



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
Olympia, Washington 98504

Nursing Home Capital Expenditure Minimum Dollar Threshold for Nursing Home Projects

The Certificate of Need (CN) Program is required to review renovations or alterations of nursing homes. [(Revised Code of Washington (RCW) 70.38.105(4)(g)] The type of review depends on the cost of the project. Each year, the CN program updates the capital expenditure minimum dollar threshold for nursing home projects following the procedure in Washington Administrative Code (WAC) 246-310-900. The following information applies to nursing projects that will begin in calendar year 2025.

The 2025 capital expenditure minimum dollar threshold for nursing home projects is \$3,862,951 unless the project meets the criteria for exemption under WAC 246-310-044(2).

- If a nursing home renovation or alteration project exceeds \$3,862,951 and the project does not meet any of the conditions under WAC 246-310-044(2), a Certificate of Need is required prior to beginning the project.
- If the nursing home renovation or alteration project will cost \$3,862,951 or less, then the project does not require a Renovation Authorization prior to beginning the project.

The CN program used the US Bureau of Labor Statistics PPI Industry Data for New Health Care Building Construction (PCU236224236224) to make this change. Prior to 2024, the CN program used the Gordian Group's Construction Cost Data-Historical Cost Index-RS Means to make this change because the United States Department of Commerce Composite Construction Cost Index identified in WAC 246-310-900 is no longer published. In an effort to use publicly available, non-proprietary information, the department will make future adjustments using the PPI cost index.

If you have questions, contact the CN program at (360) 236-2955 or cn@doh.wa.gov.