



Dear Faculty, Staff and Student Staff Colleagues,

Starting July 1, 2023, a new payroll tax will be deducted from your paycheck to fund the [Washington State Cares Fund](#) which offers eligible Washingtonians support for long-term care up to a total of \$36,500. This payroll tax is required for any employee working in Washington State and so applies to all regular faculty and staff, adjunct faculty, temporary staff, and student staff unless they previously received an exemption (see exemption information below).

Originally scheduled to begin January 1, 2022, the program and payroll deductions were delayed while the legislature passed reforms to improve the program and address coverage gaps.

The first deduction of this tax will be reflected in the July 8, 2023 paycheck. The premium has been set by state law at 0.58% of gross wages, or \$0.58 per \$100. For example, for an employee earning \$50,000 annually, the total annual premium is \$290, or \$12.08 per paycheck.

### **Am I exempt?**

Employees who had [qualifying](#) private long-term care insurance on or before November 1, 2021, were able to apply through the Employment Security Department (ESD) for an exemption from the WA Cares Fund. The deadline for applying for these exemptions was December 31, 2022. Under current law, these exemptions are permanent, and if you have received an approved exemption, you will not be able to enroll in WA Cares.

If you previously applied for a private insurance exemption and received an approval letter from the ESD, your exemption is still valid. You do not need to reapply for an exemption, but you should make sure our payroll department has your exemption letter on file, as ESD does not notify employers of exemptions.

### **How do I notify Puget Sound that I am exempt?**

- You will be required to present your exemption approval letter to Payroll no later than Friday, June 30, 2023. If you do not provide your exemption approval letter before June 30, Puget Sound will withhold non-refundable WA Cares premiums as required by law.

- To submit your exemption approval letter to Payroll, please email a copy or photo of your approval letter to [payroll@pugetsound.edu](mailto:payroll@pugetsound.edu) or deliver a hard copy to the Human Resources Office (HowarthHall, 016) Monday through Friday from 8 a.m. - noon or 1 - 4 p.m.
- If you have already provided Human Resources with your exemption letter, please email [payroll@pugetsound.edu](mailto:payroll@pugetsound.edu) requesting confirmation that it was received.
- Once an exemption approval letter is received, you will be removed from the WA Cares premiums starting at your exemption date.
- Exemptions will take effect the quarter after your application is approved.
- If you need a copy of your exemption letter, you can download a copy from the [Secure Access Washington account](#) you used to apply for the exemption.

### **What if I did not submit an exemption request to ESD before Dec. 31, 2022?**

The deadline for applying for exemptions for most individuals was November 1, 2021. There is limited ability now to request an exemption for individuals who meet certain eligibility criteria. For additional information about this option, please visit <https://wacaresfund.wa.gov>. *Please note that exemptions must be requested through [WA Cares Fund](#) directly as Human Resources does not make a determination on who qualifies for an exemption.*

Should you have any questions about next steps, please contact Human Resources at [hr@pugetsound.edu](mailto:hr@pugetsound.edu). Information will also be coming soon to the Human Resources website at [www.pugetsound.edu/hr](http://www.pugetsound.edu/hr).

Sincerely,

Your Human Resources and Payroll colleagues