

WAC 388-835-0655 Are management fees involving a related organization allowable costs? (1) A management fee paid to or for the benefit of a related organization is allowable if it does not exceed the lesser of:

(a) The limits set out in WAC 388-835-0400; or

(b) The lower of the related organization's actual cost of providing necessary resident care and training services under the management agreement or the cost of comparable services purchased in an arm's length transaction elsewhere.

(2) If related organization costs are joint facility costs, their measurement must comply with the requirements of WAC 388-835-0400.

[Statutory Authority: RCW 71A.20.140. WSR 01-10-013, § 388-835-0655, filed 4/20/01, effective 5/21/01.]