

Frequently Asked Questions

Please be aware that this information may change frequently based on legislative or regulatory changes.

Who is eligible for benefits under the Program?

Washington residents over the age of 18 will be eligible for benefits if:

- The Washington Department of Social and Health Services determines they need assistance with at least three activities of daily living such as medication management, personal hygiene, eating, dressing, and cognitive impairment; and
- They contributed Program premiums:
 - For a total of 10 years without an interruption of 5 or more consecutive years AND worked at least 500 hours during each of the 10 years; or
 - For 3 years within the last 6 years from the date they apply for benefits AND worked at least 500 hours during each of the 3 years.

Individuals who move out of state or who do not meet the minimum contribution requirement will not be eligible for LTC benefits, even if they contribute to the Program. In addition, employees who apply for and receive an exemption from the Program are not eligible for LTC benefits.

How is the Program funded?

The Program is funded through a “premium assessment” (i.e., tax) on employee wages beginning on **January 1, 2022**. Initially, the tax will be **0.58% of employees’ wages**. Beginning January 1, 2024, and every 2 years thereafter, the tax will be set at a rate (no greater than 0.58%) necessary to maintain the solvency of the Program.

What is Gonzaga University required to do?

Beginning **January 1, 2022**, Gonzaga and other employers (including out-of-state employers) must:

- Collect premiums each pay period through a payroll deduction equal to 0.58% of employees’ wages (employers are not required to take payroll deductions for LTC exempted employees);
- Remit employee payroll deductions to the ESD quarterly; and
- Retain written notifications of employee LTC exemptions.

Which employees are subject to the tax?

All employees employed in Washington are subject to the tax. Employees are considered “employed in Washington” if their:

- Services are performed in Washington; or
- For purposes of the Program, an employee is treated as employed in Washington if the employee's service is localized in Washington or, if the service is not localized in any state, the employee performs some services in Washington and the services are directed or controlled

from Washington (note that the Program defines "employment" in the same manner as used for the Washington Paid Family and Medical Leave Program).

What wages are subject to the tax?

The tax applies to all wages, including salary and hourly wages, bonuses, holiday pay, most paid time off, and severance pay. There is no cap on the amount of wages in which the tax applies.

Can employees apply for an exemption to the tax?

Yes, individuals can apply for an LTC exemption if they are over the age of 18 and show that they have long-term care insurance purchased before November 1, 2021.

What do employees need to do to be exempt from the tax?

Individuals must apply for an exemption through the ESD, which will only accept applications from October 1, 2021 through December 31, 2022. No applications will be accepted after December 31, 2022.

How does Gonzaga know if an employee is exempt?

LTC exempted employees are required to provide written notification to Gonzaga and any future employers to notify them of their LTC exemption. Exemptions will take effect on the first day of the quarter after the exemption is approved and employees cannot receive refunds premiums paid prior to the exemption.

Gonzaga will provide more details about how we will collect the LTC exemption documentation this Fall.

What are Gonzaga's obligations with respect to LTC exempted employees?

Gonzaga is not required take payroll deductions for LTC exempted employees after they are notified of the exemption. Gonzaga is required to retain written notifications of LTC exemptions.

If an LTC exempted employee does not notify Gonzaga of the exemption and GU takes payroll LTC deductions, the employee will not be entitled to any refund of payroll deductions taken before Gonzaga is notified.

What Are the Benefits Under the State Program?

Benefits under the LTC Program will first become available January 1, 2025. If eligible, and if the Department of Social and Health Services determines that an individual requires assistance with at least three activities of daily living (ADL's), the Program provides benefits of up to \$100 day, up to a maximum lifetime limit of \$36,500.

What happens If an employee moves Out of State?

Because benefits are limited to Washington residents, employees who move out of state will not be eligible to receive benefits under the Program. Employees who maintain a second home may, therefore, wish to consider which location will be their permanent residence.

