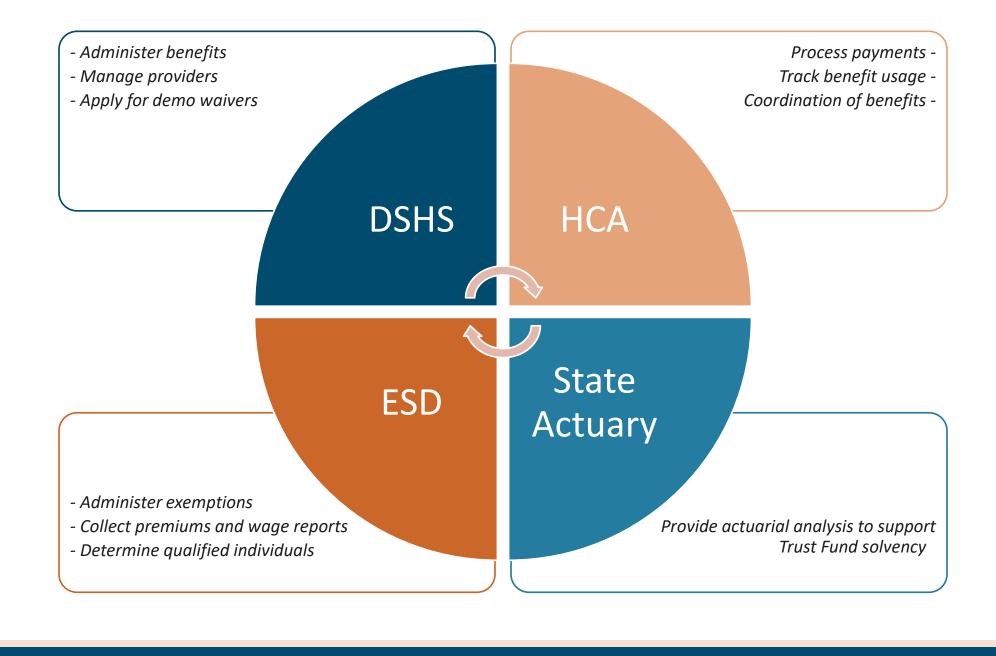
- Many similarities between the programs:
 - Employee, Employer, Employment, Wages (with exception of the social security cap)
 - Employers deduct premiums, report, and pay these premiums to ESD
 - Self-employed and federally recognized tribes can elect coverage
 - Employees covered by a CBA in existence 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

- 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

DSHS, ESD, HCA, STATE ACTUARY



Thank You

To learn more, please visit: wacaresfund.wa.gov

For questions you may also call (833)-717-2273



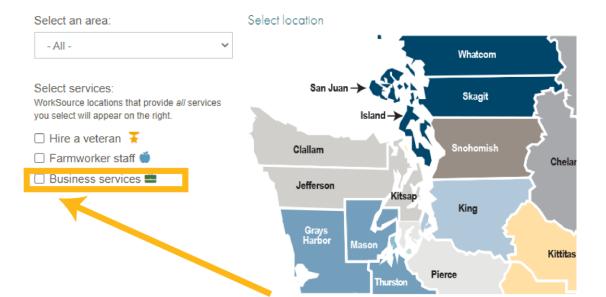


Get to know your local WorkSource



WorkSource locator

Due to the COVID-19 Pandemic, WorkSource offices throughout the state are providing services in different contact them to find out what is currently available in your area. You can narrow your search by area, office the fewer options you will see. If you do not select an area, all WorkSource offices in Washington will be listed.



Dedicated business services teams support you locally and virtually:

- Recruitment and retention
- Job fairs and hiring events
- Job postings and applicant screening
- Interview and training space
- Labor market information and forecasts
- Tax incentives and layoff aversion strategies

Next webinar

Resources for Washington businesses

Gain important insights about SharedWork, Paid Family and Medical Leave and the WA Cares Fund to help your business and employees succeed!

Tuesday, June 27
11:50 a.m. - 1:00 p.m.
SharedWork, Paid Leave
and WA Cares Fund









Thank you for joining us today

