

# HIGHLINE WATER DISTRICT King County, Washington

## RESOLUTION 21-8-18B

### A RESOLUTION OF THE BOARD OF COMMISSIONERS OF HIGHLINE WATER DISTRICT, KING COUNTY, WASHINGTON, AUTHORIZING THE DISTRICT TO OFFER AN ALTERNATIVE PLAN TO THE WASHINGTON STATE LONG TERM CARE ACT

**WHEREAS**, in 2019, Washington became the first state in the nation to pass legislation creating a public, long-term care insurance program called the Washington Cares Fund; and

**WHEREAS**, the intent of the program is to help individuals who need long term care without requiring them to spend down their individual savings; and

**WHEREAS**, the District would like to offer an alternative plan to the mandatory state plan to give the employee a choice. The alternative plan is called the Allstate Life Insurance plus LTC coverage brokered by Gallagher and administered by Allstate; and

**WHEREAS**, the employee is under no obligation to select the Allstate Plan and they are free to explore other private insurance options but the plan must be in place by October 31, 2021 in order to apply for the State's one-time lifelong exemption; and

**WHEREAS**, as of January 1, 2022, the employee payroll tax deduction will be enforced by the State unless the individual has an alternate accepted plan in which the District would administer payment to either plan based on the employee's choice. This will have no cost to the District.

#### NOW, THEREFORE, BE IT RESOLVED:

1. The General Manager or designee is authorized to offer the Gallagher Allstate plan attached hereto as Exhibit A and incorporated herein by reference, as an option to employees at no cost to the District.
2. The General Manager or designee is authorized to execute any necessary Customer Application/Agreement document required to offer the plan.

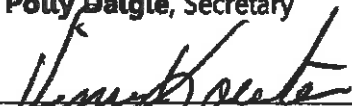
**ADOPTED BY THE BOARD OF COMMISSIONERS** of Highline Water District, King County, Washington, at an open public meeting held this 18th day of August 2021.

#### BOARD OF COMMISSIONERS

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**Todd Fultz, President**

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**Polly Daigle, Secretary**

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**Daniel Johnson, Commissioner**

  
**Vince Koester, Commissioner**

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**Kathleen Quong-Vermeire, Commissioner**



Insurance | Risk Management | Consulting

LTC Solution for Employees in WA:

Allstate Life and LTC Coverage

EXHIBIT A



## The Washington Cares Fund Cash Value Life Insurance Cost Comparison

The information contained in this document highlights the benefits and expected cost of the Washington State Long Term Care Trust Act payroll tax compared to the Allstate Benefits Cash Value Life products with Long Term Care rider.

### THE WASHINGTON CARES FUND FEATURES

1. The total Long Term Care amount is determined by the state not by the employee, is limited to \$36,500 with no ability to purchase additional coverage.
2. Premiums are subject to change.
3. To qualify for payment, employee must have worked and contributed to the fund for at least 10 years at any point in their life, without a break of more than 5 years OR 3 of the last 6 years before benefit is applied for and have worked at least 500 hours per year.
4. No coverage for non-working spouses.
5. If the employee moves out of the state of Washington, the LTC coverage is not portable.
6. Earliest benefit payment is January 2025.
7. Coverage does not build cash value nor provide a death benefit.

### THE WASHINGTON CARES FUND OVERVIEW

Annual Salary	\$50,000	\$75,000	\$100,000	\$125,000	\$150,000	\$200,000
Monthly Premium @ \$0.58 per \$100 Salary	\$24.17	\$36.25	\$48.33	\$60.42	\$72.50	\$96.67
Long Term Care Benefit	\$100 per day up to lifetime maximum of \$36,500 (pays for 12 months if received daily)					

*Note: The above examples are for illustrative purposes only.*

*Washington Employment Security Department (ESD) determines the definition for LTC insurance and LTC Plan Design. ESD will make the decision if your policy will qualify for the payroll tax exemption.*

## ALLSTATE BENEFITS LIFE INSURANCE WITH LTC FEATURES

1. Employee Guaranteed coverage of \$50,000 or \$75,000 – No underwriting delays and possible declines of coverage
2. Premiums are level for the life of the plan\*
3. To qualify for payment, there is no minimum contribution time, premium amount or hours worked requirement
4. Working Spouse Guaranteed coverage of \$50,000 – available even if employee elects not to enroll
5. If the employee moves out of the state of Washington, the Cash Value Life with LTC coverage is portable
6. First benefit payment can be made after 90 days
7. Coverage builds cash value and provides a death benefit

## ALLSTATE BENEFITS UNIVERSAL LIFE WITH LTC

### \$50,000 Death Benefit Example

**Long Term Care Benefit** Up to \$2,000 per month until death benefit exhausted  
(up to 25 months at full monthly benefit)

#### Universal Life Target

#### Monthly Premium (Non-Tobacco)

Age 35	\$34.88
Age 40	\$45.55
Age 45	\$54.34
Age 50	\$73.17

### \$75,000 Death Benefit Example

**Long Term Care Benefit** Up to \$3,000 per month until death benefit exhausted  
(up to 25 months at full monthly benefit)

#### Universal Life Target

#### Monthly Premium (Non-Tobacco)

Age 35	\$51.23
Age 40	\$67.24
Age 45	\$80.42
Age 50	\$108.67

\*Universal Life Target premiums are level to the funded to age

*Note: The above examples are for illustrative purposes only.  
Washington Employment Security Department (ESD) determines the definition for LTC Insurance and LTC Plan Design.  
ESD will make the decision if your policy will qualify for the payroll tax exemption.*

Allstate Life Insurance + LTC Coverage Amount (Death Benefit)	Option 1: \$50,000	Option 2: \$75,000
LTC Monthly Benefit is 4% of Life Insurance Face Value <ul style="list-style-type: none"> <li>• Nursing Home</li> <li>• Assisted Living</li> <li>• Home Care</li> </ul>	\$2,000/month	\$3,000/month
LTC Benefit Duration	25 Months	
Elimination Period	90 Days	
Pay for care in other states	Yes	
How many Activities of Daily Living to receive benefits?	2 of 6 ADL's	



**Allstate**  
BENEFITS

Issue Age	Employee & Spouse Non-Tobacco Monthly Rates		Employee & Spouse Smoker Monthly Rates	
	\$50,000	\$75,000	\$50,000	\$75,000
18	\$20.63	\$29.86	will be issued at non-smoker	
19	\$20.67	\$29.92	\$34.96	\$51.36
20	\$21.09	\$30.55	\$35.88	\$52.74
21	\$21.68	\$31.42	\$38.96	\$57.36
22	\$22.13	\$32.11	\$39.92	\$58.80
23	\$22.63	\$32.86	\$40.92	\$60.30
24	\$23.13	\$33.61	\$42.09	\$62.04
25	\$23.68	\$34.42	\$43.22	\$63.73
26	\$27.09	\$39.55	\$45.59	\$67.28
27	\$27.67	\$40.43	\$46.92	\$69.30
28	\$28.43	\$41.54	\$48.34	\$71.42
29	\$29.09	\$42.54	\$49.72	\$73.49
30	\$29.80	\$43.61	\$51.25	\$75.80
31	\$31.17	\$45.67	\$54.92	\$81.30
32	\$32.09	\$47.05	\$56.63	\$83.86
33	\$32.93	\$48.30	\$58.55	\$86.74
34	\$33.88	\$49.74	\$60.38	\$89.49
35	\$34.88	\$51.23	\$62.34	\$92.42
36	\$41.22	\$60.74	\$66.84	\$99.17
37	\$42.25	\$62.30	\$69.13	\$102.61
38	\$43.30	\$63.85	\$71.38	\$105.98
39	\$44.38	\$65.48	\$73.71	\$109.48
40	\$45.55	\$67.24	\$76.25	\$113.30
41	\$48.43	\$71.54	\$84.13	\$125.11
42	\$49.88	\$73.74	\$86.88	\$129.23
43	\$51.25	\$75.80	\$89.88	\$133.73
44	\$52.80	\$78.11	\$93.00	\$138.43
45	\$54.34	\$80.42	\$96.30	\$143.36
46	\$65.13	\$96.61	\$109.34	\$162.92
47	\$66.92	\$99.30	\$113.18	\$168.67
48	\$69.05	\$102.49	\$117.51	\$175.17
49	\$71.13	\$105.61	\$121.92	\$181.80
50	\$73.17	\$108.67	\$126.55	\$188.73
51	\$82.59	\$122.80	\$152.01	\$226.92
52	\$84.97	\$126.36	\$156.75	\$234.05
53	\$87.43	\$130.05	\$161.88	\$241.73
54	\$89.88	\$133.73	\$167.25	\$249.80
55	\$92.68	\$137.92	\$172.80	\$258.11
56	\$111.72	\$166.48	\$198.80	\$297.11
57	\$115.93	\$172.80	\$206.51	\$308.67
58	\$120.21	\$179.24	\$214.80	\$321.11
59	\$124.84	\$186.17	\$223.22	\$333.73
60	\$129.67	\$193.43	\$232.09	\$347.05
61	\$157.21	\$234.73	\$279.09	\$417.54
62	\$162.84	\$242.42	\$290.51	\$434.67
63	\$167.84	\$250.67	\$302.05	\$451.98
64	\$173.55	\$259.24	\$314.13	\$470.11
65	\$179.55	\$268.23	\$326.55	\$488.73
66	\$301.59	\$451.29	\$448.17	\$671.18
67	\$315.42	\$472.05	\$465.51	\$697.17
68	\$334.63	\$500.86	\$484.00	\$724.93
69	\$363.63	\$544.36	\$503.13	\$753.61
70	\$393.55	\$589.23	\$523.43	\$784.05

Agenda Item No.: 5.2  
Agenda Date: 08/18/21  
Reviewed By: [Signature]

Subject: Authorize Alternative Plan to the Washington State Long Term Care Act

CATEGORY	
<i>Executive</i>	<input type="checkbox"/>
<i>Administrative</i>	<input checked="" type="checkbox"/>
<i>Engineering/Operations</i>	<input type="checkbox"/>

FINANCIAL			
<i>Expenditures?</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
<i>Budgeted?</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
<i>Amount:</i> \$ _____			

**ATTACHMENTS:**

1. Resolution 21-8-18B
2. Exhibit A – Gallagher Allstate Plan

**COMMENTS:**

In 2019, Washington became the first state in the nation to pass legislation creating a public, long-term care insurance program called the Washington Cares Fund.

The District would like to offer an alternative plan to the mandatory state plan to give the employee a choice. The alternative plan is called the Allstate Life Insurance plus LTC coverage brokered by Gallagher and administered by Allstate.

Staff recommends approval of this resolution.