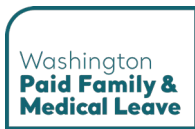




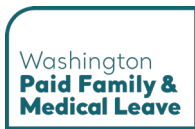
ELECTIVE COVERAGE TOOLKIT

Updated December 2025



Contents

Contents.....	2
About this toolkit	3
About Paid Leave	3
About WA Cares.....	3
What do elective coverage customers need to do?	3
Resources for elective coverage	4
Overview.....	4
Participation.....	4
Definition of self-employment.....	4
Transportation Network Company (TNC) Pilot.....	5
Coverage begins the quarter after opting in.....	5
Comparison of the programs	6
Creating an elective coverage account and opting in	6
Creating an elective coverage account for the first time	6
How to opt in	8
You can choose which programs to opt in to	8
Paid Leave period of coverage	9
TNC Pilot period of coverage	9
WA Cares period of coverage	10
Wages and premium withholding	11
Gross wages	11
Premiums and withholding.....	12
Calculating WA Cares premiums.....	12
Calculating Paid Leave premiums	12
Wage reporting and premiums	14
Report and premium payment due dates.....	14
What to report	14
You do not report hours worked	15
How to report.....	15
Your report status may take up to 48 hours to update after you file a report.....	16
How to amend a report.....	16
If you’ve been including yourself on your business’s report:.....	16
To see your balances.....	16
How to make payments	17
To request a refund.....	17
Paid Leave Benefits.....	18
How to apply for benefits	18
Benefit eligibility	18
Document change log.....	19



About this toolkit

This toolkit is intended to help self-employed individuals in Washington learn about opting in to or electing coverage for Paid Leave and WA Cares benefits. We update this toolkit periodically. Check for updates at paidleave.wa.gov/elective-coverage/ to make sure you have the most current version.

About Paid Leave

We know that the most important things in life happen outside the workday. People we care about become ill. Families welcome new members. Big moments that require extra attention come along for all of us.

Support in these times means we can be stronger both at home and at work. Paid Leave is an essential benefit that strengthens companies by ensuring every employee can take paid time for care when needed. This statewide insurance program makes Washington an even better place to live, work and do business.

About WA Cares

70% of Washingtonians will eventually need long-term services and supports – help with activities of daily living like bathing, eating, and taking medications. Long-term care can be expensive. Most of it is not covered by Medicare or health insurance, and Medicaid only covers it after you've spent down your life savings.

WA Cares provides working Washingtonians a way to earn access to long-term care benefits that will be available when they need them. It will cover most of the need for some people, while for others it will provide breathing room during one of life's most challenging stages, giving the family time to develop a plan.

Find WA Cares resources for employees, employers and community partners at wacaresfund.wa.gov/toolkit.

What do elective coverage customers need to do?

- Understand who is considered self-employed under the Paid Leave and WA Cares programs.
- Create and maintain an elective coverage account and opt in to Paid Leave and or WA Cares.
- File quarterly wage reports and pay premiums quarterly for each program with active coverage.



Resources for elective coverage

- [Paid Leave website](#)
- [Online premium estimator](#)
- [Benefit Guide](#)

Overview

Participation

As a self-employed Washingtonian, you are not required to participate in Paid Leave or WA Cares. But if you elect Paid Leave coverage, you will have access to up to 12 weeks of paid time off a year to care for yourself or a family member - or 16 weeks for combined medical and family leave after giving birth, or 18 weeks if you experience pregnancy- or birth-related complications. You can take Paid Leave after you work 820 hours and have a qualifying event.

By electing WA Cares coverage, once vested, you'll gain long-term care up to \$36,500 over your lifetime and be able to decide how and where to use your benefits.

If you own a business, not opting in to either program does not affect your employees' eligibility into either program, and you must still report for your employees on a quarterly basis in your employer account or through a third-party administrator.

Definition of self-employment

Self-employed people include sole proprietors, members of partnerships, LLCs and joint ventures, independent contractors as described in [RCW 50A.05.010](#), or if you are otherwise in business for yourself.

Self-employed people should not be included in quarterly wage reporting for the business.

Note: Corporate officers are not self-employed and must be reported as employees in quarterly wage reports.

Rideshare drivers, as defined in [RCW 48.177.005](#), are not considered employees for the purposes of Paid Leave and do not have to participate in the program. However, they may opt in like those who are self-employed if they wish to be covered by the program and eligible for benefits.

Transportation Network Company (TNC) Pilot

As of July 1, 2024, a pilot program began for rideshare drivers to participate in Paid Leave. This pilot ends on December 31, 2028. The TNC Pilot is for Paid Leave only.

If you drive passengers for a TNC, sometimes called a ridesharing company, you can opt in to the pilot. This means your earnings can be used to establish eligibility for using Paid Leave benefits in the future. When you opt in, you or your third-party must report your compensation and pay premiums every quarter. Rideshare drivers participating in this pilot will have their premiums reimbursed by their TNC. The TNC Pilot is for Paid Leave only. Drivers will need to opt in to WA Cares separately.

Coverage begins the quarter after opting in

Elective coverage start means the start of premium collection and the period of reporting begins. The elective coverage start date is not the beginning of eligibility for benefits.

Opt in during	Coverage starts	First wage report and payment due	Information can be used for benefit eligibility
Quarter 1	April 1	July 31	July 1
Quarter 2	July 1	Oct. 31	Oct. 1
Quarter 3	Oct. 1	Jan. 31	Jan. 1
Quarter 4	Jan. 1	April 30	April 1

You must have your quarterly reports filed for us to use your elective coverage earnings as part of your benefit eligibility.

Comparison of the programs

Paid Leave	WA Cares	Both
Opt in any time while self-employed	Opt in by Jan. 1, 2026 or within 3 years of self-employment	Same definition of self-employment
Coverage is for 3 years then renews annually	Coverage is permanent until you retire or your self-employment ends	Same definition of wages
Social Security Cap applies	No Social Security Cap	Same reporting requirements and deadlines
		Pay employee share of the premium
		Coverage starts the first day of the next quarter after opting in

Creating an elective coverage account and opting in

Create an elective coverage account and opt in to ensure you can:

- Elect coverage for Paid Leave or WA Cares
- Opt in to the TNC Pilot
- File and amend quarterly wage reports for Paid Leave and WA Cares
- Submit premium payments
- View your account activity and account balances

Creating an elective coverage account for the first time

Creating an elective coverage account is a several step process, which helps us confirm the person completing the registration process is authorized to do so.

Like most Washington state agencies, we use [SecureAccess Washington \(SAW\)](#) to manage access to employer accounts. You may already have a SAW account established for reporting with other Washington state agencies. If you have a SAW account, skip to Step 2. If you have added Paid Family and Medical Leave as a service, skip to Step 3.

Step 1: Create a SAW account

You will need an active SAW account to log in and establish your elective coverage account. You will use this username and password every time you log in to Paid Leave. Visit paidleave.wa.gov/technical-support for information on how to create a SAW account.

1. On the secureaccess.wa.gov homepage, click **Sign Up**.
2. Fill out all required fields.
3. Check your email for an authorization link and then click the link to activate your account.

Step 2: Add the 'Paid Family and Medical Leave' service

Once you are logged into your SAW account, you will need to add "Paid Family and Medical Leave" as a service:

1. In SAW, click **Add Service**, then **Add By Agency** button to browse the list of services by agency.
2. Click **Employment Security Department**, then find "Paid Family and Medical Leave (PFML)" and click **Add**.
3. On the "Registration Complete" screen click **My Services** link.

After confirming, you will see the **Paid Family and Medical Leave (PFML)** link listed as a service on your SAW homepage.

Step 3: Create your Elective Coverage Account

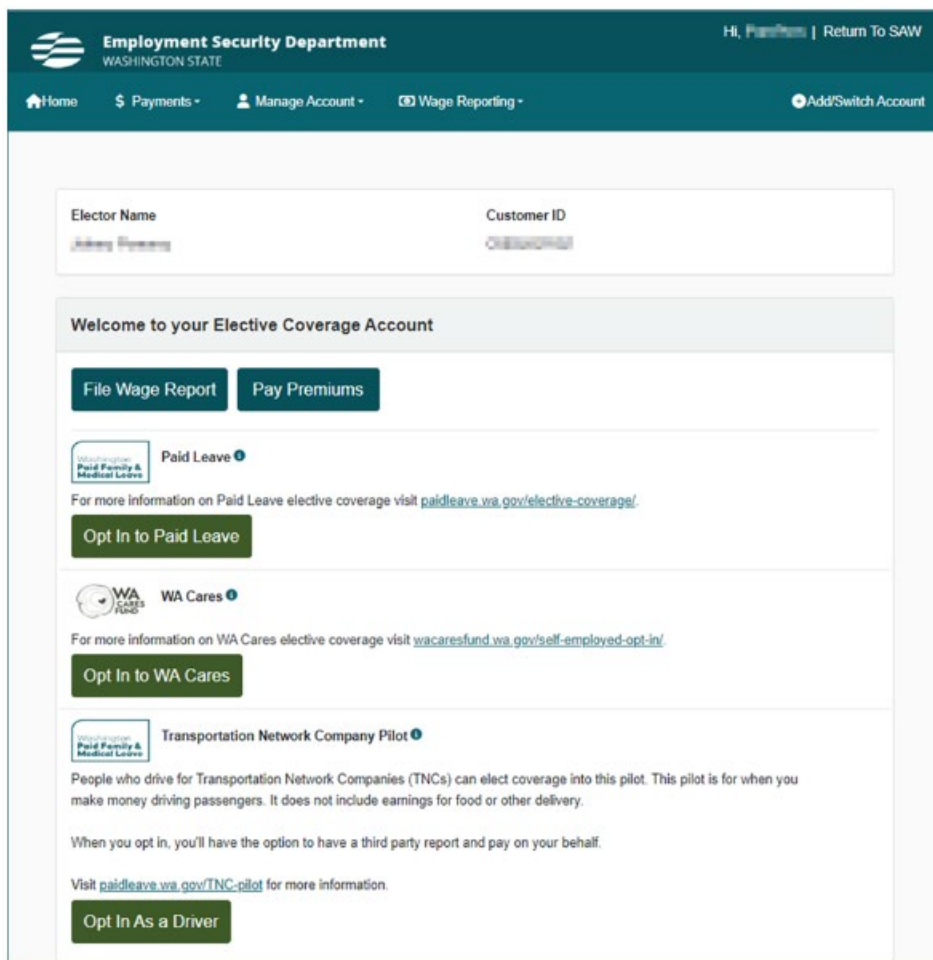
1. Click the **Paid Family and Medical Leave (PFML)** link on your list of services on your SAW homepage.
2. On the "Now Accessing Paid Family and Medical Leave" page, click the **Continue to Paid Family and Medical Leave** hyperlink and continue to the 'Create an Account' page. Here you have the option to create many types of accounts.
NOTE: If you did not land on this page and are on the homepage for a different account type, click **+Add/Switch** in the top right of the screen to go to the 'Choose an Account' page then click **Create a New Account**. Here you have the option to create many types of accounts.
3. Click **Elect Coverage as Self-Employed**. You cannot elect coverage on behalf of another person. Once you enter your personal Information, contact information and mailing address, your account will be created. You must complete the steps to opt in to Paid Leave, WA Cares, or as a driver for the TNC Pilot for your coverage to begin.

For more information, visit paidleave.wa.gov/technical-support

If you have opted in to the TNC Pilot through a third party, use the SAW username you provided the third party to access your account. If you did not provide one, contact us to help you link to your account.

How to opt in

From the Elective Coverage Account screen, opt in by selecting the green **Opt In** button(s) pictured below.



You can choose which programs to opt in to

You are not required to opt in to any or all programs. You can opt in to Paid Leave at any time. You can opt in to WA Cares between July 1, 2023 and July 1, 2026, or within three years of becoming self-employed in the state of Washington for the first time.

You opt in for yourself, not a business. Opting in covers all of your self-employed income. You don't opt in separately for each business you own.

Paid Leave period of coverage

Opting in and withdrawing from Paid Leave coverage is an online process.

Opt in: You opt in for an initial period of three years, during which you cannot withdraw coverage. At the end of those three years, coverage will automatically renew every year unless you withdraw.

Withdraw: You can only withdraw at the end of your coverage period. When the initial three-year period ends, you will have 30 days to decide if you want to end your coverage or renew for another year. If you withdraw, your coverage will end on the last day of your coverage period.

To withdraw from Paid Leave:

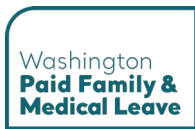
1. On your elective coverage homepage, click **Withdraw from coverage**.
Note: If you do not see the option to withdraw online, your period of coverage has not expired.
2. Read the Withdraw from Paid Leave Elective Coverage notice and click **Submit**.
3. A pop up will appear. Click **Confirm** to withdraw.
4. You will receive a confirmation message when you successfully end your coverage.

TNC Pilot period of coverage

When you opt in to the TNC Pilot, you opt in for an initial period of one quarter. At the end of each quarter, you may withdraw and end your coverage. This option is available for the month after the quarter ends. If you do not withdraw, your coverage will automatically renew for another quarter. If you withdraw, your coverage will go through the last day of the current quarter.

Example: You opted into the TNC Pilot on July 1, 2024. Your coverage takes effect on Oct. 1, 2024. On Jan. 15, 2025, you withdraw from the pilot. You will see your coverage period goes from 10/01/2024 – 03/31/2025. You will need to submit quarterly reports in January and April.

Rideshare drivers who enroll in the TNC Pilot can withdraw from the TNC Pilot in their elective coverage account, not through a third-party. This includes drivers who enrolled through a third-party. This option is available to rideshare drivers for the month after the end of each quarter of eligibility.



To withdraw from the TNC Pilot:

1. On your elective coverage homepage, select **Withdraw from TNC Driver Pilot**.
2. Read the Withdraw from TNC Driver Pilot notice and click **Submit**.
3. A pop up will appear. Click **Confirm** to withdraw.
4. You will receive a confirmation message if you successfully ended your coverage.

WA Cares period of coverage

You must opt in by July 1, 2026, or within three years of becoming self-employed in the state of Washington. There is no option to withdraw coverage for WA Cares. You must participate until you retire or are no longer self-employed. If you have an active approved exemption, you cannot elect coverage for WA Cares.

You may cancel WA Cares elective coverage when you are no longer self-employed. The process is completed through your elective coverage account. You will be required to provide the date you were no longer self-employed.

If you are no longer self-employed, cancel WA Cares coverage:

1. On your elective coverage homepage, click **Cancel coverage (when no longer self-employed)**.
2. Read the Cancel WA Cares Elective Coverage notice, provide the date your self-employment ended, and click **Submit**.
3. A pop up will appear. Click **Confirm** to cancel your coverage.
4. You will receive a confirmation message if you successfully ended your coverage.

The department may cancel elective coverage if you fail to make required payments or file reports.

Wages and premium withholding

You are responsible for collecting and paying Paid Leave and/or WA Cares premiums on reportable income.

Each quarter, a self-employed individual who has elected coverage to Paid Leave and/or WA Cares will report to the department self-employment income equal to the combined total of:

- The self-employed individual's net income related to their self-employment; and
- The gross wages, if any, paid to the self-employed individual from the self-employed individual's business entity.

Gross wages

Generally, wages are gross wages without tips. Wages are defined in the law under [RCW 50A.05.010](#) and [WAC 192-510-025](#).

Gross wages are:

- Salary or hourly wages, excluding tips
- Holiday pay
- Paid time off (vacation, sick leave, associated cash outs)
- Cash value of goods or services given in the place of money
- Commissions or piecework
- Bonuses
- Cash value of gifts or prizes
- Cash value of meals and lodging when given as compensation
- Separation pay (such as severance or termination pay, or wages in lieu of notice)
- Value of stocks at time of transfer to employee (if part of a compensation package)
- Compensation for use of specialty equipment, performance of special duties or working particular shifts
- Stipends and per diems (unless provided to cover a past or future cost incurred by the worker as a result of the worker's expected job functions)
- Compensation attributable to mandatory service charges

Wages do not include:

- Tips
- Payments from an employer benefit to the employee that is not part of their standard compensation
- Supplemental benefit payments
- Payments provided to cover a past or future cost incurred by the worker as a result of the worker's expected job functions, such as for meals or travel

Premiums and withholding

Premiums, collected from employees and employers through quarterly reporting, fund the Paid Leave and WA Cares programs. Premium rates are adjusted each year for Paid Leave, in January, and apply to the wages paid in that calendar year.

All elective coverage customers are required to do one of the following:

- Withhold self-employed individuals Paid Leave and/or WA Cares premiums from their net income and gross compensation.
- Pay the employee share of the Paid Leave and/or WA Cares premium.

See our premium estimator at paidleave.wa.gov/estimate-your-paid-leave-payments.

Calculating WA Cares premiums

Employees are responsible for the full WA Cares premium. For 2025 and 2026, the rate is 0.58 percent of each employee's gross wages. The Social Security cap does not apply.

WA Cares

Total premium:

- $\text{Gross wages} \times 0.0058 = \text{total premium (round to two decimals)}$

Calculating Paid Leave premiums

For Paid Leave, the cost of the premium is shared by employers and employees. When you elect coverage you're responsible for paying the premiums that would be assessed to an employee; you are not responsible for the employer's portion of the premiums.

Elective coverage accounts may be canceled if premiums are not paid timely.

For 2026, the premium rate is 1.13 percent of gross wages (excluding tips), up to the Social Security cap. In 2026, the social security cap is \$184,500. Once you meet the Social Security cap, stop withholding premiums on any additional wages over the cap but continue to report your wages. Past premium rates are listed in the "Historical premium rates" section.

Paid Leave

This method combines the medical and family share of the Paid Leave premium.

Total premium for self-employed individuals:

- Gross wages x 0.0113 x 0.7143 = Employee Share (round to two decimals)
- Only include wages up to the social security cap for each calendar year. In 2026, the social security cap is \$184,500.

Paid Leave - Full Calculation

This method is used to calculate the employee's medical and family rates separately.

Family Share for self-employed individuals:

- Gross wages x 0.0113 x 0.4806 = Employee Family Share (round to two decimals)

Medical Share for self-employed individuals:

- Gross wages x 0.0113 x 0.2337 = Employee Medical Share (round to two decimals)



Wage reporting and premiums

Paid Leave and WA Cares are reported on a combined quarterly report. You will submit quarterly reports in your elective coverage account or through a third-party administrator.

Payments for Paid Leave and WA Cares must be made separately so that the funds are deposited into the appropriate trust fund for each program. To see Historical premium rate, refer to the [Employer Reporting and Premiums Toolkit](#).

Report and premium payment due dates

Reporting periods follow calendar quarters and are aligned with the reporting periods for Unemployment Insurance (UI) and other state agencies.

Quarterly reports and payments must be submitted by the last day of the month following each calendar quarter. If a reporting date falls on a Saturday, Sunday, or a legal holiday, reports will be due on the next business day. The law that applies is [WAC 192-540-030](#).

Elective coverage accounts may be canceled if premiums are not paid timely.

Reporting quarter	Report & payment due
Q1: January, February, March	April 30
Q2: April, May, June	July 31
Q3: July, August, September	October 31
Q4: October, November, December	January 31

What to report

Each quarter, you are required to file a report with the following information:

- Total reportable self-employment income you have earned during the quarter from all self-employed businesses/sources.

You will need to file for every quarter, even if you did not have reportable self-employment income. You will enter zero if you did not earn any income in a quarter.

If you have opted into the TNC Pilot, you or your third party will report the compensation you made as a rideshare driver. Any TNCs you drive for are responsible



for telling you the total compensation you earned providing services through their digital networks for the quarter.

You do not report hours worked

You do not report the hours you worked in a quarter. We calculate your hours worked by dividing the total of your self-employment income by the state minimum wage.

The law that applies is [WAC 192-510-030](#) for Paid Leave and the TNC Pilot and [WAC 192-915-015](#) for WA Cares.

How to report

For elective coverage customers we offer two reporting methods:

Manual entry.

1. On your elective coverage account homepage, click the **File Wage Report** button.
2. Select the quarter and year you are reporting for.
3. Complete all required fields.

Note: If you have opted into Paid Leave and/or WA Cares but not the TNC Pilot, you will report all self-employment income. If you have opted into the TNC Pilot, you will report all earnings you made as a rideshare driver.

Bulk filing.

Employer agents (like payroll companies, CPAs and other third-party administrators) can report using an ICESA file. This file type allows the user to report for multiple clients in a single report. Information on the ICESA file format and instructions for testing file specifications is found here: paidleave.wa.gov/reporting.

If you have opted into the TNC Pilot through a third party, like the Drivers Union, you do not have to report unless the third party has told you they will not report on your behalf. Otherwise, the third party has agreed to report and pay premiums on your behalf. You can still create an elective coverage account by using the SAW username you provided the third party when you opted in to review reports and payments made on your behalf.

Your report status may take up to 48 hours to update after you file a report

To check the status of a report:

1. On your elective coverage account homepage, click **Wage Reporting** in the top menu bar, then **Wage Submission History**.
2. View the report on the Wage Submission History screen. If the report was processed successfully, the report status will be “Processed.”

How to amend a report

You may need to make a correction to a wage report. This is done by updating a previous wage file. Amending a wage report will completely replace the previous report. To amend a report:

1. Click **Wage Reporting** in the top menu bar, then **Wage Submission History**.
2. On the Wage Submission History table, click **Amend** for the report you are changing to update self-employment income and/or TNC Net Compensation.

If you've been including yourself on your business's report:

Self-employed people should not be included on their business's quarterly wage reports. Instead, they must be reported through an elective coverage account if they have elected coverage. If you've been including yourself, or any other self-employed people in a business's quarterly report you'll need to create an elective coverage account.

If you have reported timely on your employer account, we may be able to backdate your Elective Coverage account for Paid Family and Medical Leave. For next steps, email paidleave@esd.wa.gov with “UBI” followed by your 9-digit UBI number or “ELECTIVE COVERAGE REQUEST” in the subject line of the email. There is no option to backdate an account for TNC or WA Cares coverage.

To see your balances

We calculate the total premium due after each quarterly report is processed. All customers can see their Paid Leave and WA Cares account balances under the



payments tab in your online account **after** the quarterly report has been successfully processed.

How to make payments

Payments can take several days to post to your account depending on your payment method. We offer three payment options for you:

ACH. You will be taken to a secure third-party payment processor. It's important that you do not close your browser during the payment process. Once your payment is complete, click **Exit** to return to your business account.

Credit/debit card. You will be taken to a secure third-party payment processor. It's important that you do not close your browser during the payment process. Once your payment is complete, click **Exit** to return to your business account. You will be charged a processing fee of 2.9% for each payment.

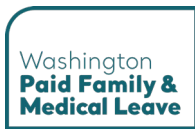
Check/money order. Download and print the payment coupon for each program you're paying premiums for. Attach your payment and mail it to the address on that form. Processing times will be longer than 3-5 business days. We do not accept foreign currency.

To request a refund

If you overpay your premiums, you will see a credit balance, which is shown as a negative amount, on your account balance. You can use this amount to pay future premiums. If the amount is \$50 or more and you have filed reports for all quarters, you can request a refund by emailing us at paidleave@esd.wa.gov with "Refund Request" as the subject and include the following:

- Your name
- Your elective coverage Customer ID
- Your phone number
- Your mailing address

Refunds will not be processed for less than \$50 unless you are retired or are no longer self-employed.



Paid Leave Benefits

Paid Leave is here for you when a serious health condition prevents you from working, when you need time to care for a family member or welcome a new child, or for certain military-related events.

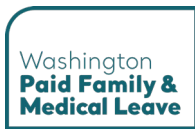
Find more information in the [Benefit Guide](#).

How to apply for benefits

You must create a benefit account to apply for benefits. Click **+Add/Switch Account** on the right side of the top menu bar to switch between accounts or add additional accounts.

Benefit eligibility

You are eligible for benefits when you have a qualifying event and have worked 820 hours in the qualifying period. For the 820 hours worked, we will combine hours worked across all employers and elective coverage.



Document change log

Version 1.1 – November 2024

- Original elective coverage

Version 2.1 – May 2025

- Split paragraph about how to opt in and withdraw into two paragraphs. (p 9)
- Added information about gross wages. (p 11)
- Added information about calculating premiums. (p 12)
- Added information about what to report. (p 13)
- Added information about possibly backdating an account. (p 15)

Version 3.1 – December 2025

- Updated instructions for Secure Access Washington (p 7)
- Updated gross wages (p 11)
- Updated premium rates for 2026 (p 12, 13)