



STATE OF WASHINGTON  
**DEPARTMENT OF HEALTH**  
*Olympia, Washington 98504*

Nursing Home - Capital expenditure minimum adjustment procedures

Washington Administrative Code (WAC) 246-310-900 indicates the need to make adjustments to the "expenditure minimum" for capital expenditures which are subject to the requirements of the Certificate of Need program established under the provisions of chapter 70.38 Revised Code of Washington.

Section (1) states, "United States Department of Commerce Composite Construction Cost Index shall be used in the annual adjustments."

According to the United States Department of Commerce, as of August 1, 2003, "the old types of construction classifications and the constant dollar series are no longer published"<sup>1</sup>. The information is now collected by the United States Census Bureau in Seasonally Adjusted Rates.

In an effort to maintain the integrity outlined in WAC 246-310-900(2)(b), reference was turned to the City Cost Adjustment Factors (January 2014). Historical Cost Indexes are based upon the standard base year of 1993 = \$100. Similar indexes from this publication are utilized in the cost per square foot calculations performed by Construction Review Services.

MODIFIED: Commerce Composite Construction Cost Index  
Data Source: Building Construction Cost Data  
Historical Cost Index – Jan. 2014

1983 Historical Index	80.2%
January 2014 Index Rate	202.7%
Expense 1983 Dollars	\$ 1,000,000
<b>2014 Equivalent</b>	<b>\$ 2,527,433</b>

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<sup>1</sup> [www.census.gov/const/C30/oldtc.html](http://www.census.gov/const/C30/oldtc.html)