

From: Ed Quinton [fairvalue@earthlink.net]  
Sent: Friday, October 17, 2008 10:27 AM  
To: Kinkle, Sherrie  
Subject: Economic Lives-AH581

Sherrie:

In reviewing the proposed economic lives I noted that the life for "hospital" equipment and furnishings is 12 years. This life does not reflect the fact that hospital equipment costs are approximately 80% High Tech diagnostic equipment which should take a 6 year economic life. The American Hospital Association economic life tables reflect the faster deterioration of hospital equipment along with the demands of the public for better and most current health care delivery.

Technology in hospital equipment is changing so rapidly that the economic lives of the equipment decreases very rapidly.

In addition, you have set the economic life of "hospital" the same as "office furniture and equipment". The use of the more mundane equipment such as hospital beds certainly get more abuse and use than hotel and motel furnishings which you assign a life of 8 years.

Hospital equipment should be separate into several categories: Medical Equipment(Non-Technical); Office Furniture and Equipment(Administrative Offices); High Tech Medical Equipment(Diagnostic Equipment)

I also noted that there are no tables for Bio-Pharmaceutical companies. There have been many assessment appeals on this class of property that reflect a much lower economic life and they have many similar pieces of equipment found in hospitals.

I would like to attend the interested parties meeting on November 5, 2008 since the establishment of economic lives for this class of property is a very important matter and has far reaching effects.

Regards:

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