

**WAC 388-96-916 Capital component—Facility age.** (1) The average age of a facility is the actual facility age reduced for significant renovations.

(2) For the rate beginning July 1, 2016, the department must use renovations data back to 1994 as submitted on facility cost reports to determine an initial age.

(3) Beginning July 1, 2016:

(a) Facilities must all be re-aged to one year older on December 31st of each year.

(b) Facility ages must be reduced during review of the cost report if the value of the renovation completed in any calendar year exceeds two thousand dollars times the number of licensed beds. In order to calculate the new age, the cost of the renovation must be divided by the accumulated depreciation per bed in the year of the renovation to determine the equivalent number of new replacement beds. The new age for the facility is a weighted average with the replacement bed equivalents reflecting an age of zero and the existing licensed beds, minus the new bed equivalents, reflecting their age in the year of the renovation.

(4) At no time may the depreciated age be less than zero or greater than forty-four years.

[Statutory Authority: RCW 74.46.800, 74.46.561(1). WSR 17-22-037, § 388-96-916, filed 10/24/17, effective 11/24/17.]