

# LTSS Trust Commission Recommendations Report

**RCW 50B.04.030 (4)**

Authored by:  
**Long-Term Services and Supports Trust Commission**

Date:  
**January 1, 2026**

# TABLE OF CONTENTS

- Executive Summary.....3
- January 1, 2026 Commission Recommendations.....5
  - 1) Foundational Principles and Bylaws.....5
  - 2) SJR 8201 Contingency Planning and Risk Management Framework .....7
  - 3) Risk Management Framework.....9
- Appendix A: Long-Term Services and Supports Trust Commission Members ..... 10
- Appendix B: Office of the State Actuary Biennial Actuarial Report and Recommendations for the WA Cares Fund..... 11
- Appendix C: WA Cares Fund Risk Management Framework..... 12
- Appendix D: WA Cares Fund Actuarial Valuation..... 14
- Appendix E: Foundational Principles .....22
- Appendix F: Bylaws.....23

## Executive Summary

Enacted in 2019, the Long-Term Services and Supports (LTSS) Trust Program (chapter 50B.04 RCW), now called WA Cares Fund, is a contributory long-term service and supports insurance program that provides a maximum lifetime benefit of \$36,500 (adjusted annually up to inflation) for all qualified, eligible Washingtonians.

It is financed by an employee premium of 0.58% of wages, the maximum rate which can be assessed according to the statute. Individuals who have met work and contribution requirements of 10 years (or 3 out of the last 6 years at the time of application) and who need assistance with three activities of daily living and their need for assistance is expected to last for at least 90 days may claim full WA Cares Fund benefits from approved providers. Individuals born before 1968 also have the opportunity to earn partial WA Cares Fund benefits, namely 10 percent of the maximum lifetime benefit for each year they contribute.

WA Cares Fund is a multi-agency program administered collaboratively by the Department of Social and Health Services (DSHS), the Employment Security Department (ESD), and the Health Care Authority (HCA). The Office of the State Actuary (OSA) performs actuarial valuations and makes recommendations to maintain trust solvency. The WA Cares Fund is overseen by the 21-member LTSS Trust Commission (see [Appendix A](#) for a list of Commission Members).

On July 1, 2023, premium assessments began for covered workers and self-employed individuals began electing coverage. On January 1, 2026, WA Cares will begin a pilot with up to 400 participants to test and fine tune our business processes and IT systems. On July 1, 2026, DSHS will begin authorizing payment of benefits statewide for all qualified, eligible beneficiaries.

Based on latest actuarial analysis (from December 2024), under most scenarios evaluated, including the base scenario, the program's premium assessment of 0.58% (\$0.58 per \$100 of wages, or about \$24/month for the median covered earner making \$50,100/year) is projected to keep the WA Cares Fund solvent over the entire 75-year projection period (through June 30, 2099) (see [Appendix D](#)). There were scenarios identified that, without corrective action, could lead the program to have insufficient revenue to provide for full program benefits over the entire projection period. The program is currently on track with Phase 1 of the Risk Management Framework. (For more information on program solvency, see [Appendix B](#); for the Commission's "WA Cares Fund Risk Management Framework," see [Appendix C](#)).

Per RCW 50B.04.030, the LTSS Trust Commission is charged with making recommendations to the Legislature or the appropriate Executive Agency on the WA Cares Fund program. The Commission's recommendations and decisions are guided by the joint goals of maintaining benefit adequacy and long-term solvency.

The Commission considered three main policy issues this year:

1. Updating the existing LTSS Trust Commission's Foundational Principles and Bylaws
2. Contingency Planning for SJR 8201

### 3. Technical updates to the LTSS Trust Commission's Risk Management Framework

For each of the topics above, the LTSS Trust Commission researched policy options, impacts, and administrative feasibility and developed policy recommendations.

# January 1, 2026 Commission Recommendations

## 1) Foundational Principles and Bylaws

### BACKGROUND

When the LTSS Trust Commission was established in 2020, it established Foundational Principles and Bylaws. The purpose of the Foundational Principles is to develop common principles that drive the work of the WA Cares Fund. The Bylaws were developed to outline the purpose, function, and responsibilities of the Commission. Given that the Commission has been in operation for five years, it took the opportunity to review and update these documents. The revised foundational principles are as follows:

### COMMISSION RECOMMENDATIONS ON FOUNDATIONAL PRINCIPLES

The LTSS Trust Commission declares the following principles to be foundational to the work of the WA Cares Fund:

- Respect the dignity, privacy, and autonomy of beneficiaries in determining how and from whom they receive care.
- Ensure customers have the information and resources they need to manage their care journeys
- Provide a seamless, quality user experience
- Be accessible to all Washingtonians both online and through a strong community presence
- Promote development of a long-term services and supports workforce and provider network to meet increased demand with a broad range of high-quality, culturally competent services
- Ensure policies and procedures respect the many cultures, customs, and community values throughout our diverse communities
- Raise awareness of the benefit among all Washingtonians
- Embrace innovation to meet the changing needs of current and future participants
- Responsibly manage worker contributions by ensuring the Trust's financial stability and long-term sustainability

See [Appendix E](#) for full document.

### COMMISSION BYLAW CHANGES AND RECOMMENDATIONS TO THE LEGISLATURE

The Commission recommends many technical updates to the Bylaws for how the Commission currently operates including:

- aligning changes made to chapter RCW 50B.04 including updating dates and reporting metrics;
- removing references to the Aging and Long-Term Support Administration (ALISA) and updating that to the Home and Community Living Administration (HCLA);
- updating meeting notices from being on the LTSS Trust Commission website to the WA Cares Fund website;
- aligning that meetings are held via phone or virtual meeting platform, with no option to attend in person;
- updating that only Commission members may call for roll call after a quorum has been established;

- updating Order of Business language to modernize with language that the Commission uses; and
- updating Workgroup language for they currently operate.

See [Appendix F](#) for full document

**The Commission also recommends to the legislature the following changes to chapter 50B.04 RCW:**

- RCW 50B.04.030 (1)(e) The director of the health care authority, or the director's designee, ~~who shall serve as a non-voting member;~~
- Add to RCW 50B.04.030 (3)(a), "At the end of a commissioner's term, if no new successor has been appointed, the commissioner will continue to serve until a successor has been appointed."

## 2) SJR 8201 Contingency Planning and Risk Management Framework

### LEGISLATIVE REQUIREMENT

Article VII of the Washington Constitution generally prohibits the state from investing in the stock of any company, association, or corporation. This provision has meant that the state cannot invest public funds in stocks and other equities. As a result, state investments are limited to fixed-income securities such as government and corporate bonds, and certificates of deposit. Some state funds have been specifically exempted from constitutional investment restrictions through constitutional amendments. Currently, these include public pension or retirements funds, industrial insurance trust funds, and funds held in trust for the benefit of people with developmental disabilities. The exemption allows state and local governments to invest money held in those funds as authorized by law, including by investing in stock as authorized by the Legislature.

Under current law, money held in the LTSS Trust Account could not be invested in stocks. During the 2025 legislative session, the legislature passed [SJR 8201](#) to propose a constitutional amendment to add funds for LTSS Trust Account to the list of public funds exempt from constitutional investment restrictions. At the November 4, 2025 general election, SJR 8201 was approved by the voters of the State of Washington.

### POLICY ISSUE

The Commission adopted a [Risk Management Framework](#) to support the program's financial goal of "providing secure and meaningful benefits at the lowest expected cost for beneficiaries now and in the future."

The Risk Management Framework is a 3-phase approach to risk management that starts with a "learning phase" when the program monitors emerging experience, validates or updates actuarial assumptions, and revises actuarial projections. In this learning phase, we increase confidence in the actuarial projections that inform program governance. Phase 1 of the Risk Management Framework is expected to end no sooner than 2029 and after the program has paid benefits for several years.

Phases 2 and 3 of the Risk Management Framework focus on setting and attaining an appropriate actuarial balance (or "margin") for the program. The margin is intended to mitigate the impacts of future adverse experience and reduce the need to increase the program's premium rate or reduce benefits in the future in response to adverse experience. The timing and length of Phases 2-3 will depend on the program's financial status at the end of Phase 1.

Enacting [SJR 8201](#) (with subsequent voter approval) is expected to improve program solvency. This impact could establish or contribute to a margin for the program consistent with the Risk Management Framework. The ultimate impact of SJR 8201 on the program's projected solvency will depend, in part, on the investment policy adopted by the Washington State Investment Board and forthcoming updates to actuarial projections. The process to study and implement a new asset allocation for the WA Cares Fund could take the Washington State Investment Board up to one year to complete.

## **COMMISSION RECOMMENDATIONS ON SJR 8201 CONTINGENCY PLANNING AND RISK MANAGEMENT FRAMEWORK**

Consistent with the program's Risk Management Framework, the Commission recommends no changes to the program's current benefit structure that have significant adverse impact to solvency until the completion of Phase 3 of the Risk Management Framework. This recommendation is not intended to prohibit changes to the benefit structure that increase program costs but offset these cost increases with measures that achieve corresponding cost savings.

After the completion of Phase 3, the Commission recommends the Legislature consider enacting benefit changes that enhance the meaningfulness of program benefits while maintaining the security of those benefits. The timing and length of Phases 2-3 will depend on the program's financial status at the end of Phase 1, which is expected to end no sooner than 2029.

Consistent with recommendations from the Office of the State Actuary (see [Appendix B](#)), the Commission recommends no change to program's premium rate, at this time, regardless of the outcome of SJR 8201.

### **NEXT STEPS UNDER THE RISK MANAGEMENT FRAMEWORK**

Phase 1 of the Risk Management Framework is expected to end no sooner than 2029 and after the program has paid benefits for several years. Updated actuarial measurements will quantify the financial status of the program at that time. Those updated measurements would also include the impact of SJR 8201 if approved by the voters.

If the program does not have a positive actuarial margin at that time, the Commission will reconvene the Contingency Planning and Risk Management Framework Workgroup to study and recommend response strategies to attain a positive actuarial margin.

After the completion of Phase 2 and attaining a positive actuarial margin, the Commission will reconvene the Contingency Planning and Risk Management Framework Workgroup to study and recommend the desired additional margin for the program including response strategies to attain that additional margin if not already at that level.

After the completion of Phase 3 and attaining the desired overall margin for the program, the Commission will reconvene the Contingency Planning and Risk Management Framework Workgroup to develop recommended response strategies if the program's margin exceeds the desired level.

**Note:** It is possible that the program's actuarial balance will exceed the desired margin at the completion of Phase 1. In that case, the Commission could move directly to reconvening the Contingency Planning and Risk Management Framework Workgroup to develop response strategies consistent with Phase 3 of the Risk Management Framework.

### 3) Risk Management Framework

#### LEGISLATIVE REQUIREMENT

Under RCW 50B.04.020 (5)(b), the Office of the State Actuary (OSA) shall “Make recommendations to the Commission and the legislature on actions necessary to maintain trust solvency. The recommendations must include options to redesign or reduce benefit units, approved services, or both, to prevent or eliminate any unfunded actuarially accrued liability in the trust or to maintain solvency”.

The Office of the State Actuary made a recommendation to the Commission to establish a risk management framework. Together, the Office of the State Actuary and the Commission developed the Risk Management Framework that is consistent with the program’s financial goals. It includes:

- Funding goal (desired outcomes for the program)
- Risk management approach (to support the funding goal)
- Risk management reporting and metrics (to support and inform the approach)
- Response strategies (when the funding goal is not met or is threatened)
- Sharing the risk management framework with other entities.

#### BACKGROUND

The Commission developed and approved the Risk Management Framework in November 2021. In light of numerous statute changes to the program since 2021, the Commission undertook technical updates to the Risk Management Framework.

#### COMMISSION RECOMMENDATIONS ON RISK MANAGEMENT FRAMEWORK

The recommended changes to the Risk Management Framework include dates, removal of references to LTSS Trust Council, and updated terminology for consistency with current actuarial reporting.

See [Appendix C](#) to see the full recommendation.

## Appendix A: Long-Term Services and Supports Trust Commission Members

Representative David Stuebe (R)
Representative Joe Schmick (R)
Representative Steve Tharinger (D)
Representative Nicole Macri (D)
Senator Curtis King (R)
Senator Judy Warnick (R)
Senator Rebecca Saldaña (D)
Senator Steve Conway (D)
Assistant Secretary Bea Rector Department of Social and Health Services
Commissioner Cami Feek Employment Security Department
Taylor Linke Health Care Authority
Madeleine Foutch Representative of a union representing long-term care workers
Ruth Egger Individual receiving LTSS (or designee or representative of consumers receiving LTSS)
Silvia Gonzalez Worker who is paying the premium (or will likely be paying the premium)
Rachel Smith Representative of an organization of employers whose members collect the premium (or will likely be collecting)
Vacant Adult Family Home providers representative
Laura Cepoi Area Agencies on Aging representative
Peter Nazzal Home Care Association representative
Cathleen MacCaul Representative of an organization representing retired persons
Lauri St. Ours Representative of an association representing skilled nursing facilities and assisted living providers
Mark Stensager Recipient of LTSS (or designee or representative of consumers under the program)

# Appendix B: Office of the State Actuary Biennial Actuarial Report and Recommendations for the WA Cares Fund

See [The Office of the State Actuary Biennial Actuarial Report and Recommendations for the WA Cares Fund](#)

**Appendix C: WA Cares Fund Risk Management Framework**

# **WA Cares Fund Risk Management Framework**



Authored by:

**Long-Term Services and Supports Trust Commission**

Date:

**October 29, 2025**

# Contents

<b>WA Cares Fund Risk Management Framework</b> .....	14
Executive Summary.....	14
<b>Risk Management Framework</b> .....	14
Funding Goal.....	15
Risk Management Approach.....	15
Risk Management Reporting and Metrics .....	18
Response Strategies .....	19
Sharing the Risk Management Framework with Other Entities .....	20



# WA Cares Fund Risk Management Framework

## Executive Summary

WA Cares Fund, known as the Long-Term Services and Supports Trust enacted in RCW 50B.04, is a contributory long-term services and supports insurance program with a lifetime maximum benefit of \$36,500 (in its first year) for all eligible Washington employees. It is currently financed by an employee premium of 0.58% of wages. Individuals who have met the WA Cares Fund work and contribution requirements and who need assistance with a qualifying number of activities of daily living, may claim WA Cares Fund benefits from approved providers. WA Cares Fund is a cross-agency program administered collaboratively by the Department of Social and Health Services (DSHS), the Employment Security Department (ESD), and the Health Care Authority (HCA). The Office of the State Actuary performs actuarial valuations and makes recommendations to maintain trust solvency. On July 1, 2023, premium assessments began for covered workers, and self-employed individuals can begin opting in. On July 1, 2026, DSHS will begin paying benefits to providers on behalf of eligible beneficiaries.

WA Cares Fund is overseen by the LTSS Trust Commission (the Commission). Per Chapter 50B.04.030 (4)(g) RCW, the LTSS Trust Commission shall advise the Legislature on actions necessary to maintain WA Cares Fund solvency. The Commission's recommendations are guided by the joint goals of maintaining benefit adequacy and maintaining Trust solvency and sustainability.

In October 2020 the Office of the State Actuary made a recommendation to the Commission to establish a risk management framework for the WA Cares Fund program that is consistent with the program's financial goals. At their December 2020 meeting, the Commission established a workgroup to propose a risk management framework.

This WA Cares Fund Risk Management Framework was approved by the Commission on November 10, 2021, and includes:

- Funding goal (desired outcomes for the program)
- Risk management approach (to support the funding goal)
- Risk management reporting and metrics (to support and inform the approach)
- Response strategies (when the funding goal is not met or is threatened)

- Strategic response
- Potential future policy actions

Sharing the risk management framework with other entities

In 2025, the Commission adopted an updated Risk Management Framework which contained primarily technical corrections.

# Risk Management Framework

## Funding Goal

The Commission adopted the following funding goal for the WA Cares Fund:

- Provide secure and meaningful benefits at the lowest expected cost for beneficiaries now and in the future.

## Risk Management Approach

The adopted risk management approach allows decision-makers the opportunity to operate in phases by observing early program data and experience before recommending immediate changes to manage risk. Over the long-term the approach takes into account the accuracy of long-term forecasts, the credibility of emerging experience, and proactively works towards achieving a positive actuarial balance, including a margin, over the measurement period (currently 75 years). (See Figure 1) A positive actuarial balance means the expected amount collected via premiums, and the investment income on those premiums, is projected to be sufficient to cover full benefits to eligible beneficiaries and program expenses over the measurement period. The actuarial balance can be expressed as a dollar value or as a percent of future program claims. For example, a 10% actuarial balance means the program is expected to have sufficient assets to cover 110% of future expected program claims over the next 75 years, if all assumptions are realized.

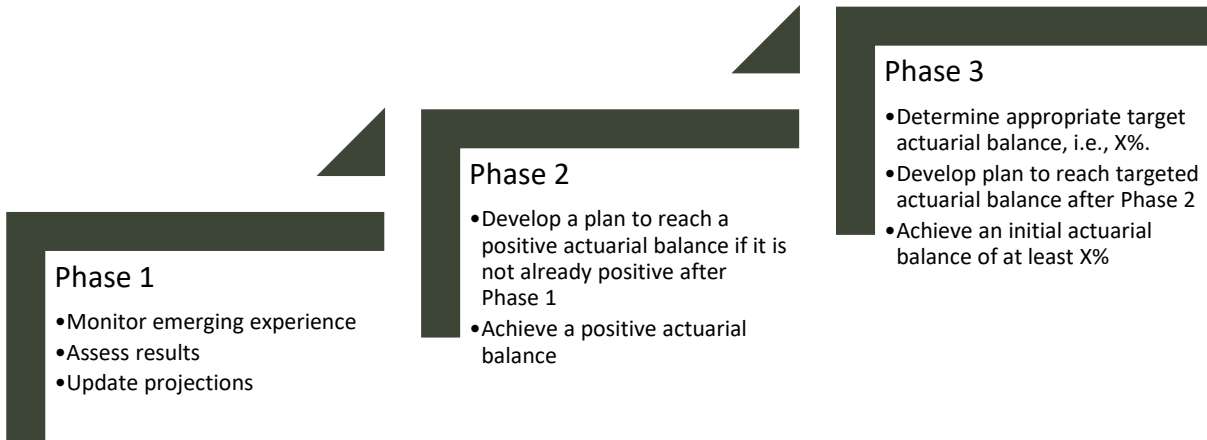


Figure 1: Risk Management Approach

Program experience will be monitored by the Commission, Office of the State Actuary and partner agencies, and updated projections will be conducted during Phase 1, which is anticipated to last until at least 2029. This will allow time for credible premium data to be gathered and several years of benefit utilization experience. This approach considers policy issues and program parameters that are currently being implemented and clarified.

Program monitoring and actuarial analysis will be an ongoing activity throughout Phases 2 and 3. While Phase 1 is anticipated to last until at least 2029, the anticipated length of time spent in Phase 2 or 3 is unknown at this time. It may depend largely upon the outcome of Phase 1, including how early experience compares to what was assumed, and the results of future updated projections. The goal of Phase 2 is to reach a positive actuarial balance and the goal for Phase 3 is to determine an appropriate margin and achieve an actuarial balance that reflects that margin. A margin, or cushion, allows the program to be better equipped to handle adverse events, such as lower than expected investment returns or higher than expected program disbursements, without driving immediate implementation of a response strategy. If at the end of Phase 1 the program has a positive actuarial balance, then the Commission would proceed directly to Phase 3. Response strategies may be recommended by the Commission during any phase to support meeting the goals of a particular phase.

The adopted risk management approach is based on the Actuarial Control Cycle. This cycle offers a systematic approach to ongoing analysis of fund solvency and risk management of the WA Cares Fund. Looking ahead, this control cycle, shown below (see Figure 2), is expected to be the foundation for regular risk management reviews within the phases described above.

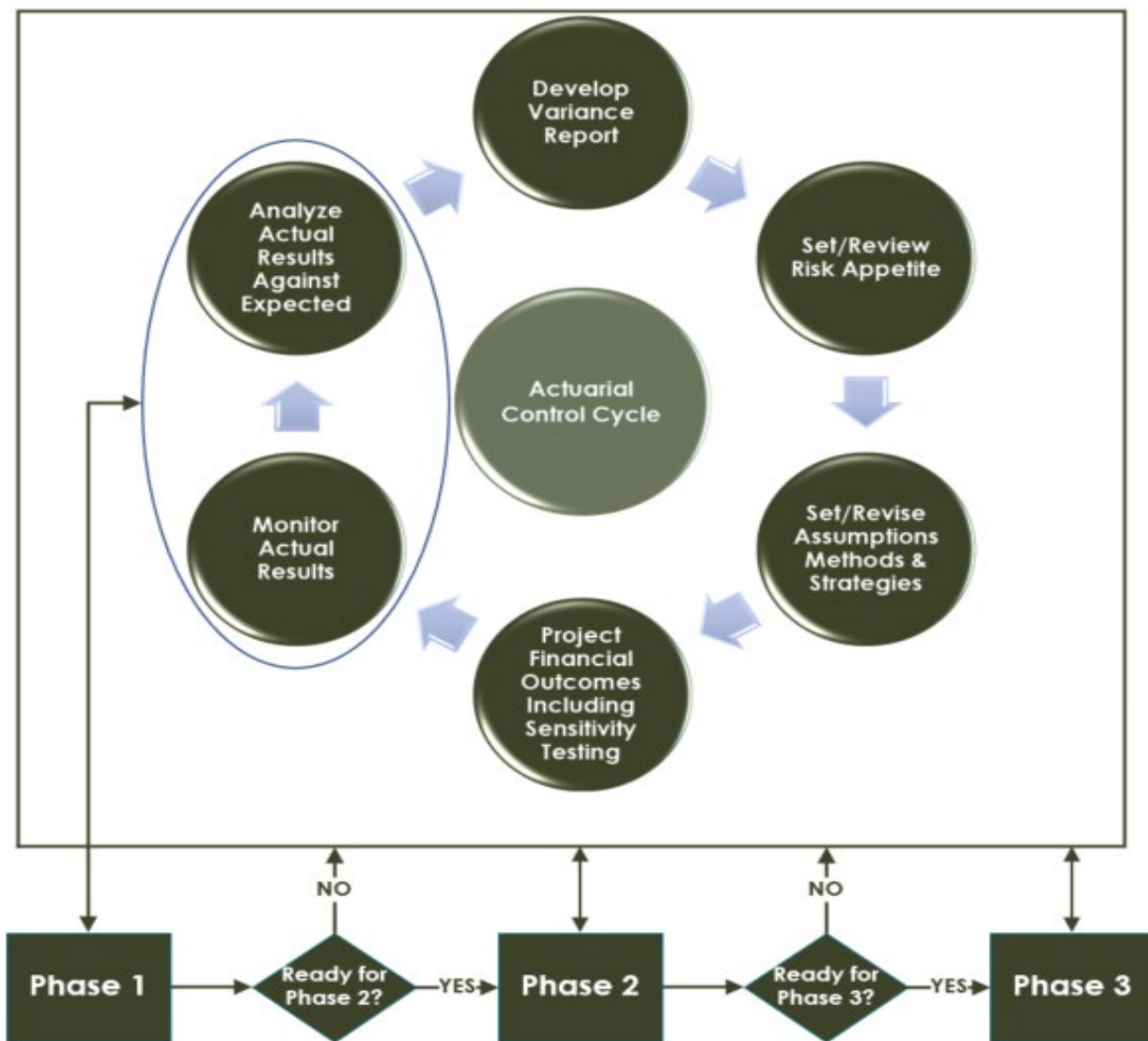


Figure 2: Actuarial Control Cycle within the Risk Management Framework

External factors influence this control cycle and will be factored in at the relevant steps and points in time. For example, the economic environment (inflation, wage growth, etc.), political environment, (a constitutional amendment affecting investment strategies), Commission recommendations and stakeholder feedback (program changes in rule, statute, or benefit administration) will impact assumptions, methods, and strategies. This is an iterative process beyond the risk management framework approach and supports ongoing program analysis and results monitoring.

There is no specific starting point in the control cycle. For WA Cares, some of the items in the cycle have already been performed, e.g., “Project Financial Outcomes Including Sensitivity

Testing”, some are still in process, e.g., “Set/Review Risk Appetite“, and some are still to be performed, e.g., “Analyze Actual Results Against Expected.” The cycle is an iterative process and may be completed multiple times before moving onto the next phase.

## **Risk Management Reporting and Metrics**

Consistent reporting and metrics support the WA Cares funding goal and overall risk management approach. This is comprised of both actuarial reporting and evaluating the meaningfulness of benefits over time. Reporting provides insight to measure, monitor and communicate about the solvency of the WA Cares Fund. Reporting and metrics may evolve as the program matures. The extent to which decision-makers need data to inform any recommended changes to program parameters may also impact reporting.

### **Actuarial Risk Reporting and Metrics**

To monitor and evaluate the security of program benefits, the program will report risk metrics like program projections, actuarial balance calculations, and sensitivity analysis. The most current actuarial reports including risk metrics and analyses are available on [OSA's WA Cares Fund](#) webpage.

### **Meaningfulness of Benefits Reporting and Metrics**

To monitor and evaluate the meaningfulness of program benefits over time, and consistent with the funding goal, the program will report benefit value metrics. These metrics will initially include a comparison of the WA Cares Fund lifetime maximum to median annual costs of four different types of long-term care supports and services (nursing facility, assisted living facility, home health aide, and adult day health care) and average length of long-term care when needed.

### **Data Sharing**

To inform future reporting, information will be collected by partner agencies. Employment Security Department (ESD) will collect and provide premium collections and emerging experience, Department of Social and Health Services (DSHS) will provide analysis to support benefit value comparisons consistent with the funding goal, along with beneficiary demographics and benefit utilization. This information will all be used to evaluate program risk and inform updated projections consistent with the risk management framework.

### **Reporting Frequency**

Actuarial valuation reports will be completed on a biennial basis given statutory requirements. OSA will also release regular program solvency reports and recommendations to assist the

Commission and the Pension Funding Council, the latter of which has the authority to modify the premium rate subject to current law. The Washington State Investment Board (WSIB) will be investing the Trust funds and monitoring and reporting investment experience. Emerging experience reports and comparisons will be made available more frequently to evaluate differences from assumptions and actual experience.

## Response Strategies

When the program’s funding goal is not met or threatened, there are options available for decision-makers to affect policy and ultimately program solvency. Some options may be more strategic in nature while others may be viewed as policy actions. For example, a strategic response strategy available in any phase could be a Commission recommendation to amend the state constitution concerning the investment of LTSS Trust funds to increase revenue and finance benefits. On the other hand, more tactical policy actions may be more appropriate for consideration in later phases of the risk management framework, when the program can rely on updated projections based on emerging program experience, such as actions that help achieve a desired actuarial balance.

At a high-level, policy actions can either reduce benefit expenditures or increase program revenue. Policy options may be tailored to meet specific goals or address policy considerations within phase 2 or 3. Potential policy actions to reduce expenditures could involve restructuring benefits in some fashion. On the other hand, increasing program revenue may include a recommendation to increase the premium collection rate. Figure 3 provides an overview of the potential strategies or actions available to the Commission by phase.

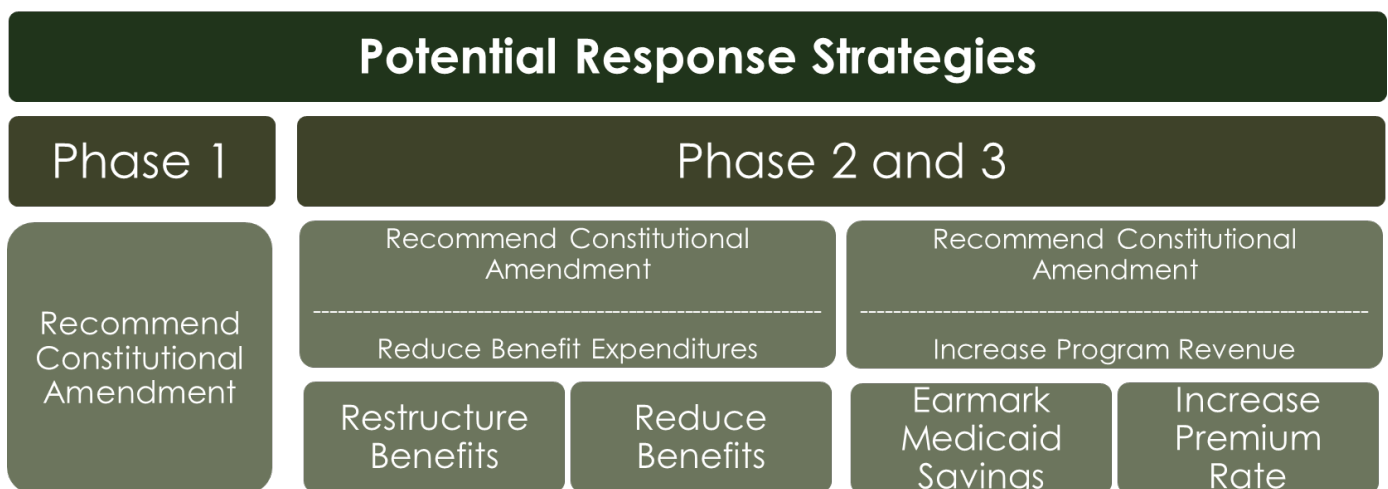


Figure 3: Summary of Strategic Responses and Policy Actions by Phase

## Sharing the Risk Management Framework with Other Entities

Key entities are impacted by the WA Cares Fund risk management framework. It is important to keep statutory roles and timing requirements in mind to support the various needs and ongoing risk management. To that end, this risk management framework will be shared with ESD, DSHS, HCA, and the Pension Funding Council. Any updated versions will also be shared accordingly. The roles and timing of key activities and expectations are summarized below in Figure 4, while a more detailed description of duties is outlined within [RCW 50B.04](#).

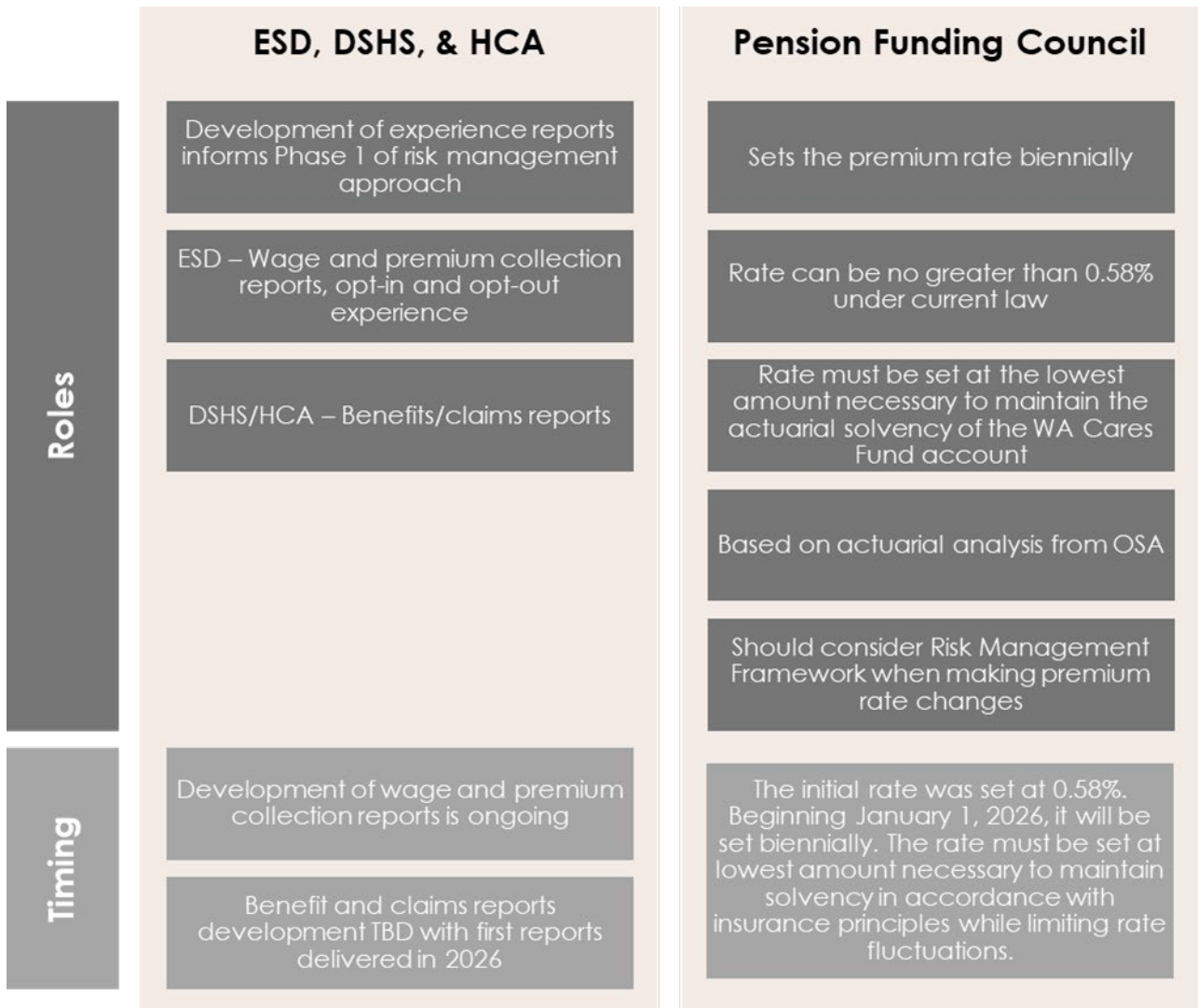


Figure 4: Roles and Timing of Key Entities Impacted by the Risk Management Framework

# Appendix D: WA Cares Fund Actuarial Valuation

See [Milliman's 2024 Actuarial Valuation](#)

See [The Office of the State Actuary commentary on 2024 Actuarial Analysis](#)

## Appendix E: Foundational Principles

# WA Cares Fund Foundational Principles

The LTSS Trust Commission declares the following principles to be foundational to the work of the WA Cares Fund:

- Respect the dignity, privacy, and autonomy of beneficiaries in determining how and from whom they receive care
- Ensure customers have the information and resources they need to manage their care journeys
- Provide a seamless, quality user experience
- Be accessible to all Washingtonians both online and through a strong community presence
- Promote development of a long-term services and supports workforce and provider network to meet increased demand with a broad range of high-quality, culturally competent services
- Ensure policies and procedures respect the many cultures, customs, and community values throughout our diverse communities
- Raise awareness of the benefit among all Washingtonians
- Embrace innovation to meet the changing needs of current and future participants
- Responsibly manage worker contributions by ensuring the Trust's financial stability and long-term sustainability

## APPROVAL OF FOUNDATIONAL PRINCIPLES

The Commission approved the LTSS Trust Foundational Principles by majority vote on 10/29/2025.

Name	Approval Date	Name	Approval Date
Representative David Stuebe (R)	10/29/2025	Laura Cepoi	10/29/2025
Representative Joe Schmick (R)	10/29/2025	Peter Nazzal	10/29/2025
Representative Steve Tharinger (D)	10/29/2025	Madeleine Foutch	10/29/2025
Representative Nicole Macri (D)	10/29/2025	Cathleen MacCaul	10/29/2025
Senator Curtis King (R)	10/29/2025	Lauri St. Ours	10/29/2025
Senator Judy Warnick (R)		Governor Appointee - Vacant	
Senator Rebecca Saldaña (D)		Mark Stensager	10/29/2025
Senator Steve Conway (D)	10/29/2025	Ruth Egger	10/29/2025
Bea Rector - DSHS Assistant Secretary	10/29/2025	Silvia Gonzalez	10/29/2025
Cami Feek – ESD Commissioner	10/29/2025	Rachel Smith	
Taylor Linke - HCA Director's Designee			



## Appendix F: Bylaws

# Long-Term Services and Supports Trust Commission Bylaws

### Table of Contents

<u>Article I. Name</u> .....	25
<u>Article II. Mission Statement</u> .....	25
<u>Article III. Purpose, Function, and Responsibilities</u> .....	25
<u>Section 1. Purpose</u> .....	25
<u>Section 2. Function and Responsibilities</u> .....	25
<u>Article IV. Membership</u> .....	26
<u>Section 1. Appointments</u> .....	26
<u>Section 2. Vacancies and Removal</u> .....	27
<u>Section 3. Resignations</u> .....	27
<u>Section 4. Attendance</u> .....	28
<u>Section 5. Compensation and Reimbursement for Expenses</u> .....	28
<u>Article V. Chair</u> .....	28
<u>Article VI. Meetings</u> .....	28
<u>Section 1. Frequency</u> .....	28
<u>Section 2. Quorum</u> .....	29
<u>Section 3. Order of Business</u> .....	29
<u>Section 4. Public Comment</u> .....	29
<u>Section 5. Recommendations, Decisions, Motions, and Resolutions</u> .....	29
<u>Section 6. Manner of Voting</u> .....	30
<u>Section 7. Rules of Procedure</u> .....	30
<u>Section 8. Meeting Minutes and Agendas</u> .....	30
<u>Section 9. Commission Staff</u> .....	30



<u>Article VII. Subcommittees and Workgroups</u> .....	30
<u>Section 1. Investment Strategy Subcommittee</u> .....	31
<u>Section 2. Workgroups</u> .....	31
<u>Article VIII. Amendment Procedures</u> .....	32
<u>Section 1. How to Amend the Commission Bylaws</u> .....	32
<u>Section 2. Notice Regarding Amendments to the Commission Bylaws</u> .....	32
<u>Approval of Bylaws</u> .....	32

## ARTICLE I. NAME

The name of this body shall be the Long-Term Services and Supports Trust Commission ("Commission").

## ARTICLE II. MISSION STATEMENT

The Commission's mission is to make decisions and recommendations guided by the joint goals of maintaining Long-Term Services and Supports Trust Program benefit adequacy and maintaining Long-Term Services and Supports Trust Fund solvency and sustainability.

## ARTICLE III. PURPOSE, FUNCTION, AND RESPONSIBILITIES

### Section 1. Purpose

The Commission is established to provide a venue for making recommendations to inform the design and implementation of the Long-Term Services and Supports Trust Program as established in RCW 50B.04.

### Section 2. Function and Responsibilities

The Commission functions as the public body responsible to maintain the Long-Term Services and Supports Trust Program benefit adequacy, fund solvency, and sustainability. Responsibilities include:

1. Beginning on November 15, 2020, annually report to the Governor and the fiscal committees of the legislature on agency administrative expenses and anticipated administrative expenses as the LTSS Trust program shifts from implementation into operations.
  - a. The 2027 report must include a recommended method of calculating future agency administrative expenses while providing sufficient funds to adequately operate the program.
2. Beginning on January 1, 2021, annually make recommendations to the appropriate executive agency or the legislature. Recommendations will include:
  - a. Criteria for determining that an individual has met the requirements to be a qualified individual, or an eligible beneficiary.
  - b. Criteria for minimum qualifications for the registration of long-term services and supports providers who provide approved services to eligible beneficiaries.
  - c. Payment maximums for approved services consistent with actuarial soundness which shall not be lower than Medicaid payments for comparable services. The Commission shall engage affected stakeholders to develop this recommendation.
  - d. Changes to rules or policies to improve the operation of the program.
  - e. Refunding premiums for a deceased qualified individual with a dependent who has a developmental disability and is dependent on support from the qualified individual.
  - f. Actions necessary to maintain trust solvency.

3. Assist the State Actuary with the preparation of regular actuarial reports on the solvency and financial status of the program.
4. Beginning December 1, 2028 , annually report to the Legislature on the program, including:
  - a. Projected and actual program participation;
  - b. Adequacy of premium rates;
  - c. Fund balances;
  - d. Benefits paid;
  - e. Demographic information on program participants, including age, gender, race, ethnicity, geographic distribution by county, and legislative district,; and
  - f. The extent to which the operation of the program has resulted in savings to the Medicaid program by avoiding costs that would have otherwise been the responsibility of the state.
5. Establish an Investment Strategy Subcommittee that will provide guidance and advice to the State Investment Board on investment strategies for the Trust Account.
6. Hold Commission meetings.
7. Monitor the solvency and financial status of the program.
8. Identify notifications to qualified individuals, eligible beneficiaries and the public to inform them of program design and updates.
9. Identify data needed for monitoring and informing the program.

## ARTICLE IV. MEMBERSHIP

### Section 1. Appointments

The Commission consists of 21 members as outlined in RCW 50B.04.030. The Commission includes:

1. Two members from each of the two largest caucuses of the House of Representatives, appointed by the speaker of the House of Representatives;
2. Two members from each of the two largest caucuses of the Senate, appointed by the President of the Senate;
3. The Commissioner of the Employment Security Department, or the Commissioner's designee;
4. The Secretary of the Department of Social and Health Services, or the Secretary's designee;
5. The Director of the Health Care Authority, or the Director's designee, ~~who shall serve as a nonvoting member;~~
6. One representative of the organization representing the Area Agencies on Aging;
7. One representative of a home care association that represents caregivers who provide services to private pay and Medicaid clients;
8. One representative of a union representing long-term care workers;
9. One representative of an organization representing retired persons;

10. One representative of an association representing skilled nursing facilities and assisted living providers;
11. One representative of an association representing adult family home providers;
12. Two individuals receiving long-term services and supports, or their designees, or representatives of consumers receiving long-term services and supports under the program;
13. One member who is a worker who is, or will likely be, paying the premium established in RCW 50B.04.080 and who is not employed by a long-term services and supports provider; and
14. One representative of an organization of employers whose members collect, or will likely be collecting, the premium established in RCW 50B.04.080.

Other than the legislators and agency heads identified in this section, members of the Commission are appointed by the Governor for terms of two years, except that the Governor shall appoint the initial members identified in (6) through (14) of this section to staggered terms not to exceed four years. At the end of a commissioner's term, if no new successor has been appointed, the commissioner will continue to serve until a successor has been appointed.

To ensure diversity and inclusiveness on the Commission, the Commission may choose to make recommendations to the Legislature on the size of the Commission and the groups that should be represented on the Commission.

## Section 2. Vacancies and Removal

1. In the case of mid-term vacancy of an appointed Commission member, an appointment from the appointing authority replacing a former member shall be for the remainder for the unexpired term.
2. When one of the Governor appointed Commission seats is vacant, the Commission may choose to make a recommendation to the Governor on filling the vacant seat defined in statute.
3. Governor or legislative appointed members appointed to fill a vacancy with a remaining term of less than one and one-half years may be reappointed for the next two-year term.
4. In the case of mid-term vacancy of a Commission member of a named state agency identified in RCW 50B.04.030, the agency will designate agency representation on the Commission.
5. Members' attendance at and participation in the Commission meetings is encouraged and valued. Frequent absences at scheduled meetings, or otherwise failing to accomplish a members' duties shall be cause for the Chair to contact the Governor to suggest replacement of the Governor appointed Commission member.

## Section 3. Resignations

If a Governor appointed Commission member is unable to complete their term, they must inform the Governor's Office and the Commission staff from DSHS. A letter of resignation should be sent to the

Governor indicating the date their resignation is effective and whether they are able to serve until a replacement is named.

## Section 4. Attendance

1. All Commission and Committee meetings will be attended by at least one staff member of the Department of Social and Health Services, Home and Community Living Administration, which is charged with staffing the Commission.
2. Staff taking the minutes of a Commission meeting shall record the attendance of the members in the minutes for the permanent record.
3. If a Commission member misses 3 meetings in a row, without requesting a leave of absence, they will forfeit their position on the Commission.

## Section 5. Compensation and Reimbursement for Expenses

1. DSHS will compensate Commission members eligible for such compensation for performing the duties of the Commission in accordance with RCW 43.03.250.
2. DSHS will reimburse Commission members eligible for travel and other bona fide expenses in accordance with RCW 43.03.050 and 43.03.060.
3. The Commission shall adopt a protocol specifying the procedures for carrying out compensation and reimbursement, and update it as necessary.

## ARTICLE V. CHAIR

The Secretary of the Department of Social and Health Services, or the Secretary's designee, shall serve as Chair of the Commission.

## ARTICLE VI. MEETINGS

### Section 1. Frequency

1. Meetings of the Commission are at the call of the Chair. All meetings will be considered Special Meetings as defined in the Open Public Meetings Act.
2. All Commission meetings shall be held in conformance with the Open Public Meetings Act, RCW 42.30. It is the intent of the Commission that all meetings of the Commission, other than executive sessions as defined in RCW 42.30.110, shall be open and public, and any and all persons shall be permitted to attend any meetings of the Commission.
3. Meeting notices will be posted on the WA Cares Fund website.
4. Commission members may attend meetings via phone or via a virtual meeting platform.

## Section 2. Quorum

1. A majority of the voting members of the Commission shall constitute a quorum for any votes of the Commission. In the event that there are vacancies on the Commission, a majority of existing voting members shall constitute a quorum.
2. The Commission may discuss issues and deal with administrative matters in the absence of a quorum, but it may not adopt any resolution, rule, regulation, order, or directive during a meeting unless a quorum first has been established. It may entertain a motion to adjourn without a quorum.
3. A Commission member may call for a roll call at any time after a quorum has been established. If a quorum is not present at the time of the roll call, no further actions can be taken, unless additional members enter the room and re-establish a quorum.

## Section 3. Order of Business

The order of business at each meeting shall be determined by the chair, and shall include at minimum:

- a. Approving of minutes of previous meeting(s)
- b. Report outs from ad hoc workgroups
- c. Updates regarding the program and/or finances
- d. Action item review
- e. Public comment (if any)
- f. Suggestions for future meeting agendas

The order of business shall be determined by the posted agenda unless the agenda is altered by the Chair in an open meeting with the concurrence of the Commission.

## Section 4. Public Comment

The Chair may solicit public comment on any or all agenda items during meetings. The Chair of the Commission will set the time limit of speakers. Based on the contents of the agenda, some agendas may not include a public comment period.

## Section 5. Recommendations, Decisions, Motions, and Resolutions

1. Recommendations and decisions must be informed by actuarial analysis and guided by the joint goals of maintaining benefit adequacy and fund solvency.
2. All proposals for actions or decisions of the Commission should be by motion and/or resolution; a quorum as outlined in Article VI, Section 2 is needed for any vote of the Commission.
3. Approval of sixty percent of those voting members of the Commission who are in attendance is required for the passage of any vote.
4. No Commission member or employee may use the name of the Commission to support or oppose any issue or cause.

5. The Commission and its members may not lobby in their official capacity as Commission members in support or opposition to legislative proposals unless it is required as a function of the Commission, such as testifying as a Commission member. Commission members may provide information to appropriate parties about proposed legislation and its potential effect on the Long-Term Services and Supports Trust Program. Commission members are permitted to lobby in support or opposition to legislative proposals on behalf of organizations they represent or in their individual capacity, provided they do not connect their activities to their position as a LTSS Trust Commission member in any way.

## Section 6. Manner of Voting

1. The voting on election, motions, and resolutions shall be conducted by voice vote.
2. In lieu of voice vote, a Commission member may request a vote by roll call, and the Chair will honor any such request.
3. Absentee voting is not permitted.
4. Secret votes are not permitted.
5. Only Commission members identified in Article IV., Section 1, may vote, if authorized.

## Section 7. Rules of Procedure

1. The procedures used to conduct Commission business will be determined by these Bylaws, the Administrative Procedures Act, RCW 34.05, the Open Public Meetings Act, RCW 42.56, and the Commission's authorizing statute, RCW 50B.04.030.
2. If a procedural issue arises that is not covered by these Bylaws and applicable state statutes, and the Commission cannot reach consensus on how to proceed, the organization will follow the procedures contained in the most current version of Robert's Rules of Order.

## Section 8. Meeting Minutes and Agendas

Meeting agendas and minutes will be emailed to Commission members and they will be posted on the WA Cares Fund website.

The minutes of all Commission meetings shall be taken by a staff member of the Home and Community Living Administration. The minutes shall accurately capture and record the action of the Commission on each question or motion.

## Section 9. Commission Staff

The Department of Social and Health Services shall provide administrative and operational support to the Commission.

## ARTICLE VII. SUBCOMMITTEES AND WORKGROUPS

## Section 1. Investment Strategy Subcommittee

The Investment Strategy Subcommittee is established pursuant to RCW 50B.04.030(6). The subcommittee includes:

1. The following members from the Commission as voting members:
  - a. Two members from each of the two largest caucuses of the House of Representatives, appointed by the speaker of the House of Representatives;
  - b. Two members from each of the two largest caucuses of the Senate, appointed by the President of the Senate;
  - c. The Commissioner of the Employment Security Department, or the Commissioner's designee;
  - d. The Secretary of the Department of Social and Health Services, or the Secretary's designee;
2. Four members appointed by the Governor who are considered experienced and qualified in the field of investment as non-voting members.

The subcommittee shall provide guidance and advice to the state investment board on investment strategies for the account, including seeking counsel and advice on the types of investments that are constitutionally permitted.

## Section 2. Workgroups

1. The Commission may establish workgroups to assist in executing the work of the Commission. Workgroups are established to study and deal with highly specific issues, and disband upon completion of the assignment. Workgroups are composed of Commission members and non-commissioner members possessing particular expertise and/or interest in a particular subject of interest to the Commission. Workgroups report back to the full Commission to render their recommendations regarding possible action about that subject. Workgroups disband upon reporting completion of their assignment.
2. Workgroup members shall volunteer or will be appointed if additional members are needed and approved by the Commission Chair.
3. Facilitation will be provided in workgroup meetings.
4. Each workgroup will function under a written charter, designating the group's composition, purpose, timing, and expectations regarding provision and routing of reports and recommendations.
5. Workgroups will use relevant actuarial analysis when making recommendations to the Commission.



- 6. Workgroups are subject to review by the full Commission and may be modified or disbanded by majority vote.
- 7. Any Commission member may attend workgroup meetings.

## ARTICLE VIII. AMENDMENT PROCEDURES

### Section 1. How to Amend the Commission Bylaws

These bylaws may be amended by any meeting of the Commission that meets quorum requirements outlined in Article VI., Section 2 of these bylaws. Approval of sixty percent of those voting members of the Commission who are in attendance is required.

### Section 2. Notice Regarding Amendments to the Commission Bylaws

Recommended amendments shall be presented at a Commission meeting for discussion and to get all questions answered. Recommended amendments will then be voted on at a subsequent Commission meeting.

## APPROVAL OF BYLAWS

The Commission approved the Bylaws by majority vote on 10/29/2025.

Name	Approval Date	Name	Approval Date
Representative David Stuebe (R)	10/29/2025	Laura Cepoi	10/29/2025
Representative Joe Schmick (R)	10/29/2025	Peter Nazzal	10/29/2025
Representative Steve Tharinger (D)	10/29/2025	Madeleine Foutch	10/29/2025
Representative Nicole Macri (D)	10/29/2025	Cathleen MacCaul	10/29/2025
Senator Curtis King (R)	10/29/2025	Lauri St. Ours	10/29/2025
Senator Judy Warnick (R)		Governor Appointee - Vacant	
Senator Rebecca Saldaña (D)		Mark Stensager	10/29/2025
Senator Steve Conway (D)	10/29/2025	Ruth Egger	10/29/2025
Bea Rector - DSHS Assistant Secretary	10/29/2025	Silvia Gonzalez	10/29/2025
Cami Feek – ESD Commissioner	10/29/2025	Rachel Smith	
Taylor Linke - HCA Director's Designee			